

Congressional Closeup by Carl Osgood

Measures Passed To Deal With National Emergency

On Sept. 14, the House and the Senate finalized action on a \$40 billion supplemental appropriations bill that will provide funding for dealing with the aftermath of the attacks on the World Trade Center and the Pentagon on Sept. 11. It had started out the day before as a \$20 billion bill, but was doubled overnight in negotiations between the White House and Congressional leaders.

The bill makes available \$10 billion immediately for the President to spend as he sees necessary, and another \$10 billion available 15 days after the Office of Management and Budget proposes a plan for how it should be spent. The other \$20 billion would be available solely for disaster recovery in New York, Virginia, and Pennsylvania. It fulfills a commitment made by President George Bush to the Congressional delegations from those states. The bill passed unanimously in both Houses.

Immediately after action on the funding bill, both Houses moved to a resolution to authorize President Bush to use force once the perpetrators of the Sept. 11 attacks have been identified. It includes language bringing the resolution into compliance with the 1973 War Powers Resolution. The primary purpose of the resolution, as explained by Senate Armed Services Committee Chairman Carl Levin (D-Mich.), is to "send a strong message of unity behind the President to our fellow citizens, to the international community, and to those connected with these terrorist acts and those who might be considering" such acts.

The resolution passed unanimously in the Senate and by a vote of 402-1 in the House. The one vote against was by Barbara Lee (D-Calif.), who told the House, "I am convinced

that military action will not prevent further acts of international terrorism against the United States." It was reported that Lee received a number of death threats linked to her vote, and the Capitol Police are now providing her with around-the-clock protection.

Bailout For Airlines Blocked In House

On Sept. 14, House Transportation and Infrastructure Committee Chairman Don Young (R-Ak.) asked for unanimous consent to bring to the floor a bill he had just introduced "to preserve the continued viability of the United States air transportation system." He said that the purpose of his bill is "to keep our U.S. air transportation system alive and able to serve its important functions for our country," in the aftermath of the several-day shutdown of the entire system that began on Sept. 11. The bill would provide \$12.5 billion in loans, credits, or guarantees, and \$2.5 billion in direct compensation for the costs associated with the shutdown. "The current crisis," Young said, "requires this action to preserve not only the financial viability of the airlines, but also to protect the general public welfare."

Several members immediately supported Young's bill. James Oberstar (D-Minn.), the ranking member on the Transportation Committee, explained that what Young was proposing was "to get an authorization in place so that when financial markets open . . . airline stocks do not tank and airlines do not go under and they shut down forever." Neil Abercrombie (D-Hi.) warned that Hawaii "is at risk of bankruptcy if there is not confidence in the people of this country being able to fly."

However, there were a lot of misgivings about bringing the bill out without any hearings on it. John LaFalce (D-N.Y.), the ranking member on the Financial Services Committee, warned, "We have to be very careful when we pass loan-guarantee legislation, that we establish conditionality." LaFalce referred to the International Monetary Fund to indicate what he meant by conditionality. David Obey (D-Wisc.) raised several questions, including what authority the Federal Reserve has in such situations. He complained that nobody in the Administration had any knowledge of the bill.

The bill was blocked when Lloyd Doggett (D-Tex.) objected to the unanimous consent request. He said that any bill that proposes to take \$15 billion out of Social Security should get a hearing because the taxpayers "are entitled to know a little more about it."

Given that airline stocks fell like a stone when the New York stock markets re-opened on Sept. 17, and the industry is hemorrhaging money, the House and Senate likely will consider a request from Transportation Secretary Norman Mineta for a package seeking \$24 billion in assistance for the airlines. Mineta met with the heads of the airlines on Sept. 18, and they endorsed his plan.

