

Congressional Closeup by Carl Osgood

Kennedy seeks moratorium on bank mergers

On April 29, Rep. Joseph P. Kennedy II (D-Mass.) announced that he is asking for the General Accounting Office to carry out a study on the impact of bank mergers on community lending, fair housing enforcement, bank fees, and branch availability, all of which, he says, have been curtailed severely in many areas because of bank mega-mergers. In a letter to bank regulators, he has called for a moratorium on bank mergers until the GAO issues its report.

Kennedy said that he was going to ask a panel of bank regulators scheduled to appear before the House Banking Committee later that day, "for assurances on community lending, fair housing, and affordable bank services before any mergers are approved. If these bank regulators can't assure us that these criteria are being met, then they should not approve these mergers."

Kennedy also announced that he would be demanding that the banking services bill, H.R. 10, which is expected to come up in May, include life-line banking services, Community Reinvestment Act provisions for bank holding companies, and fair housing and anti-coercion provisions. "It's important that we recognize," he said, "that as these phenomena of these mega-mergers continue to grow in leaps and bounds, that we have a responsibility to make sure that, ultimately, the benefits of these mergers are not accruing to a few individuals who either own or manage the companies and work with these companies, but are in fact for the general good of the American people."

Rep. Maurice Hinchey (D-N.Y.) joined Kennedy in attacking rising bank fees and increasing banking concentration. He pointed out that the

Citibank/Travelers merger is illegal, but both the banks and the regulators are acting as if H.R. 10, which would legalize such mergers, had already been signed into law.

Hoekstra threatens Teamsters with contempt

Peter Hoekstra (R-Mich.), the chairman of the House Oversight and Investigations subcommittee of the Education and the Workforce Committee, on April 28 threatened the International Brotherhood of Teamsters with a contempt of Congress citation if the IBT refuses to comply with subpoenas issued by the subcommittee in its investigation of the 1996 Teamsters election.

Hoekstra and Charlie Norwood (R-Ga.) carefully distanced themselves from the issue of who should replace Ron Carey as Teamsters president. "What we want to see," Hoekstra said, "are clean candidates and a clean election. Who those candidates are doesn't concern us." Hoekstra complained that the IBT, which has been overseen by the Department of Justice since 1988, is refusing to comply with subpoenas issued by the subcommittee, and that the Federally appointed financial auditor, Marvin Levy, testified before the subcommittee only under compulsion. (Michael Cherkasky, the Federal official overseeing the Teamsters election, testified voluntarily.) Hoekstra said that Levy's refusal to testify voluntarily, and the IBT's refusal to comply with subpoenas for documents and audio tapes of IBT board meetings, is "part of a pattern of stonewalling. . . . It appears, that Levy is functioning more as a bookkeeper than as an auditor."

Hoekstra vowed that the subcommittee will continue "vigorous over-

sight" of those who are supposed to be monitoring the union; that the subcommittee will scrutinize all Federal money spent on the Teamsters' election; and, that the subcommittee will take all necessary steps to force compliance with its subpoenas. Hoekstra said he viewed a contempt of Congress citation as a last resort, but Norwood indicated a willingness to use it right away. A contempt of Congress citation requires convincing a majority of the House that the subcommittee needs the documents.

While Hoekstra and Norwood both insisted that they were concerned about the rank and file union members having a clean union, Hoekstra's anti-union profile, and the fact that his investigation overlaps other investigations targeting President Clinton and the Democratic Party, suggest otherwise.

Senate ratifies NATO expansion treaty

On April 30, the Senate approved the addition of Poland, Hungary, and the Czech Republic as members of the North Atlantic Treaty Organization, by a vote of 80-19. The vote followed four days of debate that primarily centered around costs of NATO expansion and how Russia would react, as well as what the strategic outlook of an expanded NATO should be.

A number of amendments reflecting these concerns, however, were all defeated. Two amendments to slow down future expansion, both co-sponsored by John Warner (R-Va.) and Daniel Patrick Moynihan (D-N.Y.), failed. One (which received 17 votes) would have deferred the admission of Poland, Hungary, and the Czech Republic until these nations are admitted

to the European Union. Another (which received 41 votes) would have imposed a three-year moratorium on future expansion.

