

Congressional Closeup by William Jones and Carl Osgood

Republicans increase pressure on Ron Brown

Republicans are continuing their campaign of "government by subpoena," increasing the pressure on Secretary of Commerce Ron Brown. According to a letter from the Department of Justice dated Feb. 6, which was made public by Sen. Lauch Faircloth (R-N.C.), the DOJ has begun a preliminary review to determine whether or not an independent counsel should be appointed to investigate Brown. The review is in response to a Jan. 23 letter from Faircloth and 13 other senators to the Attorney General, alleging that Brown failed to disclose his finances involving a former business partner.

Brown's lawyer has stated that Brown has complied with all disclosure requirements, and either has paid, or will pay, all relevant taxes.

Meanwhile, at Faircloth's request, Senate Banking Committee Chairman Al D'Amato (R-N.Y.) has asked the Resolution Trust Corp. and the Federal Deposit Insurance Corp. for documents concerning Brown's business partner Nolanda Hill.

House passes line-item veto

The House on Feb. 6 passed a bill which would give the President the power to kill specific spending items without vetoing an entire bill. The measure, called an "enhanced rescission" rather than a strict line-item veto, passed on a vote of 294-134, with 71 Democrats joining the Republican majority.

The bill would allow the President to strike specific spending items in an appropriations bill and send the bill back to the Congress. The measure is one of the items called for in the Conservative Revolution's "Contract

with America." Congress could override it by a majority vote in a "resolution of disapproval."

Supporters of the bill concede that it is not likely to have much practical impact, but say that it is an important symbol. Opponents questioned its constitutionality. Cardiss Collins (D-Ill.), who led the opposition to the bill, called it unconstitutional because "the Constitution does not give the Congress power to delegate the legislative function to the President or anyone else."

Sen. Robert Byrd (D-W. Va.) said in an interview on Evans and Novak on Feb. 11, "I'm against the line-item veto because it would shift the power over the purse to the Executive, thereby changing the structure that was created by the framers. And the whole structure is separation of powers and checks and balances." The bill is supported by President Clinton, and now goes to the Senate, where it faces heavy opposition.

Leach calls derivatives 'most helpful' instruments

House Banking Committee Chairman Jim Leach (R-Iowa) characterized derivatives as "most helpful instruments," in comments to a conference of End-Users of Derivatives on Feb. 7. He predicted that Congress would act to regulate derivatives during the current term (a measure which Republicans can hardly avoid following the Orange County, California bankruptcy, caused by investment in derivatives), but assured his Wall Street buddies that any legislation he would craft would only have "modest accountability" on derivatives.

Derivatives are instruments of "enormous sophistication," Leach said, warning Congress against an

"arrogance of power" in thinking they can fully regulate derivatives.

Leach nevertheless admitted that the notational value of derivatives exceeds the Gross National Product, and that they are "outside of real-world experience," with numbers in the trillions. The responsibility has to be turned over to the "professionals" in the regulatory agencies, he maintained, to have "careful, modest accountability."

Conservative Dems moot new anti-liberal caucus

As many as two dozen House Democrats, who have voted with Republicans on most issues this year, are threatening to form a conservative Democratic caucus, according to the Capitol Hill newspaper *Roll Call*. Some of them, such as Billy Tauzin (D-La.), had considered switching parties, but changed their minds. The group has already been meeting regularly to discuss issues.

The group, whose goings-on are still a matter of some secrecy, supports many of the items in the Conservative Revolution's "Contract with America," but members also want to stake out their own positions, often different from those of the party leadership. The group includes some of the traditional Boll Weevil Democrats from the South, who feel themselves threatened by the apparent success of the Conservative Revolution in the last election. The formation could seriously weaken the already-reduced voting power of the Democratic minority in Congress.

The Republican leadership is attempting to take advantage of the split, trying to bring disgruntled Democrats on board. Republicans took the unusual step of appointing a member

of this grouping, Gary Condit (D-Calif.), to the House-Senate conference on the unfunded mandates bill, after Condit had been rejected for that conference by his own party leadership.

Defense bill faces Clinton veto

In an unprecedented press conference on Feb. 14 at the U.S. State Department, Secretary of State Warren Christopher and Secretary of Defense William Perry made it clear that they would recommend a veto of the Republican-crafted defense bill in its present form. They also indicated that certain changes in the bill could transform it into an acceptable piece of legislation.

Curtailling the ability of the President to authorize actions in collaboration with other countries or in the context of U.N. operations, is not acceptable, Christopher indicated. "What is at stake here is absolutely fundamental, the authority of the President to protect our national security and to use every effective option to advance our national interests, whether by acting alone or by acting with others. . . . In the present form, the bill unwisely deprives the President of the flexibility that he needs to make the right choices," he said.

White House press spokesman Mike McCurry had already indicated in the daily White House briefing on Feb. 13, after a commentary by Perry and Christopher on the subject had appeared in some of the nation's papers, that President Clinton was leaning toward vetoing the House Republicans' national security bill because of provisions requiring deployment of national missile defenses and curbs on international peacekeeping. Clinton "feels very strongly" about opposing

legislation that he feels will curb his constitutional authority and "would find the recommendation of the secretary of state and secretary of defense very compelling," he said.

NASA defended by traditional Republicans

Breaking profile with the "slash-and-burn" policies of the new Republican majority, the GOP leadership of the House Science Committee seems intent on winning the fight for the Space Station program and overall NASA budget, as indicated in statements in hearings on Feb. 13.

Aware that two years ago the Space Station survived the House by only one vote, largely because most of the 100-plus freshman representatives voted against it, Space Subcommittee Chairman James Sensenbrenner (R-Wisc.) announced that the committee will hold two informal briefings for freshmen, given by top managers from NASA, to bring new members up to speed on these programs. These will include presentations on space science, mission to planet Earth, aeronautics programs, launch vehicles, the Space Shuttle, and the Space Station.

Freshman Van Hilleary (R-Tenn.), whose district includes the University of Tennessee Space Institute, told NASA Administrator Dan Goldin that the new congressmen were not just sent there to balance the budget or cut programs, but to make sure that the money was spent rationally. He expressed concern that NASA will not be updating and replacing the aging wind tunnels in its laboratories, including the one in his district, because the policy is that the aircraft industry has to match the government allocation, which it has been unable to do.

Sensenbrenner said after the hearing that the committee was in a very difficult position, having received a proposed administration budget that cut NASA nearly \$200 million. Unlike other programs which the Republican majority will fight to cut more, Sensenbrenner seems confident that the NASA budget will be passed as is. However, cuts made by the administration will not be restored, because "this congress is not in the mood to do add-ons to the administration budget."

Welfare put on the chopping block

Rep. E. Clay Shaw, Jr. (R-Fla.), chairman of the Ways and Means Subcommittee on Human Resources, has proposed welfare "reform" that would replace 70 federal programs worth billions of dollars with a lump-sum payment of \$15.3 billion a year to states to use "in any manner reasonably calculated" to assist needy families with children. This is the amount spent on welfare in 1954, and the sum would be frozen at that level.

One of the features of the program would be to deny cash assistance to hundreds of thousands of unmarried teenage mothers and to most immigrants, including legal aliens. States could not provide welfare benefits to a recipient for more than five years, except in cases of hardship, and would be required to move one-fifth of their welfare case-load into jobs within a period of years. If a state fails to meet those requirements, its block grants will be reduced by 3%. Benefits would no longer be automatically available to every eligible American.

The legislation was passed by subcommittee on Feb. 13, and House Speaker Newt Gingrich (R-Ga.) has promised a vote by mid-April.