

US budget bill freezes spending, implements right-wing social agenda

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Largely overshadowed by its vote on new legislation to restructure US intelligence agencies, Congress also completed action last week on a massive spending authorization bill to fund 13 departments of the federal government. The \$388 billion spending bill imposes a virtual freeze on domestic social programs, together with a series of reactionary provisions on issues unrelated to the budget, attached to the spending bill as amendments.

Congress previously passed separate spending bills for the Pentagon and the Department of Homeland Security (DHS), incorporating major spending increases for the overseas and domestic components of the “war on terror.” A separate spending authorization for the wars in Iraq and Afghanistan—now estimated at over \$100 billion—is expected in January.

Final action was delayed, after both houses approved the spending measure last month, when Senate Democrats discovered language in the 3,000-page omnibus bill giving congressional staffers the right to scrutinize individual income tax returns. The Senate voted unanimously to withhold the budget measure until the House rescinded this provision, an action it took December 6.

The bill was initially passed by the House of Representatives and the Senate on November 20 by large margins, 344-51 in the House and 65-30 in the Senate. The heavy support from Democrats demonstrated bipartisan backing for a budget that cuts spending in most departments in order to fund the large increases for the Pentagon and DHS.

Two thirds of the \$2.4 trillion federal budget is in spending categories already mandated by law, such as Social Security, Medicare and interest payments, leaving \$891 billion in discretionary programs authorized year to year, including the military and

homeland security. The Bush administration imposed a ceiling on discretionary spending of one percent. With military and domestic police spending increasing by more than that, an across-the-board cut of about 0.8 percent was imposed on all other programs.

Programs that suffered the biggest proportionate cuts included the National Science Foundation, mainly for science education; State and Tribal Assistance Grants under the Environmental Protection Agency, which help states and Indian nations maintain water and sewer infrastructure; \$142 million from wetlands protection; a nearly 50 percent cut in a separate program to protect wildlife habitat; nearly all programs of the Department of Housing and Urban Development; and a \$30 million program to reduce arsenic levels in drinking water, which was eliminated.

Spending on youth job training was frozen at \$994 million, despite the rising number of unemployed young people. Education spending received the smallest increase in a decade, and Congress cut in half the amounts requested by the Bush administration to fund the No Child Left Behind program and special education programs for handicapped, learning-disabled and emotionally disturbed children.

In another particularly cruel blow to children, Congress refused to allow the Bush administration to redistribute \$1.1 billion allocated for the state-run Children’s Health Insurance Program (CHIP). These funds, appropriated in previous years, were returned to the federal treasury because of legal requirements that the money be spent by the current fiscal year. State officials asked for a waiver, citing difficulties in making low-income working families aware of their right to enroll their children in CHIP. As a result, enrollment in the state-level programs is expected to drop by as many as 200,000 children.

The budget also insures that many fewer students will receive Pell grants, the principal federal subsidy to low-income and working class students seeking a college education. The Senate version of the budget had included a provision barring the Department of Education from revising the formula for calculating financial aid, but this language was dropped at the insistence of the White House and House Republicans. The revision will make an estimated 100,000 students ineligible for the grants, most from families in the \$30,000-\$40,000 income bracket. The bill also leaves the maximum Pell grant unchanged at \$4,050, far below the cost of a college education at most public universities or private colleges.

The huge spending bill became the vehicle for thousands of special provisions that would otherwise not have become law. Most of these are spending authorizations for particular boondoggles in the home states and districts of senators and congressmen in a position to write the language of the bill—mainly those in the leadership of both parties or with seats on the various appropriations committees and subcommittees.

But there were also many pieces of social legislation that give a glimpse of the reactionary agenda of the incoming Republican Congress and the second-term Bush administration. The best publicized was new language on abortion that would bar federal, state or local agencies from withholding funds from health care providers that refuse to provide abortions or abortion counseling and referral. Current federal law permits individual doctors to refuse to perform abortions or abortion counseling, but requires institutions to respect the abortion rights of women patients.

The abortion rights group NARAL Pro-Choice America called the measure a “backdoor gag rule” that would allow hospitals, HMOs and other providers to bar doctors and nurses from even discussing abortion with their patients. The biggest impact would be on the nearly two dozen states that use state money, not federal money, to provide abortion services for Medicaid recipients. They would be forbidden to require health care providers to provide these services as Medicaid contractors.

The bill includes a series of special provisions to lift environmental restrictions: authorizing the slaughter of wild horses on certain federal lands, permitting snowmobiles at Yellowstone National Park, limiting

review of timber sales in Alaska wilderness areas, removing the wilderness designation for some federal land in Georgia, and so on.

Other measures include:

* An amendment making it more difficult for Mexican trucks to operate within the United States—added as a sop to right-wing, anti-immigrant sentiment and the Teamsters trade union bureaucracy.

* A 50 percent increase in spending for “abstinence education” programs that preach a no-sex gospel to teenagers.

* A provision barring foreign economic aid to any country that has not agreed to exempt US military personnel from possible war crimes prosecution before the International Criminal Court.

* Barring state governments from deciding where liquefied natural gas (LNG) terminals may be built, reserving that power to pro-industry federal regulators. (The sole purpose is to facilitate the construction of an LNG terminal at Long Beach, California, which has been opposed by state officials).

* Ending a prohibition on hiring private companies to collect back taxes for the Internal Revenue Service. Collection agencies will be given the names, addresses, phone numbers and other information about taxpayers.

* Congress also dropped two measures aimed at overturning administrative actions by the Bush administration, in the face of a White House threat to veto the entire budget bill. One provision would have overturned new Labor Department rules denying overtime pay to millions of low-level supervisors and skilled workers. The other would have blocked restrictions on travel to Cuba.

Only one item in the bill was flatly opposed by the White House and yet survived: a ban on spending to carry out further research into new “bunker-buster” nuclear weapons that are designed to destroy targets deep underground.



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