Warner argued that the three-year pause was necessary because the pressure to add more countries to NATO after the addition of these three, will be "unrelenting." He added, "It is to the advantage of the other nations to let this experiment ferment for a period to determine the purity, or lack thereof, of the decision."

Larry Craig (R-Id.) sponsored an amendment which would have conditioned U.S. acceptance of the treaty on passage of specific statutory authorization for continued deployment of U.S. forces in Bosnia. He said he was concerned that President Clinton's "vision of a new NATO will signal the end of the alliance as a defense alliance and the beginning of a new role as a regional peacekeeping organization." Jack Reed (D-R.I.) argued that this "new vision" was precisely the reason why NATO expansion should be supported. Craig's amendment was defeated by a vote of 80-20.

Social Security reform panel sought by House

On April 29, the House approved a bill by a vote of 413-8, to create a Bipartisan Panel to Design Long Range Social Security Reform, similar to the reform panel on Medicare that has already begun work under the chairmanship of Sen. John Breaux (D-La.). The panel is to be made up of four Democrats and four Republicans. The bill also initiates a "national dialogue on Social Security," by creating a "Dialogue Council" to be made up of 36 members nominated by a range of lobbying groups and think-tanks that span

the political spectrum.

House Ways and Means Committee Chairman Bill Archer (R-Tex.), the lead sponsor of the bill, declared, "We must remove politics from Social Security" in order to "get the job done" of developing and implementing reforms of the Social Security system.

Democrats attempted to add a provision to the bill which called on Congress to reserve budget surpluses until Congress takes action to "save Social Security for current and future generations." Earl Pomeroy (D-N.D.) argued that the provision would "put present meaning to a bill that is otherwise merely about future action."

Jim Bunning (R-Ky.) argued that Pomeroy's motion was unnecessary, because the Ways and Means Committee had already agreed to a separate bill (introduced by Bunning in March) that would do the same thing. Pomeroy replied that the debate in the committee was quite "protracted," and a voice vote indicated where there was a "clear divide" on reserving budget surpluses for Social Security. However, Pomeroy's motion was defeated by a vote of 223-197.

Democrats vow to pass health care rights bill

On April 29, Senate Democrats vowed that unless the GOP agrees to bring it up, they will attach their proposed Patients' Bill of Rights as an amendment to the next available piece of legislation (excluding treaties and urgent legislation) that comes up during the remainder of the session. Minority Leader Tom Daschle (D-S.D.), who was joined by Edward M. Kennedy (D-Mass.) and Byron Dorgan (D-N.D.), said, "This is too important to shovel off to another session of Congress."

Kennedy said that the Democratic legislation is supported by the American Medical Association, doctors, and patients' and consumers' groups, but "we're facing once again the old tactics by our friends on the other side, that are distorting and misrepresenting the costs of this particular bill." He cited a number of reports that say that the costs of the legislation would be negligible, contrary to the claims of insurance companies and managed-care organizations. Dorgan promised that Senate Democrats "intend to begin on a daily basis bringing to the floor of the Senate stories about individual Americans, the American people who are confronted daily with these challenges posed to them by managed-care organizations."

Earlier in the day, nine members of the House GOP, led by Greg Ganske (R-Iowa), announced that they had become co-sponsors of the House Democrats' version of the Patients' Bill of Rights. Ganske is the sponsor of his own bill, entitled The Patients' Right to Know Act, which has 300 co-sponsors, but he said he decided to back the Democrats' bill because passage of a patient protection measure was "more important than a claim to authorship." He also said that he had decided to support the Democrats' bill because "the clock is ticking on this legislative year."

The Democratic bill is similar to the bipartisan Patient Access to Responsible Care Act, introduced by Charlie Norwood (R-Ga.), currently the subject of negotiation in a GOP health reform task force. The Norwood bill would create a Federal right to sue health plans, whereas the Democratic bill only allows it under state law. Otherwise, both bills add patient protections from measures by health maintenance organizations that deny needed health care on the basis of cost considerations.