

Congressional Closeup by Donald Baier

House passes bill to meet Gramm-Rudman target

With the sword of the Gramm-Rudman-Hollings budget deficit reduction law hanging over its head, the House of Representatives passed by a vote of 333-91 on Oct. 4 a bill that would, on paper, reduce the U.S. 1990 federal budget deficit to the target mandated by the Gramm-Rudman-Hollings law. But the bill does this by such transparent hoaxes as putting expenditures for the U.S. Postal Service (\$1.7 billion) "off-budget," and forcing telephone companies to pay their federal taxes one week earlier.

The federal government is now operating under a continuing resolution, past the Oct. 1 deadline set by Gramm-Rudman at which "automatic" pre-calculated across-the-board budget cuts go into effect. If Congress does not pass a deficit reduction package by Oct. 16, the new deadline set by the resolution, the automatic cuts will take effect.

Catastrophic health insurance is repealed

The House of Representatives voted 360-66 Oct. 4 to repeal a catastrophic health insurance law it had passed overwhelmingly only last year. The vote came as a result of grassroots pressure from senior citizens, who forced a reversal of positions in favor of the bill initially taken by such lobbying groups as the American Association of Retired Persons.

The law, said Rep. Brian Donnelly (D-Mass.), one of the sponsors of the repeal measure, "has no support among the people we purport to help."

The principal objection to the law is its sole source of funding: It requires

some seniors to pay a tax of up to \$800 a year or more for health coverage they had already been receiving. Benefits for the elderly have traditionally been funded at least in part by taxes on the general population, not solely by the beneficiaries themselves. The catastrophic health law was hailed on that account as a model of budget-balancing, fiscal austerity legislation when it was originally passed last year.

But subsequently the law drew such bitter opposition that earlier this year, Rep. Dan Rostenkowski (D-Ill.), one of the catastrophic health plan's original backers, was chased off a public street in Illinois by outraged senior constituents.

The law's defenders, who hoped to substitute a partial repeal for the full repeal in the Senate, tried to cast attacks on it as coming from "wealthy" seniors upset at being forced to pay under Medicare for unlimited hospitalization, and some doctors' fees and prescription drugs, for those less well off than themselves. In fact almost half of the nation's senior citizens were being taxed under the law.

Capital gains tax cut fails to pass committee

The Senate Finance Committee split 10-10 in an Oct. 4 vote on President Bush's proposed tax cut on capital gains realized from sales in stocks, bonds, and real estate. The vote means the tax bill reported out of committee does not carry the capital gains cut provision, but Capitol Hill sources expect an attempt to add it in by amendment on the Senate floor. The House passed a capital gains tax cut last week.

The Democratic Party leadership in both House and Senate vigorously opposed the capital gains cut, arguing it was a Bush administration giveaway to rich GOP supporters.

At the same time, however, the Senate bill included a huge \$500 million subsidy for alcohol fuel producers, which the *Washington Post* reported would mainly go to Archer Daniels Midland, the giant agribusiness conglomerate whose chief, Dwayne Andreas, is the Soviet Union's second favorite capitalist, after Armand Hammer. Also tacked on were tax benefits for Individual Retirement Accounts (IRAs), to family business owners, and an assorted \$35 billion in tax benefits to other interest groups.

House panel votes new auto pollution standards

In what is being hailed as a landmark decision, the House Subcommittee on Health and the Environment voted unanimously Oct. 2 to tighten automobile tailpipe emission controls by establishing national pollution standards as strict as California's. The standards will be phased in between 1994 and 1996 and will cost at least \$500 per car.

The subcommittee voted to force automakers to install special canisters on 1994 models to reduce emissions during refueling, at an additional cost of between \$200 and \$400 per car. Critics say the provisions will cut gas mileage, engine performance, and reliability, and create the conditions for expensive recalls—and that the projected standards for the mid-1990s may be impossible to meet.

