

## Congressional Closeup by Carl Osgood

### Energy Bill Hung Up On Alaska Drilling Issue

Negotiators working on a compromise energy bill expressed optimism that progress was being made, but the whole effort can still die on the issue of oil drilling in the Alaska National Wildlife Refuge. That is the not-so-veiled message that came from both sides, on Sept. 19 and 24. Republicans, in particular, are putting the issue within the context of a likely war with Iraq, claiming that oil from the ANWR can replace the 600,000 barrels per day the United States is currently importing from Iraq. Sen. Frank Murkowski (R-Ak.) told reporters on Sept. 19 that OPEC's decision, that day, not to increase production, also increases the pressure for drilling in ANWR.

On the other side, Senate Energy and Natural Resources Committee Chairman Jeff Bingaman told the U.S. Chamber of Commerce on Sept. 24, that the Senate position is to stimulate drilling in other, less controversial areas, including Alaska's North Slope, where oil is already under development. The House bill includes a provision for drilling in ANWR, but the Senate voted down a similar provision last Spring.

Another issue that could cause problems is electricity. The electricity title in the Senate bill completes the job of deregulation, by repealing the 1935 Public Utility Holding Company Act, and papers that fact over by establishing standards for pricing, distribution, energy source diversity, and fuel efficiency. It also encourages the development of regional transmission organizations. The House-passed bill does not address electricity, but House Energy and Commerce Committee Chairman Billy Tauzin (R-La.) indicated on Sept. 24, that the House negotiators had submitted a proposal on that, to the conference committee. He

said its goal is to encourage the construction of new power plants and increase capacity of the transmission system.

### Some Raise Doubts Over Bush's War Resolution

The doubts swirling around President Bush's Iraq policy intensified on Sept. 19, when his proposed war resolution arrived on Capitol Hill. While the war party welcomed the language giving Bush the authority to use "all means that he determines to be appropriate" in dealing with "the Iraq problem," others are warning that what Bush is demanding is a threat to the Constitution. Senate Minority Leader Trent Lott (R-Miss.) told reporters on Sept. 20, "I'm perfectly happy with the language." Majority Leader Tom Daschle (D-S.D.) was not much less enthusiastic. He said that "there is absolutely no difference of opinion with regard to the threat that Saddam Hussein poses and the need to address that threat in multiple ways." He noted, however, that some Democrats want to make changes in the wording that would narrow, at least to some extent, the broad authority that Bush wants.

At the same time, the voices of outright opposition, if they have not become more numerous, have become louder. A caucus of some 20 Democrats has emerged in the House, led by Representatives Dennis Kucinich (D-Ohio) and Jim McDermott (D-Wash.). Rep. Lynn Woolsey (D-Cal.), a member of this group, warned the House on Sept. 18, "America's greatest asset is our moral authority, not our military power. Attacking a sovereign country, unprovoked, forfeits that authority completely." House Minority Whip Nancy Pelosi (D-Calif.) is among

those working on alternative language, along with Ike Skelton (D-Mo.) and John Spratt (D-S.C.).

On the Senate side, both Russell Feingold (D-Wisc.) and Robert Byrd (D-W.Va.) have spoken out strongly against the resolution. Feingold said that it "appears to actually authorize the President to do anything, anywhere in the Middle East." Byrd took to the floor of the Senate on Sept. 20 to complain that Bush has yet to offer solid evidence, and that rather than using the forum of the UN to offer evidence and proof of his claims, he "tried to play international prosecutor." He warned that Congress "must not hand this administration or any other administration a blank check for military action." He then put forward a series of questions, including how much would a war cost, who would pay for it, what would be the civilian toll, and would the United States use nuclear weapons.

### Appropriations Still Frozen in Gridlock

Intransigence and immobilism continues to be the order of the day on both sides of Capitol Hill, especially in the appropriations process. The House has not acted on any more of the 13 annual spending bills since Congress returned from its August recess, and the Senate has not been able to come to a resolution on the Interior Department Appropriations bill, even after three weeks of debate. The House blames the Senate for the gridlock, and Senate Democrats blame the White House for not being willing to raise the discretionary spending ceiling beyond the \$758 billion decreed by Office of Management and Budget Director Mitch Daniels.

