

Clinton to Veto \$16

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Billion Recisions Package

By Dan Morgan and Ann Devroy
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President Clinton has decided to use his first veto on a \$16.4 billion spending cuts package that was agreed to yesterday by a House-Senate conference, according to White House officials.

The veto would force Congress to reconsider the measure, which retroactively rescinds funds that were approved in 1994 and in earlier years, but have not yet been spent. The spending cuts package, the largest of its kind in recent memory, is not directly related to pending House and Senate budget proposals for eliminating the deficit by 2002. But unlike the budget resolutions, which serve mainly as guidelines, it would have a direct and immediate effect on programs and projects.

Administration and Democratic sources said last night that Clinton plans to announce today at an event promoting work-to-school programs that the package is unacceptable. Officials suggested the president will offer suggestions on how to achieve much of the same savings without such deep cuts in programs he backs

and will call on Congress to rework the package.

Clinton has threatened other vetoes, but mostly as a tactic to prompt changes as legislation makes its way through both houses. In this case, the legislation is only a few technical steps away from the Oval Office.

White House press secretary Michael McCurry said the Senate had made some improvements on the House-passed bill but that the House-Senate conference "has done nothing to improve the bill; if anything it probably made it worse." As the major problems, he cited cuts in education, job training, summer youth employment and the Goals 2000 effort—a program of innovative education demonstration projects in public schools.

Administration officials have also expressed concern about environmental riders on the legislation that would limit lawsuits attempting to block timber sales on public lands.

The final version reduces funding for a number of initiatives prized by Clinton, including the national service corps, but preserves most of the money appropriated last year for

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the Job Corps and the federal government's \$6 billion Chapter 1 compensatory education program of grants to schools with large numbers of low-income children.

Some of the cuts follow the president's "reinventing government" proposals. And the package includes items that Clinton had sought, such as \$6.7 billion for disaster relief in at least 40 states, \$275 million for debt relief for Jordan and \$250 million—more than double the president's request—to aid with the Oklahoma bombing investigation and improve the counterterrorism capabilities of the FBI and other law enforcement agencies.

"We've beaten the expectations," said House Appropriations Committee Chairman Bob Livingston (R-La.), whose committee initiated the attempt to wring billions of unspent dollars out of government agencies and departments on Feb. 22. He said the \$16.4 billion in cuts was "evidence that we are keeping our promises."

Rep. David R. Obey (Wis.), ranking Democrat on the Appropriations Committee, called the measure a "fraud" because there was no guarantee that the savings from the bill would be used in later years for deficit reduction rather than a tax cut that would benefit the wealthy.

Compared with the Olympian debate getting underway in the House and Senate this week over the long-term budget resolutions, preparation of the spending cuts package has

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been more like mud wrestling. Proposed cuts of even a few million dollars produced fierce infighting, foreshadowing bruising battles ahead as Republicans attempt to translate the hypothetical cuts outlined in the budget bills into reality.

An example was a tiny education program that provides adult mentors to young children. On Friday, Sen. James M. Jeffords (R-Vt.), who helped write the legislation creating the early

GIVING AND TAKING AWAY	
<i>Highlights of the compromise spending bill crafted by the House and Senate Appropriations Committee conferees yesterday.</i>	
NEW MONEY	
Disaster relief	+ \$6.7 billion
Jordan debt relief	+ \$275 million
Oklahoma City and counterterrorism	+ \$250 million
MAJOR REVISIONS	
Department of Housing and Urban Development	-\$6.3 billion
Airports and highway building (Revokes funds for which no projects exist)	-2.5 billion
Safe drinking water grants to states (Funding has never been authorized)	-1.3 billion
Summer youth jobs (applies to 1996)	-871 million
Federal buildings	-580 million
School improvement programs	-402 million
Low-income fuel subsidies (applies to 1996)	-319 million
Youth job training	-272 million
Safe and drug-free schools	-236 million
Corporation for Public Broadcasting (applies to 1996 and 1997; no 1995 funds were revoked)	-92 million
Goals 2000 education reform	-92 million
Displaced worker training	-67 million
Russian aid	-25 million

SOURCE: House Appropriations Committee

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childhood intervention program, threatened to vote against the entire package unless it was spared.

The threat forced conferees back to the negotiating table, and yesterday they agreed to restore \$3.4 million for the program. The deal with Jeffords also involved restoring half the \$140 million cut from the Chapter 1 program, leaving most of the funding of the huge program intact. To offset the restoration of the funds, appropriators agreed to rescind additional amounts from adult job training and a child care block grant.

Closer to home, conferees preserved \$19.4 million recommended by the Senate for an education and storage facility in Suitland for the National Museum of the American Indian.

In the final moments of the conference, the earthy realities of budget-cutting ignited angry sniping between House Republicans and Democrats, as senators silently looked on.

Rep. Steny H. Hoyer (D-Md.) accused Republicans of using a "double standard" in deleting \$9.7 million earmarked for a federal building in San Francisco, noting that the expenditure had been authorized by statute. He noted that it was in the

district of a Democrat, Rep. Nancy Pelosi (Calif.).

Obey then charged that under the guidelines used by Republicans, \$19.2 million for an Internal Revenue Service center in Holtsville, N.Y., should have been rescinded since the project had "gone bad" and was being revised by the General Services Administration. Holtsville is in the district of Rep. Michael P. Forbes, a GOP member of the Appropriations Committee.

But Rep. Jim Lightfoot (R-Iowa) snapped, "I resent some of the comments that have been made here. The suggestion that we're playing politics is absolutely absurd."