The environmentalist victory came as a result of the capitulation

of Rep. John Dingell (D-Mich.), who has traditionally represented the interests of the Detroit automakers, to the program of Rep. Henry Waxman (D-Calif.).

Several sources claim that General Motors' new sales strategy is geared to tougher emission requirements and bills that would tax older cars so heavily as "polluting gas-guzzlers," that they would become too expensive to operate.

Besides mandated increases in gasoline mileage to a minimum of 40 miles per gallon and tougher emission controls, the 1994 model year cars would have to use air conditioners with Du Pont's HCFC-134a, the toxic and much more expensive replacement for the safe CFCs. It is projected that this will require air compressors which will draw as much as 40% of the car's horsepower when in use.

Rockefeller offers bill on coal strike

Led by John D. Rockefeller IV (D-W. Va.), a group of senators including Robert Byrd (D-W. Va.), John Heinz (R-Pa.), and Arlen Specter (R-Pa.) has put forward a bill to speed a settlement of the six-month-old United Mine Workers strike against the Pittston Coal Group.

Pittston provoked the strike by pulling out of the Bituminous Coal Operators' Association agreement in January 1988, refusing to keep paying into the industry-wide health care and pension trusts, denying benefits to the company's ill and retired employees, and eventually, simply refusing outright to bargain in good faith for a new contract with the union.

The strike has recently been expanded to include four companies in West Virginia and two in Kentucky,

which the UMW says are supplying coal to Pittston, so that it can fill its orders.

The Rockefeller bill would force Pittston to keep paying into the health care and pension trusts. The legislation is backed by the UMW, although it leaves job security and other strike issues open. It does not mention Pittston by name, but mandates all companies that had signed the BCOA prior to Jan. 1, 1988, to maintain payments.

Fusion fusion now, House panel told

Fusion scientist Dr. Stephen Dean told a congressional hearing Oct. 3 that the United States will be left without an energy strategy for the 21st century unless it acts now to develop fusion technology. The Department of Energy pulled the rug out from under the fusion program in the early 1980s, Dean testified.

Dean proposed a 1% set-aside tax on fossil fuels to pay for a \$15 billion program to build a commercial fusion reactor by the year 2015. Utilities will need to invest \$5 trillion in new capacity to meet U.S. electricity needs in the early 21st century, Dean said; why should the U.S. put \$5 trillion into new coal-burning plants?

Dean was one of six fusion scientists testifying at hearings called by the Investigations and Oversight Subcommittee of the House Committee on Science, Space, and Technology. Of the six, five said Congress should fund the next-step device, the Compact Ignition Tokamak, despite the Bush administration's opposition.

The one dissenter, Dr. Kim Molvig of the Massachusetts Institute of Technology, supported the proposal of Dr. Robert Hunter, Department of Energy Director of Energy Research,

who killed the CIT from the 1990 budget, claiming that more physics research was needed to be certain that the device would reach ignition. Hunter has taken funds from the magnetic fusion program to set up a civilian inertial confinement program in order for the programs to "compete."

According to Dean, the issue of more physics is a "red herring." A broad program that includes physics research is essential, he said, but if the U.S. keeps postponing building the machine that will make electricity, it will never get there.

Senate backs global anti-drug strike force

The Senate approved by a 95-5 vote Sept. 28 an amendment to a \$288 billion defense appropriations bill that included a non-binding "sense of the Senate" provision urging President Bush to consider aiding a multinational military strike force to carry out so-called friendly invasions against drug trafficking.

Arlen Specter (R-Pa.) said he introduced the amendment in response to a proposal for such a strike force made by Jamaica's Prime Minister Michael Manley. Sam Nunn (D-Ga.), who co-sponsored the amendment, said the strike force would only be available for countries that wanted its assistance. "The idea here is not to set up any kind of multinational group that is going to invade a country against its will."

On Oct. 5, however, the Senate voted 52-48 to strike legislation it had passed only the week before, empowering U.S. authorities to shoot down suspected drug-carrying aircraft which refused an order to land for inspection when crossing the U.S. border.