With attention focused on the “high-profile” issues of Iraq and homeland security, there seems to be very little interest in solving the problem, in spite of a looming \$157 billion deficit for fiscal 2002 and, likely, a much larger one for 2003. Various suggestions have been floated for either a long-term continuing resolution—to as far as February 2003—or a lame duck session after the November election.

The odyssey of the Interior bill is indicative of where the whole process has gone. Senate Appropriations Committee Chairman Robert Byrd (D-W.Va.) proposed an amendment to the bill to provide funding to cover the costs of fighting forest fires in the western states. Byrd and other Democrats complained that the GOP was holding up the amendment, and a cloture vote failed, 50 to 49, on Sept. 17. “The reason we’ve not been able to reach agreement,” said Senate Majority Leader Tom Daschle (D-S.D.), “is simply because most of our Republican colleagues will not agree that there has to be some minimal environmental sensitivity, here.”

## **Airlines Blame Security, Insurance Costs for Woes**

On Sept. 24, four major airline CEOs were among the witnesses who testified before the House Aviation Subcommittee on the financial condition of the airline industry. Delta Airlines CEO Leo Mullin told the subcommittee that “our industry’s viability is seriously in question, and the industry’s capacity to perform its expected role is in jeopardy.” He and the others blamed the industry’s collapse, in part, on increased security and insurance costs in the aftermath of the Sept. 11, 2001

attacks. Among other measures, the industry is asking Congress for relief from the aviation security act, passed last year, and for terrorism risk insurance for at least one year. “We ask for that help,” Mullin said, “because aviation is key to our nation’s economic health.”

The impact on the industry of a possible war with Iraq also raised concerns. Subcommittee Chairman John Mica (R-Fla.) warned that such a war could “dramatically spike aviation fuel prices that, in fact, could substantially impact the already bleak bottom line” of the industry’s balance sheet. Joseph Leonard, CEO of AirTran Airways, suggested that in the case of war, the loan guarantee program should be reopened, which Mica agreed “is something we should look at.”

While the airline chiefs and most members of the subcommittee discussed the industry’s problems in the context of “market conditions,” Rep. Peter Defazio (R-Ore.) had a different view. “I think what we’re confronted with here,” he said, “is the ultimate failure of the promise of deregulation.” He said the longer-term and structural problems of the industry raise the question “of whether or not we’re going to continue to have a system of universal air service.”

## **Labor Rights Stalls Homeland Security Bill**

Senators Phil Gramm (R-Tex.) and Zell Miller (D-Ga.) unveiled a compromise on labor rights that they expect will break the logjam bogging down the Homeland Security bill. The compromise would maintain the President’s authority to exempt workers from labor rights laws, but would add notification requirements for both

workers and the Congress. Gramm, in presenting the proposal, declared, “The President has got to have the power, in defending our homeland and defending our people, to put the right person in the right place at the right time.” He accused the Democrats of trying to take away power that every President has had since Jimmy Carter. Miller added, “Choosing to fixate on workplace procedures, choosing to fixate on rules and guidelines, unfortunately, says a great deal about our choice of priorities.” President Bush, in an effort to get the process moving again, offered his immediate support for the Gramm-Miller proposal.

Meanwhile, Senate Appropriations Committee Chairman Robert Byrd (D-W.Va.) successfully continued his efforts to drag out the debate as long as possible. On Sept. 18, he introduced a substitute amendment that would create the top-level bureaucracy of the new department, but require additional legislation to transfer the agencies. He told the Senate that his amendment would give Congress “additional opportunities to work through details about worker protections, civil liberties, privacy, secrecy, and which agencies and functions should be transferred to the new department.” He said it would also “give Congress the opportunity to gauge and modify how the new department is being implemented, while it drafts legislation to transfer additional functions and agencies.”

Senate Governmental Affairs Committee Chairman Joe Lieberman (D-Conn.) immediately rose to oppose Byrd’s amendment. He said that adoption of Byrd’s proposal would “eviscerate” his bill and take out of it, most of the work his committee has put in.

Lieberman prevailed, in the end, when Byrd’s amendment was defeated on Sept. 24 by a 70 to 28 vote.