

## Congressional Closeup by William Jones

### **Bipartisanship on space, victim of budget-gouging**

House Science Committee Chairman Robert Walker (R-Pa.) withdrew his bill for multi-year authorization of Space Station Freedom, after the House Budget Committee, chaired by John Kasich (R-Ohio), in mid-May proposed a \$2 billion cut in the NASA budget over the next seven years, on top of the \$5 billion cut outlined by the Clinton administration.

The purpose of the multi-year authorization was to end the yearly fight against attempts to cancel the station, and authorize it to completion in the year 2002. For years, congressmen from both parties on the committee have wanted a multi-year authorization bill for NASA's space budget to prevent the Appropriations Committee from canceling programs deemed necessary by the authorizing committee.

But, in the context of the Kasich budget, committee Democrats balked. If the Space Station were to be protected for the next seven years while NASA's total budget is declining, the authorizing committee would have no choice but to eliminate other NASA programs and would have no ability to change priorities.

Rather than attack the budget-cutting lunacy, when asked what good the space station would be, for example, if the Space Shuttle weren't fully funded, Walker's press spokesman told *21st Century Science & Technology* magazine that their budget took care of that, because the Shuttle would be privatized! (Plans in the Reagan-Bush administration to privatize the Shuttle failed badly.)

In a statement after Walker withdrew his bill, George Brown (Calif.), the ranking Democrat on the committee, stated, "The Republican budget calls into question the possibility of achieving any reasonable balance

among NASA programs," and "in light of the Republican budgetary plan . . . I do not believe that, at this point, there will be strong bipartisan support for a station-only authorization bill."

### **'Firewall' between banks, speculators would end**

In a 29-8 vote on May 9, the House Banking Committee approved a bill that would relax current legislation restricting commercial banks to activities that are "closely related to banking," and would instead allow banks to offer a wider range of services that are "financial in nature." The bill would effectively repeal the 1933 Glass-Steagall Act, which maintained a strict separation between commercial banks and the more risky activities of investment banks and other financial institutions, and prohibited mixing the two activities in a single corporate entity.

If the new legislation becomes law, commercial banks will be allowed to underwrite corporate and municipal securities; provide data services; conduct management consulting; and provide leasing, real estate, and even travel services. In order to allay the many fears engendered by the bill, the legislation claims to provide "firewalls" within a bank in order to protect deposits that are federally insured, by requiring that a separate subsidiary be established to undertake the other business.

The bill, fashioned by House Banking Committee Chairman Jim Leach (R-Iowa), would also transfer many of the bank regulatory powers now held by the Federal Deposit Insurance Corp. and the Comptroller of the Currency, to the Federal Reserve Board, significantly enhancing the powers of that body.

Even more sweeping legislation has been prepared in the Senate Banking Committee, although hearings have not yet been scheduled. Senate Banking Chairman Alfonse D'Amato (R-N.Y.) is reportedly waiting to see the fate of the legislation in the House before moving forward. A spate of amendments is expected to be offered when it reaches the floor.

### **Ethics panel stalled on charges against Newt**

The House Committee on Standards of Official Conduct has stalled over the multiple charges against House Speaker Newt Gingrich (R-Ga.). Nancy J. Johnson (R-Conn.) raised the possibility of a deadlock between the five Democrats and five Republicans on the committee. "It's been tough going," Johnson said. The committee plans to accelerate its schedule to two meetings a week, but still will not have decided whether to appoint a special counsel or take other options by the Memorial Day recess.

Meanwhile, Gingrich snubbed the committee by announcing that he would submit an 80,000-word manuscript to his publisher, even though the committee had not yet acted on his request for approval of his book deal. The deal was the matter that led to charges of undue royalties because of Gingrich's position as Speaker of the House. Amid the furor, Gingrich resigned in May as chairman of GOPAC.

On May 15, House Minority Whip David Bonior (D-Mich.) raised another complaint over Gingrich's attempt to create publicity for GOPAC from the floor of the House, including repeating the group's telephone number. "It's part of the interlinking of Mr. Gingrich's empire, the commingling

of taxpayers' funds for his own political purposes," Bonior said on May 15.

