#### Congressional Closeup by Carl Osgood

## Ethics panel chairman responds to criticism

On Aug. 2, Nancy Johnson (R-Conn.), chairman of the House ethics panel, reported on the ongoing investigation of House Speaker Newt Gingrich (R-Ga.). In remarks on the floor, she said she was "authorized to report that the committee continues to work on the issues before it. I would like to say for myself that the committee has traditionally not come to the floor of the House for instruction, as that would undermine the bipartisan foundation of our decisionmaking process, which protects every member of this body from partisanship."

Johnson's statement was in reply to ranking ethics minority member Jim McDermott (D-Wash.), who on July 15 called on the panel to report on the status of the investigation to the whole House. The following day, Peter King (R-N.Y.) filed an ethics complaint against McDermott for conflict of interest and for violating ethics rules by discussing the panel's business with reporters. The panel dismissed King's complaint on July 24 as groundless, less than 24 hours after taking it up.

# Minimum wage, health insurance reform pass

Two of the most contentious pieces of legislation of the year were cleared for President Clinton's signature just before Congress adjourned for its summer recess on Aug. 2. Conference reports on the minimum wage bill, and the health insurance reform, sponsored by Sens. Edward Kennedy (D-Mass.) and Nancy Kassebaum (R-Kan.), passed both Houses by wide margins.

The Kennedy-Kassebaum bill went to conference after Kennedy and House Ways and Means Committee

Chairman Bill Archer (R-Tex.) agreed on a pilot program for medical savings accounts limited to 600,000 participants (to increase to 750,000 in 1999). The other main provisions of the bill allow workers to retain their health insurance coverage if they change jobs, and prohibit insurance companies from denying coverage on the basis of a pre-existing condition.

Kennedy admitted that the bill is limited, and only covers those working people who currently have health insurance. However, he said, "it is an important first step on the road to further reform." The bill passed unanimously in the Senate and by a vote of 421-2 in the House.

The minimum wage bill, with its associated small business tax reform provisions, passed the Senate by a vote of 76-22, and the House by 354-72. The bill raises the minimum wage to \$4.75 on Oct. 1, 1996, and to \$5.15 on Sept. 1, 1997.

### Compensatory time bill clears House

The House passed, on a party line vote of 225-195 on July 30, a major change to the overtime laws that would allow employers to offer compensatory time in lieu of overtime pay. Proponents of the bill claimed such a provision is necessary to enable working families to spend more time together, and although the bill contains some safeguards to prevent employers from coercing employees to take comp time instead of overtime pay, opponents said these safeguards were not enough.

Bill Clay (D-Mo.) said the bill "will provide an excuse to undermine the living standards of working families. . . . The Republican majority . . . claims it seeks to provide workers with

the opportunity to take paid time off instead of being paid for overtime work, but in return, all paid overtime could possibly be eliminated." Clay also attacked a provision that would allow employers to defer payment of overtime wages for up to one year.

Robert Andrews (D-Me.) argued that, under the bill, an employer can systematically deny overtime to an employee who chooses cash compensation, in favor of an employee who chooses comp time. "I do not think this is a truly voluntary choice," he said, "and I think an employee who exercises his or her right to choose cash rather than comp time would not be able to achieve an effective remedy if the employer wanted to punish him or her for making that choice."

Just before the vote, the Republicans offered an amendment, subsequently passed, to, as Cass Ballenger (R-N.C.) put it, "ensure that the choice of comp time is truly the employee's choice." Clay replied that, even as amended, the bill "continues to undermine family income," and that the amendment was "a day late and a dollar short."

## Anti-terror bill said to lack key provisions

The House passed the Aviation Security and Anti-Terrorism Act by a vote of 389-22 on Aug. 2. The bill was supposed to strengthen anti-terrorism legislation passed last April, but lacked two key provisions requested by the Clinton administration—expansion of wiretap authority for terrorism investigations, and the chemical tagging of black-powder explosives.

