

Congressional Closeup by Carl Osgood

Charitable Choice Bill Passed by House

On July 19, the House passed by a vote of 233-198 a scaled-down version of President Bush's "faith-based initiative." The bill provides incentives for increased charitable giving, allows religious groups to apply for Federal funds for the provision of social services, and provides for the setting up of "individual development accounts," which can be used by low-income households for education expenses or buying a home.

The central issue in the debate was whether religious organizations should be allowed to discriminate in their hiring practices. The 1964 Civil Rights Act includes an exemption for churches that allows them to hire only within their faith, but covers only activities funded with church monies. The bill extends that exemption to the activities covered in the bill that would receive Federal funds; to which Democrats took great exception. Barney Frank (D-Mass.) told supporters of the bill, "You're empowering people de facto to engage in racial segregation."

Democrats had other reasons to oppose the bill. Maxine Waters (D-Calif.) told the House that religious groups, such as Catholic Charities, already can get Federal funding for social programs because they set up separate 501(c)3 organizations to do the work. Charles Rangel (D-N.Y.) ridiculed the tax deduction included in the bill for taxpayers who don't itemize. The most they can deduct, it turns out, is only \$25, \$50 for married couples.

On the Senate side, Joe Lieberman (D-Conn.) has taken the lead in attempting to forge a compromise between the House-passed bill and what Democrats are likely to vote for. He and Rick Santorum (R-Pa.) met with President Bush at the White House on July 26, to discuss compromise pro-

posals. They indicated to reporters afterwards, that their strategy would be to rewrite the bill to be closer to the charitable choice provisions in the 1996 welfare reform bill. "Our sense is," Santorum said, "that if we go back to the previous versions of the legislation, a lot of these arguments [against the bill] are going to melt away." Senate consideration of the bill still depends on the legislative schedule, and Majority Leader Tom Daschle (D-S.D.) hasn't yet indicated when that might occur.

Baucus Releases Trade Bill Principles

President George W. Bush has been lobbying hard in recent weeks for a trade bill to give the Administration fast track trade negotiating authority, which hasn't been available to a President since 1994. However, neither House is yet moving very quickly. The House GOP leadership introduced a fast track bill on June 13, but Majority Leader Dick Armey (R-Tex.) announced on July 31 that the House won't take up the bill until September at the earliest, due to a lack of votes.

In the Senate, Finance Committee Chairman Max Baucus (D-Mont.) released his principles for a fast track bill on July 25, but his emphasis on enforcing labor and environmental standards may make compromise difficult. Charles Grassley (R-Iowa), the ranking member on the Finance Committee, warned, "If we can't come to an agreement in a short period of time, I'll have to support the trade proposal put forward by Senators [Bob] Graham [D-Fla.] and [Frank] Murkowski [R-Ak.]." The Graham-Murkowski bill was introduced on June 26 and Grassley claimed that it has "strong

bipartisan backing" on the Finance Committee.

Baucus' proposal calls on negotiators to seek requirements that countries not use either domestic labor or environmental laws "for purposes of stimulating exports or investment." It calls for the use of the core principles of the International Labor Organization as labor standards and it requires the President to transmit to Congress a strategy for enforcing labor standards in the countries that the United States negotiates with.

Baucus' approach falls somewhere between free-trade Republicans and liberal organized-labor-allied Democrats. While Republicans are opposed to any consideration of labor and environmental issues in trade negotiations, House Democrats complain that Baucus' approach is too weak. House Minority Whip David Bonior (D-Mich.) declared that "sanctions are absolutely necessary" to enforce standards, and Baucus' bill doesn't provide for them.

Senate Considers Emergency Agriculture Assistance

On July 31, the Senate began debate on a \$7.5 billion supplemental Agriculture Emergency Authorization bill, of which \$2 billion is for distribution in fiscal year 2002, which begins Oct. 1. Of the total amount, \$5.5 billion is for direct payments to grain and cotton farmers, and most of the remainder is for certain specialty crops and conservation programs. The FY 2001 funds in the bill have to be distributed before Sept. 30, hence the sudden haste in moving the bill. The House passed a similar bill on June 26 by a voice vote.

