

Congressional Closeup by Carl Osgood

Mutual Blaming for Senate Gridlock

Senate Minority Leader Tom Daschle (D-S.D.), during his weekly press briefing on April 27, came out swinging against the inaction of the Senate in the face of growing job losses across many formerly industrial states. "We need policies and tools that will help us address this extraordinary problem before it gets worse," he said. Daschle noted that in the last four legislative weeks, the Senate has had exactly 11 votes. He sarcastically called that "heavy lifting" for the Senate; but "we'll never get anywhere on the economy and in dealing with the huge impact of the jobs themselves, the loss of jobs, unless we do better with our legislative record."

Daschle's remarks followed a week in which Democrats and Republicans failed to agree on asbestos litigation legislation, which Majority Leader Bill Frist (D-Tenn.) then shelved in favor of taking up an Internet taxation bill on which the two sides cannot agree either. Daschle also complained that Frist had shelved the JOBS bill, consideration of which, under an agreement reached a couple of weeks ago, the Senate was supposed to resume after its Easter recess. The main point of contention on that bill had been an amendment by Sen. Tom Harkin (D-Iowa) to repeal the Labor Department's new overtime pay rules.

Republicans, in response, blamed the Democrats for the lack of action. Sen. George Allen (R-Va.) promoted the Internet tax bill, which would extend a moratorium on taxation of Internet access, as a way to create "opportunities for jobs, for commerce, for education" to allow "innovation and creativity to grow." He added that "The other side will carry on with misleading statements and mischaracter-

izations that this is somehow a tax break for telecommunications companies." Sen. Rick Santorum (R-Penn.), standing beside Allen, insisted that the Internet bill is another attempt by the Republicans "to address some of the important issues facing our economy." He also said, contrary to Daschle's charge, that the JOBS bill would, indeed, be coming to the floor as per the agreement.

Bipartisan Drug Reimportation Plan Introduced

On April 21, a group of Senators from both parties, led by Byron Dorgan (D-S.D.) introduced a new plan to allow the re-importation of prescription drugs from Canada. The logic of the plan is that if Americans are allowed to buy cheaper drugs from Canada, that will put downward pressure on the prices the pharmaceutical companies charge in America. "We pay here in the United States the highest prices in the world," Dorgan told a press conference. He charged that those prices "are simply imposed by the pharmaceutical industry."

When asked, why not simply regulate prices, Sen. Debbie Stabenow (D-Mich.), a co-sponsor of Dorgan's plan, agreed that the pharmaceutical industry does take advantage of government-sponsored research and government incentives to do its own research. "So we, as taxpayers, help subsidize" the industry. But rather than regulate, "We are using market forces of competition" to drive down prices," she said. "This is a free market, open competition approach that relies on free trade . . . to bring the price down."

The bill's supporters have vowed to do everything possible to bring it

to a vote this year. In a floor speech, Dorgan invited other Senators to co-sponsor. Sen. John McCain (R-Ariz.), who, along with Olympia Snowe (R-Maine.), joined the Democrats to support the bill, called it "must pass" legislation. "I believe that we need to force a vote on it as quickly as possible," he said at the press conference. "And I believe that we can show . . . that the pharmaceutical companies can't dictate the legislative agenda" in the Congress. The bill's supporters are counting on the fact that this is an election year, to build support for the measure.

House Votes 'Relief' for Activated Reservists

One of the hardships faced by many activated members of the National Guard and the reserves is that their military pay is often much less than the pay of the civilian jobs they left behind. Estimates are that 30-40% of reservists face loss of pay when they are activated. A number of pieces of legislation have been introduced in the Congress to address that pay gap, but so far the only one to be acted on is a bill to exempt reservists from paying a penalty when financial hardship forces their families to dip into their retirement accounts. That bill, though denounced by many Democrats as pitiful, passed the House by voice vote on April 21.

