

Senate Brings FY2007 Appropriations to a Close

On Feb. 14, the Senate passed, by a vote of 81 to 15, a \$463 billion continuing resolution that funds most of the government for the rest of fiscal year 2007. The resolution, which passed the House on Jan. 31 by a vote of 296 to 140, was necessitated by the fact that the GOP-controlled 109th Congress passed only two of the eleven appropriations bills: defense and homeland security. Republicans were irked by the fact that the Democrats took up the bill without allowing amendments, but decided to avoid risking a government shutdown. Minority Whip Trent Lott (R-Miss.) said "We've got to get it done and move on."

That moving on will be to the fiscal 2008 budget and the fiscal 2007 war supplemental request, both of which arrived on Capital Hill on Feb. 5. That budget plan asks for \$93 million for the Iraq and Afghanistan wars for the rest of FY07 and \$141 billion for FY08, on top of a \$481 billion baseline budget for the Pentagon. At the same time, the budget plan calls for austerity in almost everything else, holding non-defense discretionary spending to 1% growth, less than the rate of inflation, and calls for reducing Medicare spending by \$66 billion over the next five years. It also proposes discretionary spending caps like those of the 1990s, which caused problems for Medicare providers during that period.

Miller Answers Question On Capital Budget

On Feb. 6, Rep. George Miller (D-Calif.), the chairman of the House Education and Labor Committee, appeared with his Senate counterpart Edward M. Kennedy (D-Mass.), organized la-

bor officials, and four other House members to announce the introduction of the "Employee Free Choice Act," which would crack down on employers who refuse to permit their employees from forming a union. One factor in the "middle-class squeeze," Miller said "is the difficulty that workers experience when they want to earn the right to bargain for better wages, benefits, and working conditions." Citing a recent speech by President Bush, in which he claimed that the U.S. economy is doing "great," Kennedy noted that, instead, "Today, the economy works for Wall Street, not for Main Street."

During the question period, a member of the LaRouche Youth Movement asked Miller why the relevant House committees have not begun discussions on a capital budget, "to create large-scale infrastructure projects, to bring high-paying productive jobs back into the economy, for Main Street families?" Miller replied, "We may do it. There's a lot of things we have to clear up. There's a lot of red ink left over from the previous Congress." He added, smiling, "Remember, the Democrats have been in for all of one month." And then, "There's some very interesting stuff on the capital budget!"

Use of Military Contractors Coming Under Scrutiny

During the years that they controlled the Congress, the Republicans, with a few exceptions, largely gave the Bush Administration a free pass on its heavy reliance on military contractors. Now that the Democrats are in control, that free pass may be expiring. Rep. Henry Waxman (D-Calif.), chairman of the House Oversight and Government Reform Committee, held two days of

hearings on military contracting in Iraq, and questions about the use of contractors are also being raised in the House Defense Appropriations Subcommittee, chaired by Rep. John Murtha (D-Pa.).

Waxman's first hearing, on Feb. 6, featured Paul Bremer, who ran the Coalition Provisional Authority in Iraq from May 2003 to June 2004, which famously lost track of \$8.8 billion in Iraqi funds. Waxman had also intended to call veteran foreign service officer Tim Carney, who was posted to the CPA in 2003, but quit in disgust after only two months. The Bush Administration, however, conspired to keep Carney from testifying by sending him out of the country, ironically, to Iraq, where he is now the point person on Iraq reconstruction.

The next day, Waxman held another hearing, this one focussing on security contractors in Iraq, such as Blackwater employees, who make \$500 to \$1,600 per day, while an Army sergeant doing the same job makes \$156 per day. During a Feb. 13 hearing of the Defense Appropriations Subcommittee, Rep. Marcy Kaptur (D-Ohio) reported that Aegis Defense Systems is the second-largest force in Iraq, with 20,000 people on the ground. She expressed concern about the morale of U.S. troops when they meet "some of these characters and see what they are earning."