## **Waco hearings spark bickering among GOPers**

Two key Republican members of the Senate Judiciary Committee traded barbs over the "feasibility" of holding hearings on the actions of federal law enforcement agencies in the attack on the Branch Davidian compound in Waco, Texas, and the killing of the wife of separatist Randy Weaver in an attack on Weaver's home in Ruby Ridge, Idaho.

Arlen Specter (R-Pa.), chairman of a Senate Judiciary subcommittee, who also served on the Warren Commission which covered up the assassination of President John Kennedy, had recently announced that he would soon hold hearings to investigate the activities of the government agencies in the two cases.

Senate Judiciary Committee Chairman Orrin Hatch (R-Utah) sent a sharply worded letter to Specter on May 9, insisting that any hearings on the incidents should be delayed because of the bombing of the federal building in Oklahoma City. Hatch also insisted that the full Judiciary Committee, not Specter's subcommittee, had jurisdiction over the matter. When Specter then took his case to the floor of the Senate, Hatch accused Specter of a "hurried plan" to hold hearings, claiming that to do it so soon after Oklahoma City "will only further erode public confidence in government by reinforcing the stereotype that members of Congress are merely short-sighted political opportunists."

On May 11, Specter succeeded in getting passed a sense of the Senate resolution that called for hearings by Aug. 4 to investigate the conduct of

the FBI and Bureau of Alcohol, Tobacco, and Firearms in the two cases. "If there is any causal connection, however slight or however tenuous, between the incident at Waco and the Oklahoma City bombing," Specter said, "I suggest it is our duty to proceed to clear the air to the maximum extent possible and to demonstrate that ranking public officials at whatever level will be held accountable." Hatch attempted to have the vote reconsidered. Failing that, Hatch then agreed to the hearings, saying that he would proceed with them "as expeditiously as we can."

On the House side, Speaker Newt Gingrich (R-Ga.) has said that he intends to hold hearings on Waco and Ruby Ridge by August.

## **Democrats warn against cuts in Medicaid**

Medicaid cuts will double the number of Americans without health insurance, if the Republican budget proposal is adopted, Rep. Henry Waxman (D-Calif.) told a forum sponsored by the Members Coalition on Medicare and Medicaid on May 15 on Capitol Hill. "In addition to the 30 million Americans who will lose their coverage under Medicaid cuts," Waxman said, "10 million elderly will lose coverage for long-term care if Medicare is cut."

Waxman said that the Republicans are limiting the rate at which federal spending in Medicare and Medicaid programs can grow, but "they are not limiting the growth of the numbers of poor and elderly who need care."

Rep. Pete Stark (D-Calif.) claimed that the difference between the Republican budget plan and the Democratic plan is that "we took our \$168 billion in cuts and reinvested it

in the health care system. If you don't do this, you close down medical schools and disproportionate care hospitals," i.e., those that handle the poorest patients. "If you give system cuts to the richest taxpayers," he said, "you threaten the entire health care system." Instead of cuts, the health care system "needs to become better. It needs to provide health care to every single American."

## **Gingrich's confederates irate over snub to Brits**

Rep. Doug Bereuter (R-Neb.) popped his top on May 15, in remarks inserted into the *Congressional Record*, over "two actions" of President Clinton that, Bereuter lamented, have "frayed the strong ties binding the United States with Great Britain, our staunchest ally in western Europe."

First, he said, the Clinton administration granted visas to members of the Irish Republican Army, and then invited IRA leader Gerry Adams to the White House, a move that disturbed the British—who had to be dragged to the negotiating table after their decades-long martial law rule in Northern Ireland.

The most recent slight, Bereuter said, "occurred during the 50th anniversary of the Allied Victory in Europe," referring to President Clinton's trip to Moscow. "President Clinton's decision not to participate in the English and French V-E Day ceremonies was a shabby way to acknowledge those allies that did so much not only to halt Nazi aggression but to protect the free world during the Cold War era," Bereuter whined. President Clinton and most of the other world leaders participated in the V-E Day celebrations together with Russian President Boris Yeltsin.