Criticism of the bill centered around the missing provisions. Last April, the wiretap provisions were struck by an amendment sponsored by

68 National EIR August 16, 1996

Bob Barr (R-Ga.), who seemed concerned about violations of civil rights from abuses of expanded wiretap authority, but not about the implications for death penalty cases from the *habeas corpus* reform also contained in the bill.

The expanded authority, known as "multipoint" wiretapping, is already available to the FBI for organized crime investigations, but not for terrorism. Republicans and Democrats were unhappy with the bill, but it passed overwhelmingly because, as Steny Hoyer (D-Md.) put it, "it does no harm."

House Speaker Newt Gingrich (R-Ga.) came up with an amazing rationale for denying the administration expanded wiretap authority. He claimed that the FBI's mishandling of files requested by the White House for background investigations "was a major factor in stopping us from being able to give them the wiretap authority they seek." Because of that mishandling, "it's very hard to justify giving that agency more power," he said.

## Ashcroft in new attack on U.S. Constitution

Sen. John Ashcroft (R-Mo.), with Virginia Gov. George Allen (R) at his side at a press conference on July 31, announced the Conservative Revolution's latest attack on the Constitution, a proposal by which states could initiate proposed amendments to the Constitution.

Ashcroft's proposal would set up a parallel path by which a proposed amendment could be brought forth by two-thirds of the state legislatures and presented to Congress. If two-thirds of Congress failed to vote against the proposed amendment, it would go back to the states for ratification by three-fourths of them.

Ashcroft and Allen said that this is required because of the failure to pass the balanced-budget and term-limits amendments. Under the current procedure for amending the Constitution, he said, "we have an exclusive right to refer constitutional amendments for ratification resident in the Congress. It becomes a choke point or a bottleneck, and what gets choked up most frequently is any amendment which might affect the power of the federal government and the power of the United States Congress."

Ashcroft and Allen have written the Republican Platform Committee, chaired by Rep. Henry Hyde (R-Ill.), asking that the proposal be included in the platform being drafted for the GOP convention in San Diego.

Ashcroft didn't advertise his proposal as a way to make amending the Constitution easier, but as "therapy" to change the behavior of Congress. "Recognizing," he said, "that there was a parallel path available to the states for specific amendment initiation, I think the Congress would be far more responsive. So there are some respects in which the enactment of this potential might relieve some of the need for the potential itself because it would be far easier to pass amendments and to propose them and move them through the Congress than to move them separately through twothirds of the state legislatures."

# Gramm ignores drug money laundering

Sen. Phil Gramm (R-Tex.) focused on locking up individual users of illegal drugs, while ignoring the big drug players, and banks, involved in drug money laundering, in testimony to the Senate Finance Committee on July 30.

Gramm even claimed that drug seizures only increase the street price of drugs, thereby increasing the incentives to traffic. "We need to do something about demand!" he said. Gramm's partner on the panel, Budget Committee Chairman Pete Domenici (R-N. M.), at least paid lip service to the importance of combatting drug money laundering, the ostensible subject of the hearing.

Gramm bragged about his amendment to the welfare reform bill to deny welfare benefits to drug addicts. "We're going to continue to lose this war if we don't treat users of drugs as criminals," he said, while complaining about underfunding of the Border Patrol and corruption in Mexico. "If we reduce consumption," he said, "price and profit will go down and so will incentive."

Later in the hearing, Al D'Amato (R-N.Y.) angrily scolded Jonathon Winer, deputy assistant secretary of state for International Narcotics and Law Enforcement, for defending the Mexican government's level of cooperation with the United States in fighting drugs. D'Amato said it was "unacceptable" to compare Mexico with Russia, as Winer did during his testimony. He complained about Mexican drug traffickers "who have killed our own agents and we can't get them extradited," referring to the fact that Mexico has granted only one out of 99 extradition requests for drug traffickers wanted in the United States. He added that Mexico "is being taken over by the drug cartel, our borders are being penetrated and to tell us we have to be patient is nonsense!" He said to Winer, "You should be saying they're not cooperating."

Charles Grassley (R-Iowa), who presided over the hearing, added that "granting extradition requests would be a minimal sign of good faith on the part of the Mexican government."

69