

Congressional Closeup by Carl Osgood

Reform of Bankruptcy Code Passes, Faces Veto

On Dec. 7, the Senate passed the Bankruptcy Reform bill by a vote of 70-28. The bill makes Chapter 7 bankruptcy more difficult, and will force more individuals into Chapter 13, which requires the debtor to come up with a plan to pay off at least a portion of his debt. The bill was passed through the unusual procedure of substituting the text for that of an already-passed State Department Authorization bill in conference committee, a procedure some Democrats vociferously objected to. The House approved the bill, and implicitly, the process, by a voice vote on Oct. 11, but it was held up in the Senate by a filibuster.

The large margin of passage in the Senate did not prevent the bill's opponents from speaking out strongly against it. Paul Wellstone (D-Minn.), who has led an often lonely crusade against the reform, called the bill "significantly worse" than a version which passed the Senate earlier. He pointed out that not a single civil rights, labor, consumer, or women's organization supported it.

Richard Durbin (D-Ill.) conceded that the bill helps women and children with respect to child support and alimony payments, but said that "it also improves the position of credit card companies, competing with the women and children for limited funds." Durbin said that the bill "was written by a conference committee dominated by one party. It is being shoved down our throats."

While the vote in the Senate was veto-proof, the fate of the bill remains unclear in the face of a White House veto threat. Senate Majority Leader Trent Lott (R-Miss.) indicated on Dec. 12, that he would like the Senate to have the opportunity to override the veto, but he couldn't say whether the Senate schedule will allow for such consideration.

Budget Deal May Finally Close Out 106th Congress

On Dec. 12, White House and Congressional leaders reached an agreement centering on the appropriations bill funding the Labor, Health and Human Services, and Education Departments, indicating that the fractious 106th Congress may finally come to an end. The expectation was that the bill would be acted upon by Dec. 15.

The deal would fund those three departments at a level of \$108.9 billion, \$4 billion less than last month's agreement, but still \$14 billion more than last year. The agreement would also include an across the board 0.2% cut, including in the Defense Department, to generate another \$1 billion in spending reduction toward the Republicans' goal of \$5 billion in cuts.

As part of the deal, the GOP substantially dropped its tax-cut package, and the Democrats gave up on the Occupational Safety and Health Administration's new ergonomic rules and amnesty for illegal aliens from some Central American countries.

Not everybody was happy with the deal, but GOP leaders were confident that it would be passed and signed into law. Senate Majority Leader Trent Lott (R-Miss.) told reporters on Dec. 12 that "it's in the realm" that most GOP senators can accept.

GOP conservatives, however, complained that the bill still spends too much money. Rep. Pat Toomey (R-Pa.) said, "I think a lot of conservatives are going to have trouble with this." Not commenting was House Majority Whip Tom DeLay (R-Tex.), who had been pushing for a year-long continuing resolution at last year's budget levels, which Democrats have been vehemently opposed to. He dared Clinton, "If he wants to shut the government down, that's his problem,

not ours." However, DeLay's confrontational approach was not accepted in the Senate, by Democrats or Republicans.

Senate Ignores Free Market In Natural Gas Price Rise

On Dec. 12, the Senate Energy and Natural Resources Committee held a hearing on skyrocketing natural gas prices without ever considering the real reasons, primarily speculation, why prices have gone so high. GOP members of the committee called for a national policy on energy, but could only offer up tax cuts for the industry and criticisms of the environmentalist lobby for closing access to Federal lands. The half-dozen senators who spoke at the hearings, all from gas- and coal-exporting Mountain states and Alaska, had a congenial discussion with two gas-industry lobbyists. No one asked any embarrassing questions about record profits or why they were unable to meet demand.

Energy Information Administration chief Mark Mazur showed projections from two months ago that forecast natural gas prices only 50% of where they are now. He claimed that the only short-term solution is to give the market another year or two to bring more production on line. This saved the lobbyists from answering any uncomfortable questions about why the industry can't deliver gas supplies to people who need them.

While most speakers suggested that environmental restrictions on coal be eased, no one advocated nuclear energy. Committee Chairman Frank Murkowski (R-Alaska) mentioned that California's Stage III electricity emergency was lifted when a nuclear plant went back into operation, but otherwise claimed that nuclear energy providers can't handle their waste problems.