Waxman Proposes Ethics Reform for Executive

On Feb. 12, House Oversight and Government Reform Committee chairman Henry Waxman (D-Calif.), with co-sponsor, ranking Republican Tom Davis (Va.), introduced the "Executive Branch Reform Act of 2007," which would make illegal certain

practices that have become commonplace in the Bush Administration. Waxman noted, in a statement the following day, that, in the wake of the Jack Abramoff lobbying scandal, he and Davis came to agree on the need to bring "greater transparency to meetings between the private sector and executive branch officials by requiring all political appointees and senior officials in federal agencies and the White House to report their contacts with private parties seeking to influence official government action."

Aside from requiring government officials to report to Congress on their contacts with lobbyists and other private individuals seeking to influence the government, the Waxman-Davis bill also prohibits lobbyists who enter the government from handing out favors to their former clients. It also, among other things, lengthens the prohibition on former government officials lobbying the government from one year to two, ends the use of "pseudo-classifications" such as "sensitive but unclassified," and requires the government to disclose its use of covert propaganda.

Waxman and Davis had introduced a similar bill last year, but then-House Majority Leader John Boehner (R-Ohio) never scheduled it for floor action. This year promises to be different, with one House Democratic Leadership aide telling *The Hill* newspaper Feb. 13, "This leadership is supportive of this bill and it will come to the floor."

Leahy, Bond Fight Bush Over National Guard

Leaders of the Senate National Guard Caucus are fighting to repeal legislation slipped into the latest defense au-

thorization bill that would make it easier for the President to declare martial law and assume control of the National Guard. On Feb. 7, Senators Patrick Leahy (D-Vt.) and Kit Bond (R-Mo.), co-chairmen of the National Guard Caucus, introduced a bill to revive the previous authority on the domestic use of the military.

Leahy said in a statement that, "Expanding the President's powers under the Insurrection Act was a sweeping, ill-considered and little-noticed grant of authority to the executive branch, at the expense of the National Guard and the governors." That change in longstanding law treads heavily across basic constitutional issues relating to the rights of the people, the separation of powers, and state and local sovereignty.

Bond said that, as a former governor, he was concerned not only that state governors now have less control over their Guard units, but that the President is now provided with unnecessary and unprecedented power to invoke martial law. "Our bill will provide a critical fix to legislation that was pushed through Congress without the consultation or advice of the governors," he said.

A Pentagon source told *The Hill* Feb. 9 that the National Guard Bureau is leaving the fight to the governors. He added that the bureau did not know about the changes and was surprised to see the language in the defense authorization bill. "It makes it much easier, more politically palatable for the President to declare an insurrection," said the source.

Senate Panel Democrats Skeptical of VA Budget

For the past two years, the Veterans Administration has proposed in-

creased enrollment fees and prescription drug co-pays for certain categories of veterans in the VA health-care system, and it assumed that those fees, along with "unspecified management efficiencies," would bring in about \$700 million. However, Congress soundly rejected those proposals in both 2005 and 2006. Critics in both parties charged that the VA was trying to drive thousands of veterans out of its health-care system. This year, the VA is proposing the same increases, but without assuming any benefit to its budget, hoping that the proposed fee hikes will find more traction in the current Congress.

However, the response of Senate Veterans Affairs Committee Democrats indicated otherwise, during a Feb. 13 hearing. Sen. Patty Murray (D-Wash.) expressed concern that "this budget closes the door [to the VA health-care system] on thousands of veterans." She charged that the VA is still underestimating the numbers of new veterans who will enter the system, and that the budget assumes an actual decrease in the number of mental-health inpatients, when as many as one-third of Iraq and Afghanistan war vets are seeking psychiatric care in the VA system.

Another point of contention is the actual meaning of the 77% increase in the VA's health-care budget since 2001. Ranking Republican Larry Craig (Id.) argued that these spending increases demonstrate the Bush Administration's commitment to veterans and show that "veterans are the clear winners." Sen. Bernard Sanders (I-Vt.), on the other hand, attributed the 77% increase to two factors: the rising cost of health care, and the fact the United States is at war. "The issue is," he insisted, "is the amount of money adequate to take care of the needs of veterans?"