Rep. Charles Rangel (D-N.Y.) denounced the bill for failing to compensate reservists for being forced to jeopardize the future welfare of their families. He noted that they suffer loss of income, many do not get their jobs back, and families lose health benefits. Rep. Earl Pomeroy (D-N.D.) told the

House that the bill “is well beneath the least we should do” for activated reservists. He promoted his own bill that would give employers a tax credit for making up the difference between a reservist’s military pay and his civilian pay. The Democrats are also touting legislation by Rep. Tom Lantos (D-Calif.) that would require the Federal government to fill the pay gap for reservists who are Federal employees. Lantos’ office said 29 states and about 500 private sector employers make up the pay difference now. The Pentagon reportedly opposes Lantos’ bill, however, on the grounds that it would result in an inequity between the pay of activated reservists and their active-duty counterparts, thereby causing morale problems.

Democrats Still Unsatisfied With Overtime Rules

The Labor Department issued revised rules governing overtime pay on April 20, which Labor Secretary Elaine Chao claimed will “guarantee and strengthen overtime rights for more American workers than ever before.” The earlier version of the rules, released last year, had generated a storm of controversy, with organized labor warning that they would deny overtime pay to 8 million workers currently eligible for it, and led to numerous attempts on Capitol Hill to prevent the Bush Administration from implementing them. The Labor Department says the revised rules raise the annual salary floor, for workers guaranteed overtime pay, from \$8,060 to \$23,660. The new rules also guarantee that police, firefighters and other public safety and emergency workers are guaranteed overtime pay.

Democrats who had been fighting the new rules the hardest still express dissatisfaction. Sen. Tom Harkin (D-Ia.) said that the revised rule “takes some steps toward fixing the Administration’s worst PR problems, but it is clear that workers who currently receive overtime pay now will lose it under this regulation.” He said that his amendment to the JOBS bill, to repeal any regulations that restrict overtime eligibility “is now especially urgent and necessary.”

On the House side, Rep. George Miller (D-Calif.), in a scathing statement, said that the revised rule, while not denying overtime to as many workers as the previous version, “will still cut overtime for workers who are entitled to it under current law,” and probably several times more than the 107,000 claimed by the Administration. The new rule exempts so-called “team leaders” from overtime eligibility, defining this as any employee who leads other employees to complete a major project. “It appears the Administration may have significantly broadened the administrative exemption by eliminating the requirement that the exercise of independent judgment be customary and regular, as opposed to occasional,” Miller said.

Bush Iraq Policy Chastised in Senate

In hearings before the Senate Foreign Relations Committee on April 20, former Clinton National Security Adviser Sandy Berger endorsed the proposal by Sen. Joseph Biden, the senior Democrat on the Foreign Relations Committee, that President Bush call for an immediate summit with European, Arab, and Asian friends, to say “We need your help” on Iraq.

In opening the hearings, committee chairman Richard Lugar (R-Ind.) chastised the White House for not sending requested witnesses from the Defense Department. Biden (D-Del.) then made a lengthy and combative statement, posing the strategic danger of the Iraq situation and the Administration’s failure to face it. He seconded Lugar’s complaint, saying, “I think it’s outrageous the Administration has not provided every witness we have asked for. . . . Someone should have them read the Constitution of the United States of America, and understand that Article II—there is a legislative body. We do not work for the President. I serve with the President.” Later, Sen. Barbara Boxer (D-Cal.) prefaced her remarks with a comment to Chairman Lugar: “I consider your holding these hearings somewhat an act of bravery considering what a hard time you seem to be having getting people from the Administration.”

Senator Biden pointed to failed promises. Noting that Richard Perle would testify next, he listed some of the promises: We would be greeted with open arms; there would be enough oil revenues to pay for everything; there would be an Iraqi army to stand up immediately, etc. Biden said this is bigger than Vietnam, and more is at stake. Reviewing the events of the past week, he said that these are not “flare-ups” which will pass quickly. “These forces are caught between hostile Iraqi populations . . . and an increasingly skeptical American public whose support we badly, badly, badly need.”

Biden called for a three-point program of very mixed value: 1) send more troops; 2) bring together all the major powers with a stake in Iraq; 3) the President should ask the UN to bless the agreement.