

PRESS CONFERENCE WITH MAJORITY LEADER

STENY H. HOYER

Tuesday, March 5, 2007

11:30 a.m.

Mr. Hoyer. Good morning. The schedule, I will go through that quickly. We have 12 suspensions on the floor today. There are two relatively significant ones. First is the naming of the Department of Education building for Lyndon Baines Johnson, obviously very responsible for the Department of Education. It is my understanding it is supported in a bipartisan fashion from the Texas delegation and hopefully will be a bipartisan bill. I talked to Mr. Boehner about it as well.

The second is the kidney donation bill, which facilitates the identification and the providing of kidney transplants for those on dialysis. Interestingly enough, it is scored as a \$500 million savings over 10 years, which is pretty significant and meaningful, which means that it is perceived in having real effect, which is very positive.

On Wednesday we go in at 10:00. We won't do any business immediately because we are going to have King Abdullah of Jordan here, and he will be giving an address to the joint session. After his address we will go back into session and consider H.R. 569, a bill on grants for communities to prevent sewage release, which ties in with what we are doing on the environment this week, because on Thursday we have three very significant bills dealing with wastewater. Hopefully, again, they will be in some respect

bipartisan, although H.R. 569 and H.R. 720, 720 in particular was held up under the Republican Congress.

This is the Water Quality Financing Act of 2007, which authorizes appropriation of \$20 billion for Clean Water States Revolving Fund. Very important for States. Very much obviously focused on ensuring clean water. This was held up by Tom DeLay for a significant period of time because there will be a Davis-Bacon vote on this issue, which I think Mr. DeLay was afraid he would lose and didn't bring the bill to the floor for that purpose.

The other two bills, the Water Quality Investment Act extends the authorization, existing authorization; and H.R. 700 is a bill by Jerry McNerney from California which reauthorizes \$125 million for grants for alternative water supply sources and projects at EPA.

So this week we will be doing some bills that we think will have a substantially positive impact on water quality in our country.

On Friday we will do H.R. 720; do the other two bills on Thursday.

The Iraq supplemental. Obviously one of the most important issues confronting the country is the Iraq war, where we stand in Iraq, what we are doing in Iraq, what our policy is in Iraq. As all of you know, we are working on that. It was going to be marked up this week. We are still

working on it, so it will be marked up either the end of this week or next week. We expect to have it on the floor the following week, and therefore we move both the Iraq, the supplemental and the budget 1 week. They slipped. We are backfilling, as you have seen, but they have slipped 1 week. We are doing things -- we accelerated the water bills.

The Speaker, Mr. Obey, Mr. Murtha, Mr. Skelton are all working on this issue. As all of you know, there are a breadth of views in the country as well as in the Democratic Party. The Democratic Party reflects the breadth of those views, but what Mr. Obey and Mr. Murtha and Mr. Skelton are trying to do is to provide a bill which supports our troops, fully funds our troops, but also provides for giving our troops the training and equipment they need before going into battle.

We think Americans will think that is an appropriate requirement. And it is currently required by the Department of Defense. None of these are new requirements that we are talking about. They are currently required by DOD.

Secondly, refocusing our fight on al Qaeda and the global war on terror and Afghanistan. We had a meeting at the White House with bipartisan leadership. This was the so-called Lieberman suggestion to the President that he have working groups come down to the White House to talk about the war. The consensus clearly was that Afghanistan was, in

fact, very much the focus of the war on terror, and that we had a general consensus on that, and that therefore we ought to focus on that. I don't mean there was a consensus that we ought to change our focus from Iraq, but that we ought to have a focus, and that primary focus, on Afghanistan.

Thirdly, making sure the Iraqis are doing what the President has indicated they need to do, what they have indicated to the President they are going to do. That is the benchmarks part of it.

Now, as you have heard, clearly there is discussion about waivers so that there is no issue with respect to the President, if he decides there is an emergency reason for waiving these requirements that DOD has put in place, that he would be able to do that.

The Republicans essentially, as has been their course for the last 6 years, don't want to do anything in terms of oversight, accountability, benchmarks or performance standards. They want pay-for-performance, but not an administration by performance. We think that is unfortunate. I think that we are obviously still working on these, but that we will come out with something along the lines that I have just discussed.

It is my understanding the Minority Leader has indicated he is going to fight this bill, and this is a request for \$100 billion to continue to prosecute an effort

which Secretary Gates said just a few months ago we were not winning.

The American people expect the Congress of the United States, Congress ought to expect itself, to oversee and state expectations and state conditions under which our troops will be deployed and put into battle. They need to be trained, they need to be equipped, and they need to be rested. The rested requirement is the requirement the DOD has put out, and if that is not met, then the President ought to explain why it is not being met. I think the parents of those going overseas, the husbands and wives, and the men and women themselves should expect no less.

Secondly, congressional oversight. This obviously ties into it. We have both a tragedy and a scandal in the Walter Reed disclosures. Very significant hearings yesterday. There are going to be more hearings going forward. This clearly needs to be addressed and will be addressed, should have been addressed, as to when it was known to leaders, Republican leaders of the committee of the appropriations and other committees, and action was not taken to require accountability or exercise oversight.