Intelligence Capabilities Are To Be Reexamined

Senate Intelligence Committee Chairman Bob Graham (D-Fla.) said, during a Sept. 16 appearance on ABC News' "This Week," that the terrorist attacks on the World Trade Center and the Pentagon were "clearly" the result of an intelligence failure. "Who precisely or what institution or what failure of

resources or others was responsible is something we will have to know later," he said. He promised that his committee will be introducing legislation that will deal with a number of issues, "including the fact that we need to have someone in charge of the U.S. Federal government's responsibility for terrorism." He described this person as "someone who has the ability to establish a national program, allocate resources, and be held accountable for our response against terrorism."

He also endorsed Clinton-era regulations that prohibit the CIA from employing people with "suspect backgrounds." He said, "If you are going to get someone who has the capability of getting close to one of these terrorist cells, you are not likely to start looking in a monastery to find them. They are going to be people who have had some prior association and have probably had some prior involvement in the activities of those cells." He endorsed ending the restriction against assassinations.

Sen. Richard Shelby (R-Ala.), on CBS News' "Face the Nation," called for a complete restructuring of the intelligence system. Money will be important in that, he said, "but money alone will not do it." Shelby criticized CIA Director George Tenet. "This was a massive intelligence failure," he said. "It happened on his watch."

Ashcroft Asks For New Investigatory Authority

On Sept. 17, Attorney General John Ashcroft announced what he will be asking for in terms of new investigatory authority in the aftermath of the Sept. 11 attacks on the World Trade Center and the Pentagon. "We want to provide additional tools to collect

intelligence on terrorists, including expanded electronic surveillance, search authority, and the ability to identify, seize, and forfeit terrorist assets," he said.

Ashcroft said that the Department of Justice (DOJ) is asking for two specific changes. One would allow Federal investigators to "wire-tap an individual," as opposed to current law which only allows wire taps on specified phone numbers. This, he explained, would allow investigators to track individuals who change phones. The second would "change the law so that one wire-tap approval can be obtained for all jurisdictions working on an investigation."

Ashcroft said that he wants to target money laundering, as well. "It is important," he said, "to have an understanding in our laws of the result of offering financial support to a terrorist." He said that this would "not only give us the ability to adequately punish those who assist terrorists, but also move toward dismantling the infrastructure of terrorist organizations."

It's unlikely that Congress will give Ashcroft the changes as fast as he would like. House Rules Committee Chairman David Dreier (R-Calif.) said that "any legislation that the Attorney General sends up we will look at very carefully and move as quickly as possible." But Senate Judiciary Committee Chairman Pat Leahy (D-Vt.) said that Congress should not move too quickly. "Just as the military would not rush into military action knowing they could make mistakes, we won't rush and make mistakes in the legal war against terrorism," he said.

Ashcroft's targetting of money laundering, however, is getting significant support. On Fox News Sunday on Sept. 16, House Financial Services Committee Chairman Michael Oxley

(R-Ohio) said that his committee is interested in looking at the role that money laundering plays in supporting terrorism. Sen. John McCain (R-Ariz.) indicated support for targetting money laundering, and named places, such as the Cayman Islands, that are well-known havens for drug money.

Financial Markets Cause For Worry

On Sept. 13, Michael Oxley (R-Ohio) and John LaFalce (D-N.Y.), the chairman and ranking member, respectively, of the House Financial Services Committee, told reporters, after they were briefed by Bush Administration officials, "Our markets are the best in the world and are stronger than any terrorist attack" and that the "terrorists have failed in their aim to weaken the American economy." Oxley said that the regulators had indicated to them that they expected a "fairly calm marketplace" and were encouraged by the stability of the bond markets which had re-opened that day.

However, Oxley's confidence was not quite mirrored by House leaders. Speaker Dennis Hastert (R-Ill.) indicated on Fox News Sunday on Sept. 16 that the House leadership is hoping to have further discussions, soon, on a stimulus for the financial markets. "We just need to get some confidence in the American people that the stock market is going to go through this, that our economy can sustain this," he said. He couldn't say what the package might consist of, although he referred to cutting the capital gains tax and investment tax credits as possible elements. Minority Leader Richard Gephardt (D-Mo.), appearing with Hastert, would only say, "We've got to look at everything anew."