



RSC Pressing For Deep Cuts

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Proposals from House GOP conservatives to cut federal spending to offset the costs of Hurricane Katrina recovery efforts ran smack into political reality Monday, as the White House rejected a plan to delay implementation of a new Medicare prescription drug program for one year, an idea that conservatives said would save at least \$40 billion.

Other initiatives favored by House conservatives, including re-opening the recently passed highway bill to strip out \$26 billion in "add-ons" disparaged as pork projects by budget hawks, also have garnered little support on Capitol Hill, according to GOP insiders.

But Rep. Mike Pence (R-Ind.), chairman of the conservative, 90-plus member Republican Study Committee, vowed to press ahead with his initiative to find spending cuts to help pay for the Katrina reconstruction costs.

Pence, who along with President Bush and other Republican Congressional leaders objects to a tax increase to fund Katrina relief proposals, said Congress must do something to rein in federal spending, even more now that the Gulf Coast recovery effort will add tens of billions of dollars to the federal budget. Pence vowed to continue to push for a vote on delaying implementation of the Medicare drug program, despite White House opposition.

"With all due respect to the White House and their intentions, House conservatives will vigorously pursue the one-year delay in the Medicare prescription drug entitlement," Pence said in an interview on Monday. Pence voted against the program when it was originally approved by Congress in November 2003, and the Indiana Republican said waiting until January 2007 to roll out the drug initiative would be "a great service to future generations of Americans."

Pence and other RSC members, including Reps. Jeff Flake (Ariz.) and Jeb Hensarling (Texas), will take part in a press conference on Wednesday to unveil "Operation Offset," their plan to pay for at least some portion of the Katrina recovery through cuts in government spending.

Speaker Dennis Hastert (R-Ill.) and other House GOP leaders will meet with Pence and RSC representatives today to discuss their offset ideas, and while GOP leadership aides noted that senior lawmakers will listen to their proposals carefully, Hastert will not endorse anything that alienates other factions within the Republican Conference.

"We have been through this in the past," said a senior House GOP leadership aide of offsetting federal disaster spending. "Getting offsets is a great idea. But getting it through the House is another thing. I don't see where there are the votes" for delaying the Medicare drug rollout or retroactively cutting highway funds.

White House spokesman Scott McClellan told reporters that delaying the Medicare prescription drug program is not even being considered by Bush or his top advisers, despite calls from some within his own party to do so.

"Now, in terms of the Medicare drug benefit, that is an important benefit for our seniors that will save them significant money on their prescription drugs," McClellan told reporters on Monday. "And it's important to move forward on the prescription drug benefit and we are."

The new prescription drug program is a centerpiece of GOP efforts to appeal to older voters, and Republican leaders are counting on using the implementation of the drug initiative in the November 2006 elections.

A House Republican leadership aide said the idea of delaying the prescription drug program was a nonstarter with top GOP lawmakers, given that the government already has spent millions of dollars assuring seniors that the benefit is on the way.

"It would be like Lucy pulling the football away from Charlie Brown," the aide said.

McClellan suggested instead that Congress enact some of the cuts included in Bush's fiscal 2006 budget proposal, although many of these overtures already have been rejected by Congress this year.

Bush proposed ending or slashing more than 154 federal programs to save at least \$20 billion in non-defense discretionary spending. Some of these proposed cuts provoked outrage on Capitol Hill and were immediately rejected, such as plans to slash funding for Amtrak and reductions in farm support programs.

Bush also proposed cutting \$137 billion over 10 years from mandatory programs. The House and Senate Budget committees postponed work on a \$35 billion reconciliation package designed to cut spending on entitlement programs last week as the GOP leadership in both chambers struggled to address the concerns of a post-Katrina Congress.

Pence and other GOP conservatives would like to see the Budget committees double or even triple the size of these mandatory cuts, arguing that past reconciliation packages were much larger. **Ben Pershing contributed to this report.**

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