

Congressional Closeup by Carl Osgood

House Majority Leader Armey Will Retire

On Dec. 12, House Majority Leader Dick Armey (R-Tex.) announced that he will be retiring at the end of the 107th Congress, after 18 years. Armey said that he wanted to spend more time with his family, but speculation is rife on Capitol Hill that there were other factors as well. Sen. John McCain (R-Ariz.), on the Don Imus radio show that morning, suggested that Armey's connections to Enron may be the real reason. When asked if he thought Armey's departure might be related to a scandal, McCain said he did not think so, but added, "I think this Enron situation is going to take a lot of time and attention of a lot of people."

Enron has been a big contributor to Armey's political action committee, but the Capitol Hill newspaper *Roll Call* has reported that not just money flowed between Armey and Enron. A longtime aide of Armey worked as a lobbyist for Enron last Summer, then returned to Armey's office when Enron closed its Washington office. Fueling such speculation is the retirement of Sen. Phil Gramm (R-Tex.), another Conservative Revolutionary. Gramm's wife, Wendy Gramm, served on Enron's board, and was an inside auditor. It is expected that she will be called to testify before investigating committees, during the next year, about Enron.

Enron's troubles do not appear to be bothering a third Texas Conservative Revolutionary, however. House Majority Whip Tom DeLay (R), who has sometimes been called "the Congressman from Enron," let it be known within hours of Armey's announcement that he has the election to succeed Armey as Majority Leader already locked up, though that election won't occur until after the November 2002 mid-term elections. DeLay expects that his own hand-picked pro-

tégé, Chief Deputy Whip Roy Blunt (R-Mo.), will succeed him as Majority Whip. Like Armey, DeLay is a rabid supporter of the deregulation policies that made an operation like Enron possible.

Defense Bill Sent To President Bush

On Dec. 13, the House and Senate passed the conference report on the FY 2001 Defense Authorization bill. The \$343 billion bill includes a military pay raise, additional education benefits, and funding increases for combatting terrorism, and eliminates the sole source provision for products supplied to the Defense Department by Federal Prison Industries. The bill also modifies last year's language regarding the Navy training range on the Puerto Rico island of Vieques. It allows the Navy to close the facility only if it can prove that an alternative site will provide equivalent training.

The most contentious issue was the Bush Administration's request for another round of base closures. The Senate had provided for a commission to begin closing bases in 2003, but the House was opposed to more closures. Secretary of Defense Donald Rumsfeld had recommended a veto of the bill if it did not include more base closures, arguing, as the Clinton Administration had before him, that the Pentagon is carrying 20-25% more base infrastructure than it needs. The compromise includes the base closure commission, but it cannot begin its work until 2005.

House Armed Services Committee Chairman Bob Stump (R-Ariz.) said that the compromise was crafted to ensure that the next round of closures "will stay focused on the overriding objective of enhancing the military

posture of the United States and not blindly saving pennies or cutting political deals." Rumsfeld expressed disappointment with the compromise, but said he would urge President Bush to sign the bill.

Missile defense, and President Bush's announcement that the United States would withdraw from the Anti-Ballistic Missile Treaty in six months, were raised during the debate. Senate Appropriations Committee Chairman Robert Byrd (D-W.V.) warned that, as a result of Bush's decision, China would be seeking a larger nuclear arsenal. He also said that the Bush Administration, by making the decision without consulting Congress, has chosen "a dangerous and corrosive course of action" that "effectively undermines the intent of the Framers" of the Constitution.

The bill provides a total of \$8.3 billion for missile defense, the full amount of the Bush Administration request, but \$1.3 billion of that is available to be spent combatting terrorism, if the President chooses to do so.

Economic Stimulus Package Remains Stalled

Despite much effort, compromise on an economic stimulus bill is not in sight. The latest conflict is over how to provide health insurance for workers unemployed since Sept. 11. Republicans are insisting on a tax credit, whereas Democrats want a subsidy, as well as additional money for Medicaid, to help workers who did not have health insurance. A group of so-called moderates, including Sens. John Breaux (D-La.) and Olympia Snowe (R-Me.), have offered a proposal that includes tax credits to cover 65% of health insurance premiums plus \$4 billion for Medicaid. However, the Sen-

ate Democratic leadership is rejecting inclusion of tax credits in any form.

