

## Congressional Closeup by Carl Osgood

### **E**conomic Stimulus Debate Opens Partisan Fissures

On Oct. 24, the House took up what GOP leaders insisted was an economic stimulus bill, and immediately shattered the carefully cultivated show of bipartisan unity that was put in place after Sept. 11.

The bill focusses entirely on tax cuts, and includes among its provisions the repeal of the corporate alternative minimum tax (AMT), retroactive to 1986. The bill accelerates the reduction of individual tax rates that was passed earlier this year, and it extends a number of provisions that were set to expire this year. The bill also provides refunds to certain low-income taxpayers who were not eligible for the first round of rebates, and provides additional money for block grants to states to extend health insurance benefits to the unemployed. The entire package, which passed by a narrow vote of 216-214, is designed more to prop up the stock market than it is to actually stimulate the economy.

Democrats justifiably ridiculed the bill. Martin Frost (D-Tex.) said that it "is so partisan, so unfair to laid-off workers, and so fiscally irresponsible that there is little doubt about the harm it would do to the economy, to Social Security and Medicare, and to public health and other homeland security problems."

House Ways and Means Committee Chairman Bill Thomas (R-Calif.) didn't deny that the bulk of the bill's benefits go to large corporations. Instead, he claimed that these corporations need the tax breaks because they are "job-creation machines." Jim McDermott (D-Wash.) replied that these corporations "are not job-creating machines. They are money-making machines for stockholders," and suggested that the money these companies get back in the AMT tax rebate is likely to go out in the form of dividends to stockholders.

The Senate is still crafting a stimulus bill, and where the negotiations with Republicans and the White House will go on that remains to be seen. On Oct. 30, Majority Leader Tom Daschle (D-S.D.) vowed that "there can be no economic stimulus unless there is assistance for the unemployed, unless there is help for those who have no health insurance. We will not even consider a bill unless it has those components."

### **H**ouse Prepares To Vote On Aviation Security

The House leadership is preparing to bring its own aviation security bill to the floor, but amid signals that it may not have the votes to beat a Senate-passed bill that Federalizes the passenger- and baggage-screening process. The Senate bill passed on Oct. 11 by a vote of 100-0. The House bill, sponsored by Transportation and Infrastructure Committee Chairman Don Young (R-Ak.), would strengthen Federal oversight of security companies that provide airport screeners, but would leave the workforce in the private sector.

House GOP leaders have been adamantly opposed to creating a new Federal workforce of 28,000 people, with civil service protections and likely union representation. The Bush Administration has declared in support of the GOP bill, but on Oct. 28 White House Chief of Staff Andrew Card said that if the Senate-passed bill were to make it to President George Bush's desk, he would sign it, because "he wants airline security."

The House GOP leadership is now in the position where that might happen, if they allow up-or-down votes on both versions. On Oct. 30, Majority Leader Dick Armey (R-Tex.) declared that the Young bill would prevail, but he acknowledged that the Senate bill

has a number of House Republican co-sponsors, including Greg Ganske (Iowa), who introduced the bill into the House, Lindsay Graham (S.C.), Chris Shays (Conn.), Charles Norwood (Ga.), Chris Smith (N.J.), and Tom Davis (Va.). Armey promised that Ganske and the Democrats, who also support the bill, will get a vote, but he and Majority Whip Tom DeLay (R-Tex.) have, in the past, shown a propensity for refusing to bring up legislation that they oppose and that might have the votes to pass anyway.

### **A**ppropriations Bills Get Through One Logjam

Republicans declared victory when the Senate confirmed four judicial nominees on Oct. 23. Republicans had successfully stalled appropriations bills, notably the Foreign Operations appropriations bill, for three weeks, before the nominations were taken up.

Judiciary Committee Chairman Pat Leahy (D-Vt.) complained that the Republicans were not very helpful in getting the nominees through the committee. He described how he held an ad hoc hearing on the four nominees on Oct. 4, in the office of Robert Byrd (D-W.V.), and only one GOP committee member showed up. (The committee used Byrd's office, because it was locked out of its own offices because of the anthrax contamination.)

Once the nominations were cleared, the GOP dropped its filibuster, and the Senate quickly passed the Foreign Operations appropriations bill on Oct. 24, and the Agriculture and Transportation bills on Oct. 25. Both Houses also passed a fourth continuing resolution to keep the government open until Nov. 16, although Sen. Ted Stevens (R-Ak.) had earlier warned that all the spending bills would have to be done by Nov. 6 if the Congress desires to adjourn by Nov. 16.