

Congressional Closeup by Carl Osgood

End Burton's probe of DNC, Democrats demand

On July 7, Rep. Henry Waxman (Calif.), the ranking Democrat on the House Government Oversight and Reform Committee, released a letter to House Speaker Newt Gingrich (R-Ga.), in which he called on Gingrich to end the committee's investigation of fundraising in the 1996 Presidential election campaign, and defer to the Senate investigation led by Fred Thompson (R-Tenn.).

"The House investigation is in a shambles," Waxman said. "It's over budget, behind schedule, and, as of last week, when most of the senior staff attorneys quit, without experienced staff." He accused committee chairman Dan Burton (R-Ind.) of making "a series of decisions that have made this investigation unnecessarily partisan and unfair. The investigation lost its credibility months ago. Last week, it became a farce."

Waxman was referring to the resignation of committee chief counsel John Rowley, who quit after apparently losing a power struggle to David Bossie, Burton's handpicked man to lead the investigation. Waxman released Rowley's letter of resignation. In it, Rowley said that when he had signed on, he had every intention of running a professional investigation, but that he had not been given "the authority necessary to accomplish the committee's goals. Due to the unrelenting self-promoting actions of the committee's investigative coordinator [Bossie], I have been unable to implement the standards of professional conduct that I have been accustomed to at the United States Attorney's office."

The next day, Burton vowed that the committee's investigation would move forward, Waxman's objections

notwithstanding. Burton said that the depositions were about to begin, and that hearings will probably begin either at the end of July or the beginning of September. As to charges by Waxman and Sen. John Glenn (D-Ohio) of "inter-party turmoil and chaos from day one," Burton said, "The fact of the matter is there is no chaos, there is no problem. The investigation is going just as we scheduled it from the beginning and I don't see any bobbles."

Burton claimed that the staff situation that led to Rowley and two others quitting "was a personality conflict, more than anything." He also claimed that "there were no leaks" to the press from the committee, but that all such information came from the White House. He cited a *Washington Times* reporter to back up that claim.

State Department faulted on Colombia

In a hearing on July 9, Republicans on the House Government Reform and Oversight Committee Subcommittee on National Security, International Affairs and Criminal Justice zeroed in on the State Department as the agency responsible for holding up badly needed assistance to the Colombian National Police and Army in their war against drug traffickers. Subcommittee Chairman Dennis Hastert (R-Ill.) said that the Colombian police "need aid Congress made available," but that the State Department is withholding that aid.

Benjamin Gilman (R-N.Y.) criticized the Clinton administration for decertifying Colombia without giving it a national interest waiver, which would allow assistance to Colombia's police and Army to continue to flow.

Committee Chairman Dan Burton (R-Ind.) said, "It is unfortunate that the Congress has had to fight the administration to get some assistance to those fighting the narcotics traffickers. . . . The fault may lie with the U.S. Embassy in Colombia. Has Ambassador [Myles] Frechette hindered this subcommittee?"

The Committee's Ranking Democrat, Tom Barrett (Wisc.), responded with the human rights canard. "It is important that we aid the efforts of those combatting drug traffickers," he said. "Colombia is plagued by drug and political violence . . . and some parts of the military are guilty of egregious human rights violations. We must consider the consequences of our foreign aid."

The State Department officials who appeared before the subcommittee, including U.S. Ambassador to Colombia Frechette, did everything possible to pass the buck to other agencies, including the Pentagon and Congress.

Grassley bill attacks drug money laundering

On July 10, Sen. Charles Grassley (R-Iowa), with eight co-sponsors, introduced a bill to strengthen laws against money laundering. Grassley said that while much attention is given to the movement of illegal drugs, "the opposite side of the business, getting the profits from drug sales and other illegal enterprises out of the country and back into the hands of the criminal organizations, does not get as much publicity and is just as important."

The bill would require the President and the secretary of the Treasury to establish a "national money-laundering and related financial crimes

strategy," that would include goals for reducing money laundering, a program of cooperation between federal, state, and local officials, an enhanced role for private financial institutions, and data collection. Grassley said, "The strategy will enhance and expand the [Treasury] secretary's authority to ascertain criminal activity directed at our nation's financial systems, determine the threat posed to the integrity of such systems, and develop regulatory and law enforcement initiatives to respond."

The bill would also establish a grant program to identify and designate "high-risk money-laundering zones." Grassley identified this as a "significant component" of the national strategy that will define "specific criminal activity affecting geographic areas, payment systems, and financial institutions, that are considered to have a high potential to be abused by criminal organizations." These zones are then to be targeted for specific action. Grant assistance will also be directed to state and local law enforcement officials in these zones.

Kennedy introduces new minimum wage bill

On July 11, Sen. Edward Kennedy (D-Mass.) introduced a bill to raise the minimum wage to \$7.25 an hour by the year 2002. The increase would take effect in 50¢ steps the first three years, and then 30¢ a year for the last two.

Kennedy cited the 18-month battle in the 104th Congress to raise the minimum wage from \$4.25 an hour to \$5.15, which takes effect on Sept. 1 of this year. Kennedy said that when the \$5.15 takes effect, there are no further

increases planned, unless Congress passes a new bill. "It is time," he said, "for us to do so now, in order to guarantee that further fair increases take place in the years ahead."

Kennedy reported that the increases he was proposing were based on one simple principle. "Intense Republican opposition," he said, "to raising the minimum wage during the eight years of the Reagan administration, and periodic opposition during the past seven years, have left the real value of the minimum wage far below the levels it had in the previous 40 years." He said his bill "will restore the purchasing power of the minimum wage to the level it had when the Reagan administration came to power."

Kennedy punched holes in the arguments of those opposed to raising the minimum wage, citing an Economic Policy Institute report that shows that none of the scare stories have come true, since last year's increase, to \$4.65, was passed. "Employment does not go down when the minimum wage goes up," he said. He added that raising the minimum wage was "the right thing" for Congress to do last year, and is the right thing to do again. "Everyone who works for a living deserves a living wage," he said.

Budget, tax bills taken up in conferences

On July 10, the House and Senate appointed conferees on the budget and tax bills that were passed before the July 4 recess. Senate Majority Leader Trent Lott (R-Miss.) told reporters that he hoped the conference reports would be brought to the floor by the week of July 21 and both bills would be on

President Clinton's desk before the August recess.

However, this would mean resolving a number of contentious issues in a very short period of time. The House voted 414-14, when appointing conferees, to reject the provision in the Senate budget bill that raises the eligibility age for Medicare to 67. The motion, sponsored by John Spratt (D-S.C.), also included instructions to reject Senate provisions that deny application of the Fair Labor Standards Act to people participating in various workfare and welfare-to-work programs.

The overwhelming Republican support for Spratt's motion, however, was due almost entirely to pragmatic politics and not to any stand on principle. House Budget Committee Chairman John Kasich (R-Ohio) admitted as much when he said, "The bottom line on this is, the House is not prepared to move to changing the retirement date on Medicare, this week, but we sure as heck better open our minds and our heart to what we are going to need to do long-term for the future of the next generation." President Clinton had indicated that he might veto the bill if this provision remained in it.

The tax bill also faces hurdles. The Democrats are still pushing their alternative plan because they say it's more "fair." On July 10, House Minority Leader Richard Gephardt (D-Mo.) said, "It is an outrage for the Republicans to say [the working poor who don't make enough to pay income taxes] are on welfare or that they don't pay taxes." Senate Minority Leader Tom Daschle (D-S.D.) warned the next day that "if we don't deal with the fairness question more effectively, there is little doubt in my mind the President is going to have great difficulty in signing [the tax bill]."