

## Congressional Closeup by Carl Osgood

### Democrats attack slow pace of IRS reform

On March 25, Senate Minority Leader Tom Daschle (D-S.D.), joined by Bob Kerrey (D-Neb.), expressed astonishment that the bill to reform the Internal Revenue Service, which passed the House last November by a vote of 426-4, still has not been acted on by the Senate. Daschle accused the GOP leadership of failing to live up to its commitments, and warned that such a failure will have "serious repercussions, in terms of our relationship with our Republican colleagues, as well as the relationship that every American taxpayer ought to have with the IRS."

Kerrey proposed that "what needs to occur is an expedited process based on a commitment that we're going to finish this thing by April 15," in other words, that the bill will be ready for President Clinton's signature before Congress leaves for its Easter recess on April 2. He complained that what is holding up the process is a "lack of commitment" on the part of the Republican leadership. "When they decide they want to get something done," he said, "they schedule the time, they control the debate, and they can get it done." He cited the renaming of Washington National Airport after former President Ronald Reagan, earlier this year, as an example.

Daschle's and Kerrey's comments came simultaneously with the release of the Senate version of the IRS bill by Finance Committee Chairman William Roth (R-Del.). Roth balked at any suggestion of a time limit on the bill, warning that rushing passage would "require us to water down the reform this bill contains." He called his bill "real reform," and said, "Had we acted when many were challenging us to move forward with reform last year, we wouldn't have a fraction of the protections this bill provides. If we rush

now, many will be lost." Roth said the bill gives taxpayers more rights, provides for more oversight of the agency, and allows for greater independence to investigate IRS abuses against taxpayers and employees.

### Kasich declares war on Transportation bill

House Budget Committee Chairman John Kasich (R-Ohio) announced on March 27 that he would do everything in his power to stop the Intermodal Surface Transportation Efficiency Act (ISTEA II), which was marked up by the Transportation and Infrastructure Committee a few days before. At a press conference with a handful of other GOP budget-cutters, Kasich called the six-year, \$217 billion bill an "abomination" which contains "too much spending." He said that because of the level of spending in the bill, there's great doubt as to whether it is within the limits set by last year's budget agreement. He wasn't too sanguine about his chances of success, however. He suggested that he would probably be "run over by a cement truck."

Justifiably. In fact, infrastructure spending is vital to ensure future economic growth.

Kasich said that he would be offering an amendment that would "essentially turn the highway program back to the states." With few exceptions, Kasich's amendment would "free" states to tax highway use themselves, and build whatever projects they want. Other amendments to be proposed include one by Lindsay Graham (R-S.C.), to eliminate all of the demonstration projects in the bill; one by Christopher Shays (R-Conn.), to bring authorizations in the bill in line with the budget agreement; and, one by

Mike Parker (R-Miss.), which would not allow any Federal funding of projects not on a state's priority list.

While Kasich didn't mention Transportation and Infrastructure Committee Chairman Bud Shuster (R-Pa.) by name, he clearly had Shuster in mind when he said that the bill was a "detour" away from what the Republicans came to Congress to do, which is to cut the budget and reduce the size of government. Shays said that his worst day in Congress was when he realized, the previous week, that Speaker Newt Gingrich (R-Ga.) had agreed to bring Shuster's bill to the floor. "This Republican revolution, which I believe in so strongly, is in question of being maintained," he said.

A couple of days before, Gingrich said that the bill would be taken up before Congress leaves for its Easter recess. "We will offset the spending in conference so there will be no increase in total government spending which will keep us moving on our balanced budget track," he said.

### Gilman plots against U.S.-China nuclear deals

House International Relations Committee Chairman Ben Gilman (R-N.Y.) is planning to introduce legislation that would give Congress oversight on nuclear export licenses for U.S. companies, according to a committee staffer. His intent is to disrupt U.S.-China nuclear cooperation, which is vital for China's economic development, and important for the U.S. economy.

