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Proposing Budget Cuts, Lawmakers Turn Their Backs on The Most Vulnerable

Call today and tell your representatives to oppose horrific cuts (toll-free through Oct. 20): 1-800-426-8073

Ask to be connected to your senators and representative, and tell them to oppose reconciliation and cuts to Medicaid, Food Stamps, and other programs that provide desperately-needed services to low-income families.

For more information visit the Emergency Campaign for America's Priorities.

Attack on the Advocacy Rights of Nonprofits

A bill likely to reach the House floor by Oct. 28 would disqualify nonprofits from a new affordable housing fund, if they have engaged in voter registration or other nonpartisan voter participation and lobbying activities within 12 months of applying. Nonprofits would also be completely barred from these activities during their grant period. Most troubling, the bill would exclude any group that affiliates with an organization engaging in such activities.

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Right to Know About Toxic Pollution Threatened

Take Action



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 1742 Connecticut Avenue, N.W., Washington, D.C. 20009
 202-234-8494 (phone)
 202-234-8584 (fax)

House GOP Leaders Postpone Vote on Reductions in Spending

By SHAILAGH MURRAY and DAN MORGAN
Washington Post Staff Writers

Scrambling to salvage a tough new spending reduction plan, House Republican leaders delayed a vote on deeper cuts until next week and said they would broaden their list of targets to win the GOP votes needed for passage.

The House and Senate are in the process of slicing \$35 billion in mandatory spending over five years, and House GOP leaders had intended to vote today to increase the total to \$50 billion. But the proposal ran into problems with conservatives, who did not think it went far enough, as well as moderate Republicans, who objected to further trims in programs such as health care for the poor and elderly, student loans, and food stamps, while discretionary spending was ignored.

Now, "everything is on the table," said Rules Committee Chairman David Dreier (R-Calif.), one of the House leaders trying to save the steeper reductions. That means even defense and homeland security spending, which had been exempted, are subject to the ax — a key addition that House leaders hope will attract enough votes to close the deal.

Democrats noted that the cuts are only one-half of a two-part budget exercise, the second act being a new slate of tax breaks. Democratic leader Nancy Pelosi (Calif.) called the GOP's effort to further cut spending "another rip-off of the middle class to give tax cuts to those at the highest end."

The Senate, meanwhile, is struggling to meet the original \$35 billion target, established this spring in the 2006 budget resolution. The budget lays out spending reduction goals for individual committees to meet, but the heavy lifting — identifying specific cuts — is unfolding in Congress this month.

Senate Finance Chairman Charles E. Grassley (R-Iowa) said he remained two votes short on his committee for a package that would save \$10 billion over five years, mostly from Medicare and Medicaid. His package also could include spending increases, including Medicaid assistance for Hurricane Katrina victims, along with other storm-related relief, added to the bill at the urging of Sen. Trent Lott (R), a Finance Committee member who represents storm-ravaged Mississippi.

In a conference call yesterday with Iowa reporters, Grassley said the two holdouts are Republicans who "were complaining because we were ... spending money someplace else," instead of cutting Medicaid and other programs as deeply as possible. In response to concerns from committee GOP moderates Olympia J. Snowe (Maine) and Gordon Smith (Ore.), Grassley crafted the Medicaid reductions to

avoid directly affecting beneficiaries. The committee has until Wednesday to produce its budget package.

In another sign that the budget cuts are struggling through the Senate, the Agriculture Committee narrowly passed a \$3 billion, five-year package of cuts to farm and conservation programs. Lawmakers in both parties protested that the cuts would hit farmers already reeling from drought, low commodity prices and costly energy.

Democrats charged that the farm sector was being dunned unfairly to pay for tax cuts for the wealthy. The 11 to 9 vote was a cliffhanger, with Sen. Pat Roberts (R-Kan.) casting the final and deciding vote after a 30-second pause. Roberts said he was supporting the measure for procedural reasons.

