

# Debt and Line-Item-Veto Bills Approved

By JERRY GRAY MARCH 29, 1996

In a compromise acceptable to both the White House and Republican conservatives, Congress today approved a package of legislation that would increase the Federal Government's borrowing authority to \$5.5 trillion and would give the President expanded control over spending decisions.

The first action would lift the threat of default that has hung over the Federal Government for seven months as the Clinton Administration and the Republican-controlled Congress argued over a balanced budget. The measure approved today would increase the Government's borrowing limit by \$600 billion over the current level, and would extend the borrowing authority well into the 1997 budget year. A temporary increase in the Government's borrowing authority is set to expire at midnight on Friday.

The second measure, the so-called line-item veto bill, would allow Presidents to veto particular items in spending bills, without having to veto the entire measure. The bill would shift to the executive branch some of the spending powers Congress has jealously guarded since the founding of this country.

President Clinton has endorsed both measures and said he would sign them. But Republicans, especially those in the House, also claimed victory today.

They used the debt ceiling increase as a political sweetener to woo the White House into supporting three other bills which, together with the debt bill, they call the Contract With America Advancement Act. The three relate to issues House Republicans said they would press in the Contract With America, their 1994 Congressional campaign manifesto. The measures are the line-item veto, a bill to increase the amount certain retirees can earn before losing Social Security benefits, and legislation that would allow small

businesses to challenge the Federal regulations in court.

Until now, Republicans have had only limited success turning Contract items into law.

Today, though, Representative Tom DeLay of Texas, the Republican majority whip, said, "The Contract With America is alive and well."

The line-item veto measure, passed after more than 200 attempts over the last 120 years, was passed by a vote of 232 to 177, largely along party lines. The Senate had approved the measure on Wednesday on a vote of 69 to 31. The approval came despite criticism from Federal judges and doubts among many members of Congress.

Last week, the organization representing the judges complained that by giving Presidents more control over judicial budgets, the measure altered the balance of power between the Executive and Judicial branches.

Many in Congress had the same fear about loss of power. "We are in the Congress unilaterally handing over to a President, whomever he or she may be, the right to veto all the work that we do here," said Representative Louise M. Slaughter, a Democrat from New York.

Another Democrat, Representative David E. Skaggs of Colorado, predicted, "We will live to regret the usurpation of power we invite by future Presidents of the United States."

But the Republican majority in the House argued today that the legislation was needed to allow the President to root out pork-barrel projects and to help the Government move toward a balanced budget.

"Without question it will result in lower, more responsible Government spending," said Representative Gerald B. H. Solomon of New York, who led the Republican debate.

The legislation would grant the President a version of line-item veto authority beginning next Jan. 1 or when a balanced budget bill is signed into law, whichever comes first. It would allow the President to strike individual items in spending bills, any new entitlement increases and any special tax benefit affecting 100 people or fewer.

The legislation has a so-called sunset clause, which grants the line-item veto to the President for eight years, after which Congress would have to decide whether or not to extend the authority. House.

The Social Security provision would raise the earnings limit for some retirees before their Social Security benefits are reduced. Under current regulations, Social Security recipients from 65 to 69 lose \$1 in benefits for every \$3 they earn above \$11,520, a ceiling that had been scheduled to rise to \$14,400 by 2002. The proposed changes would increase the levels to \$12,500 this year and to \$30,000 by 2002.