Agriculture Committee Chairman Tom Harkin (D-Iowa) told the Senate on July 30, during debate on a cloture

motion, that “without the assistance in this bill, tens of thousands of farmers and ranchers are in danger of going out of business.” The big issue in Congress, however, isn’t the economic crisis in the farm sector, but whether the bill fits into the budget resolution. Harkin insisted that the bill “is in full compliance,” but the GOP disagrees.

The Bush Administration is threatening a veto if the bill is not reduced to \$5.5 billion, which is the level of the House bill. The White House said, in a statement, that “improvements in agricultural markets and stronger livestock and crop prices mean that the need for additional Federal assistance continues to diminish.” Rick Santorum (R-Pa.), after a GOP caucus meeting with President Bush, predicted that if Harkin isn’t willing to compromise, then he won’t be able to conference the bill with the House before the August recess. Richard Lugar (R-Ind.) is set to propose an amendment which substitutes the House-passed bill for the Senate bill. If accepted, it would obviate the need for a conference committee.

House GOP Sees Early Vote on Patients Rights

The House Republican leadership is tentatively planning a vote on the Patients Bill of Rights before the August recess. This newfound optimism is the outcome of a series of meetings at the White House involving Charles Norwood (R-Ga.), who has been negotiating on behalf of the supporters of the bipartisan patients rights bill co-sponsored by John Dingell (D-Mich.), Greg Ganske (R-Iowa), and others. White House spokesman Ari Fleischer said on July 31, that as a result of these meetings, “a significant amount of

progress has been made” in getting an agreement on a bill.

The recent progress toward an agreement followed a week in which a scheduled debate was postponed by the House GOP leadership. The bill was scheduled, along with a GOP alternative sponsored by Ernie Fletcher (R-Ky.), to be taken up on July 26. However, when it became clear that the Ganske-Norwood-Dingell bill had the votes, House Speaker Dennis Hastert (R-Ill.) postponed consideration. Democrats were disappointed; they had come out of a caucus meeting on July 25 confident that they had the votes to win.

The liability issue remains the sticking point. The Democratic bill allows lawsuits in either state or Federal courts. President Bush is threatening to veto the bill if it doesn’t limit lawsuits to Federal court, with damage award limitations. Fleischer indicated that a veto can be avoided if “others who are working with Congressman Norwood are interested in bridging those differences.”

Mexican Truck Issue Bogs Down Transportation Bill

The Department of Transportation Appropriations bill bogged down in the Senate as a result of a provision that would impose strict inspection requirements on Mexican commercial trucks entering the United States under the North American Free Trade Agreement (NAFTA), scheduled to begin on Jan. 1, 2002. The language is in an amendment co-sponsored by Patty Murray (D-Wash.) and Richard Shelby (R-Ala.) which provides for \$103 million, \$15 million more than the Bush Administration asked for, for truck inspections at the border and en-

hanced safety requirements.

Murray described the provision as a “common sense compromise” between the White House position and the blanket prohibition voted up by the House. Shelby said that safety data indicate that Mexican trucks have much worse safety records than U.S. or Canadian trucks and that, therefore, “we need to do more to inspect trucks entering the United States at the Mexican border.”

Opponents claim that the measure violates NAFTA and applies a standard on Mexican trucks different from that imposed on U.S. and Canadian trucks. John McCain (R-Ariz.) warned, “We could be subject to sanctions to the tune of billions of dollars imposed by the Mexican government” if the Murray-Shelby language were to become law. He said that the provision would result in delays of up to two years in opening the border.

However, the Senate turned back attempts to filibuster the amendment and change it. Twenty-nine Republicans joined with Democrats on a 70-30 cloture vote on July 27, in what is being seen as a major defeat for the free-trade-oriented Bush Administration. The following day, the Senate voted to table two amendments, one sponsored by Sen. Phil Gramm (R-Tex.) and the other by McCain, which would have effectively nullified the Murray-Shelby language if it was found to be in violation of NAFTA, or to be treating Mexican trucks differently from U.S. and Canadian trucks. The Gramm amendment was tabled by a vote of 65-30, and McCain’s by a vote of 57-34.

On July 30, White House spokesman Ari Fleischer said that the Senate votes are “a worrisome indication that there’s [sic] some people on the Hill who are pursuing an isolationist path.” The bill faces a Presidential veto.