To win panel approval, Chairman Saxby Chambliss (R-Ga.) jettisoned cuts in the food stamp program and included a \$1 billion, two-year extension of a controversial dairy program. But the measure still contains unpopular provisions that could face challenges as the budget process moves forward. It pares conservation and research programs, cutting payments to farmers by 2.5 percent, and ends export subsidies for cotton.

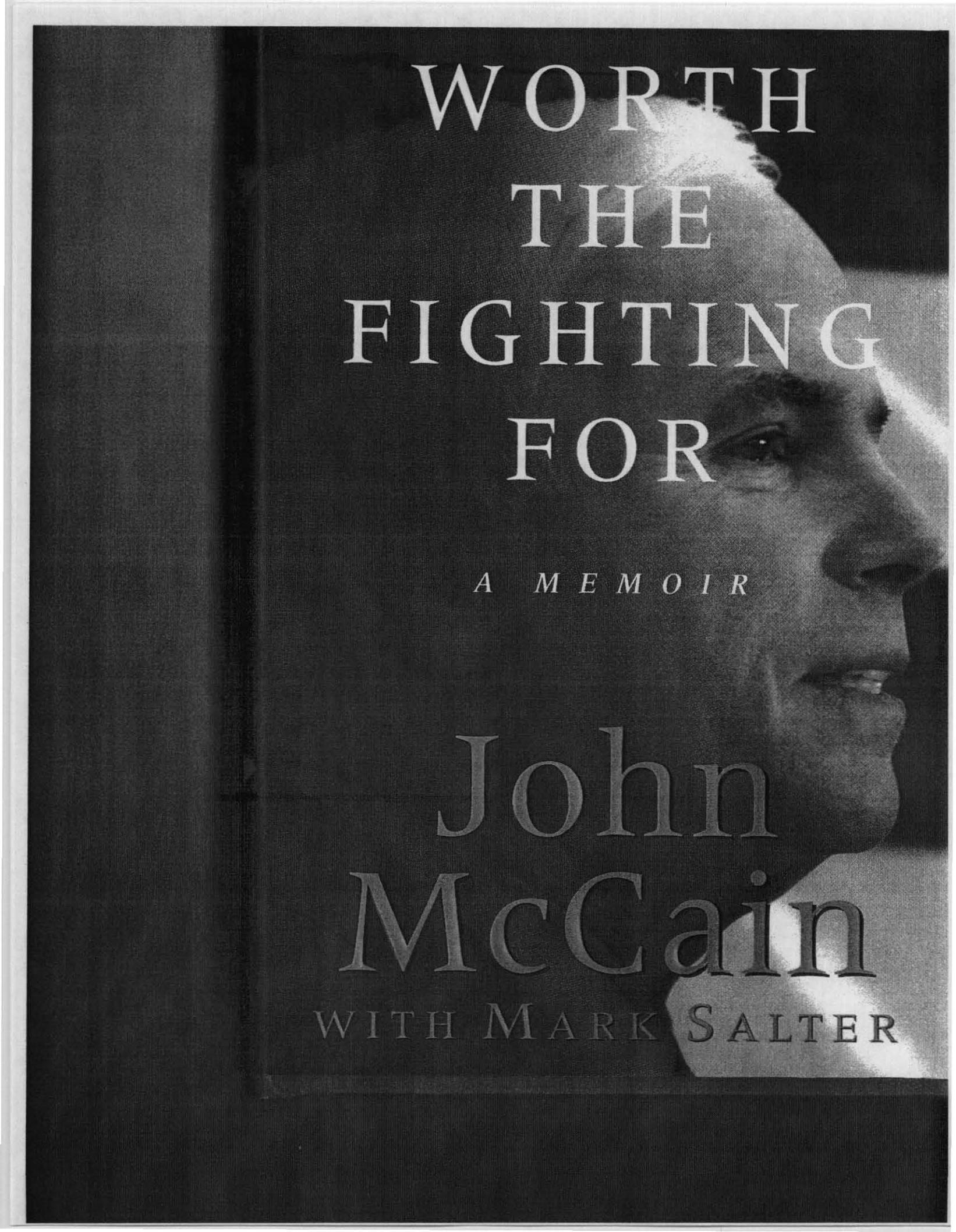
Also looming is a fight over a Grassley-backed provision to sharply limit government payments to large-scale farmers. Grassley withheld the amendment yesterday but served notice he would try to attach it to the budget when it goes to the floor.