Last Nov. 5, the House voted, with only 29 opposed, to extend from 30 to 120 business days, the time Congress would have to review President Clinton's certification of China for U.S. ex-

ports. But the Senate refused to act on any proposal for an extension, and the deadline for legislative changes in the agreement passed in March. Then, Gilman tried to tag an extension, which was worked out with Senate Foreign Relations Committee Chairman Jesse Helms (R-N.C.), onto the conference report for the authorizing legislation for the State Department, but that language was pulled out of the bill because it was clear the administration wouldn't accept it.

Now, Gilman is proposing to apply to nuclear exports the oversight that Congress has for exports related to arms control, and that are over a certain dollar value. The proposal is to add 30 calendar days for oversight, for any license for a power plant or nuclear material. Under this scenario, Congress would have until the end of the current session to change the law, given that it will take many months for export firms to nail down deals with the Chinese. The Senate, however, appears reluctant to go along with such a scheme, and therefore, it stands little chance of becoming law.

## **Mexico decertification rejected in Senate**

On March 26, the Senate rejected a resolution sponsored by Paul Coverdell (R-Ga.) and Dianne Feinstein (D-Calif.) to disapprove the decision of the Clinton administration to certify Mexico as "fully cooperating" in the fight against drugs, by a vote of 45-54. The resolution would have further destabilized Mexico.

Coverdell said, "I consider myself an ally of the people and the government of Mexico, but we are losing this war, we are losing this struggle, and it is not appropriate to say otherwise."

He added, "We do not do the people of either country, nor the people of this hemisphere, justice by communicating a message of gain or accomplishment when it is the exact opposite." Feinstein detailed numerous instances in which Mexican cooperation with the United States has been inadequate.

Opponents of the resolution focused their attacks on the certification process, rather than the decision to certify Mexico. Chris Dodd (D-Conn.) pointed out that it is the \$55 billion in drug revenues from the United States that is "helping to bankroll the very Mexican corruption" that Feinstein and Coverdell are so concerned about. He said that if Office of National Drug Control Policy Director Gen. Barry McCaffrey (ret.) "thinks that Mexico should have been certified, and he did, then I have to agree with him."

Pete Domenici (R-N.M.) was more direct. After noting that he had supported decertifying Mexico in 1997, he asked, "If we vote to decertify, are they going to get better? Is there a correlation between saying they should not be certified and getting some real cooperation from Mexico?" He said, "There is a good chance, because this process is so outrageously stupid, that if we decertify Mexico, things will get worse."

## **Senate completes work on supplemental funding**

On March 27, the Senate completed work on the emergency Supplemental Appropriations bill that provides \$2.9 billion for U.S. military operations in Bosnia and Iraq, and for disaster relief. The final amendment to the bill was for \$18 billion in supplemental funding for the International Monetary Fund (which also exists in the Senate

as a separate bill). However, a final vote was delayed until the Senate receives the House version of the bill.

The bill became a magnet for all kinds of agendas, many of which were withdrawn before being voted on, with the caveat that they would be heard from again. Among them were the comp time bill, brought up by John Ashcroft (R-Mo.), and an attempt, sponsored by Kay Bailey Hutchison (R-Tex.), to set a date certain for U.S. withdrawal from Bosnia.

Ashcroft called his amendment "a clear signal to the Congress that . . . [compensatory time off for working families] is a must-address issue." He said he decided to withdraw the amendment so as not to tie up the bill. Hutchison also withdrew her amendment on a promise from the Senate leadership that there would be full debate on a resolution, in which a policy statement could be made regarding U.S. forces in Bosnia.

There were also amendments added regarding conduct of international monetary policy. Paul Wellstone (D-Minn.) introduced a series of amendments to add criteria regarding workers' rights and environmental obligations as conditions for receiving loans, to increase burden sharing by private creditors, and to set up an advisory committee on international monetary policy that would include members from organized labor and environmental and human rights organizations. Wellstone argued that it is important to put much more of a focus on the IMF, because the economic collapse in Asia, combined with IMF policies, forces affected countries "to currency devaluation, and they will try to work themselves out of trouble through cheap exports to our country." The advisory committee amendment was adopted; Wellstone withdrew his other amendments.