The House GOP leadership is working on a second bill that excludes the corporate alternative minimum tax repeal, but retains the tax credits for health insurance. On Dec. 17, Senate Majority Leader Tom Daschle (D-S.D.) said that the bill moves "in the right direction," but its sponsors "do not include the kind of compensation, the kind of health coverage for the unemployed that Democrats would have to have."

The new House bill includes an additional 13 weeks of unemployment insurance benefits, as part of a strategy to gain Democratic votes. Sen. Charles Grassley (R-Iowa) said that, if it passes the House, "it will be practically impossible for Senator Daschle not to allow this bill to come up," because it has the largest expansion of social programs for dislocated workers in history. Daschle said that he would make a point of order against the bill, that it is in violation of the FY 2002 budget resolution.

Farm Debate Drags On In The Senate

Senate debate on the new farm bill went well into its second week without any sign that the bill would be completed before Congress adjourns for the year. On Dec. 13, the GOP stopped a cloture vote from closing off debate. A second cloture vote on Dec. 18 garnered only 54 votes, of the 60 required. Later the same day, a GOP alternative bill was defeated by a vote of 55-40. All of this suggests that while the GOP can block a Democratic bill, they can't move their own.

The starting point for the Democrats is the failure of the 1996 so-called "Freedom to Farm" bill. The collapse of commodities prices since 1996, has

prompted Democrats to propose new, large subsidies programs for most commodities, in lieu of the emergency payments made to farmers over the last four years. The Republicans are defending the 1996 bill. Richard Lugar (R-Ind.), the ranking minority member on the Agriculture Committee, complained, on Dec. 11, that both the Democratic bill and the House bill passed earlier this year, create "dramatically" expanded crop subsidies programs that are expensive and represent "a wholesale retreat from the important reforms begun under the last farm bill."

The GOP claims that the expanded subsidies would cause overproduction, further driving down prices. Republicans would create IRA-style savings accounts, in which the government would provide matching payments. Democrats complain that the GOP plan doesn't provide enough of a safety net. Republicans brought up amendments to change the commodities programs, and to strike the dairy price support program, but did not have the votes to pass either one.

The bill provides \$73.5 billion to farm programs over the next ten years, money which was allowed for in the FY 2002 budget resolution. However, with the Federal budget moving back into deficits, farm groups fear that if the bill is not completed quickly, the money won't be available next year. On Dec. 11, Lugar suggested that that was an irresponsible approach, but that agriculture lobbyists are probably pressuring the Senate with the connivance of certain Senators.

Republicans Raise Stakes On Nominations

On Dec. 13, a gaggle of Republicans complained to reporters about the slow

pace of nominations in the Democrat-controlled Senate. Arlen Specter (R-Pa.), a leader of the group, said that he was so concerned about one nomination for a Federal judgeship in Pennsylvania, that he'd taken the unusual step of filing a resolution with the Judiciary Committee calling for a vote. Specter accused Judiciary Committee Chairman Pat Leahy (D-Vt.) of a "scorched earth" policy with respect to judicial nominees. Rick Santorum (R-Pa.) said that other nominees are also a concern. He complained that "partisanship and petty vendettas have prevailed."

The two nominees who are raising the most concern are Eugene Scalia, son of Supreme Court Justice Antonin Scalia, to be solicitor general of the Labor Department, and the Iran-Contra-tainted Otto Reich, to be Assistant Secretary of State for Latin America.

On Dec. 11, Leahy said that when the GOP controlled the Senate, they went 34 months, at one point, without a single hearing on a judicial nomination. Under his chairmanship, Leahy said, since July the committee has held two confirmation hearings every month, including during the August recess, and three in October. He said that if the committee is able to report the nominees it has held hearings on, it will have reported 32 nominations since July, 28 of them since the August recess, more than at any time during the six years the GOP controlled the Senate during President Clinton's two terms.

Majority Leader Tom Daschle (D-S.D.) has indicated that neither Reich nor Scalia is acceptable to Democrats. Scalia is an ideologue who enraged Democrats last year by his scathing attacks on ergonomics regulations. There is speculation that President Bush will make both of them recess appointments.