His plan would end the use of multiple companies to broaden eligibility for government subsidies. Southern cotton and rice interests, including cotton farmers in Chambliss's home state, would be hardest hit. Roberts, who previously supported the provision, warned Grassley that the proposal would be like a "hand grenade" tossed into the budget debate.

The milk provision, which primarily benefits small dairy farmers in the Midwest and Northeast, divided the committee along regional lines. Eastern lawmakers, led by conservative Sen. Rick Santorum (R-Pa.), who faces a tough reelection battle in 2006, defeated a move by a bipartisan group of Western senators to kill the program.

In better news for Republicans, the Senate energy committee yesterday approved 13 to 9 opening the Arctic National Wildlife Refuge in Alaska to oil drilling, a long-sought expansion of domestic production that Republicans inserted into the 2006 budget to protect it from Democratic procedural challenges. The budget includes \$2.4 billion in leasing revenue from the site.

Environmentalists oppose the plan, arguing it would damage a pristine wilderness, but supporters say the mounting pressure to reduce foreign oil supplies has brightened its prospects.



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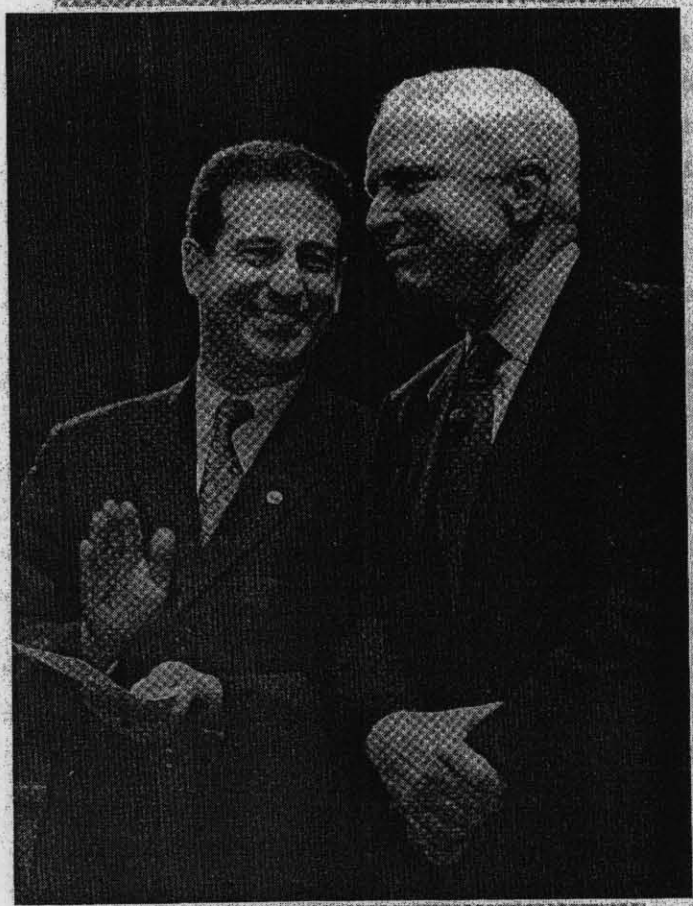


Being welcomed by President Nixon upon my release following five
and a half years as a POW during the Vietnam War. 1973.

UPI/Bettmann/News Photo



Me, as U.S. Navy liaison to the U.S. Senate,
with John Glenn and Barry Goldwater, 1978.



With Senator Russ Feingold (D-Wis.), on Capitol Hill,
Wednesday, March 20, 2002, following a final
passage on campaign finance reform. *Dennis Cook*



With my father and grandfather at my christening
in the Panama Canal zone, 1936. *McCain family*