That needs to be done. We are going to do it. We are going to demand performance, and then we are going to discuss what resources need to be applied so that our men and women who have fought for our country at our request,

when they are injured, some very seriously, are taken care of when they come home and are not the victims of mismanagement on the part of the administration and/or people who are asked to serve them, as they were of the enemy in Iraq or Afghanistan.

In addition, we have significant hearings that are going on with reference to the U.S. attorneys that were fired. Obviously it raises very, very serious questions as to the politicization of the U.S. Attorney's Office around the country. In addition, we have serious questions raised about two Members who have contacted U.S. attorneys with reference to political cases.

Both of those matters need to be looked into, but certainly the hearings, which I think are going to be very significant, dealing with these U.S. attorneys are going to be, I think, very important as we try to make sure that our justice system is operated in a nonpolitical, fair fashion.

The budget. Last week I noted the President's budget incorrectly, and we sent out a correction almost immediately. There have been some errors made by us for which we take responsibility, but we caught it shortly after the press conference, and we got hopefully most of you to correct that observation.

However, our points were echoed by CBO on Friday. We distributed a document that you have in front of you dealing

with the budget. The salient points are the President's budget is a \$247 billion tax increase on middle-class families over the next 5 years. That is the AMT. The President's health care tax proposal would result in a tax increase of 500 billion over 10 years. Mr. Norquist has made that -- I am not necessarily someone who cites Mr. Norquist because he and I don't agree, but we do agree when he honestly characterizes this as a \$500 billion tax increase. It is just that.

The President's budget also imposes new enrollment fees for veterans health care, \$2.1 billion, and increases premiums paid by seniors by \$5.5 billion. This is an administration that says we are against tax increases. Obviously that is a very substantial -- those essentially total some, over 10 years, about \$750-plus billion in increases for various folks.

The President is only able to reduce the deficit under CBO -- I said 100 billion, but the reason he can reduce the budget, he relies on a \$90 billion tax increase in 2012 alone to balance his budget. That is the AMT not being adjusted. He relies on the AMT in the second, third, fourth and fifth years of his 5-year budget projections, and a \$31 billion tax increase in the last year on families with employer-provided health care. That is the \$500 billion number that Norquist refers to as a tax increase. So both

CBO and Mr. Norquist's observations agree with mine; that, in fact, what the President has proposed is very substantial tax increases by another name, which is why we are going to fix the AMT permanently because it is more politically convenient for the administration to increase taxes or rely on the increase in taxes to make their numbers look good.

Let me stop with that and try to answer some questions.

Q Mr. Leader, with regard to the U.S. attorney's investigation, beyond the hearings that are going on today in the House and the Senate, do you have any concerns or reason to believe that the White House or the RNC was coordinating this? Would you like to see any of those folks testify, and do you believe the House ethics committee should now be getting involved as well?

Mr. Hoyer. You ask a number of questions; all but the last one let me answer in a comprehensive answer.

The first step we are taking is having these attorneys testify. They are going to be testifying. Hopefully they are going to be extensively questioned as to what went on, and I think it will be time then to make a determination as to what additional witnesses, if any, need to be relied upon.

So what I'm saying is let's hear what they have to say. Then I think the committees will take their cue from that as to what further hearings, investigations, witnesses ought to

be called.

On your last question with reference to -- I have been pretty consistent over the last 4 or 5 years on this issue. Issues have been raised publicly with reference to contacts of the U.S. Attorney's Office. The Senate has taken that under consideration; I believe the House ought to take it under consideration.

Your next question is am I going to file a complaint? The answer is no. It has been my consistent position that the ethics committee has a responsibility, given the raising of public questions -- they have a responsibility on private questions, don't get me wrong, but I don't know about the private, but when issues are raised in the public sphere, I think the committee has a responsibility on its own, and I would hope they would do that.

Q On the issue of Iraq, the Out-of-Iraq Caucus and coalition of antiwar groups want this supplemental to set a date certain for the redeployment of troops, and they say without that, they don't want to vote for it. How do you meet that demand, placate that demand without losing Blue Dogs and more conservative groups?

Mr. Hoyer. We are discussing how we try to respond to the concerns and positions which differ of our caucus. There are a number of ways you can do that, one of which is to have individuals have the opportunity to take a position

that they would like to see adopted. If that does not prevail, then vote for an alternative which can create a consensus.

Q Basically let them lose a vote and then see what happens from there?

Mr. Hoyer. I think I accurately stated my view. I won't adopt your restatement.

Q What is the status of the minimum wage? Where are you?

Mr. Hoyer. We did a great job on the minimum wage in the House. That is the first step. We did it in a timely fashion. My view, very strongly, is it should pass clean. I think it is moral negligence of the Congress of the United States not to pass an increase in the minimum wage in the last 10 years, period.

Q Sounds like you guys are not making much progress with the Senate.

Mr. Hoyer. You don't need to ask me a question to know that answer. That is obviously right. But the second point is that I can beat my chest and say, I want the perfect. I would much rather have a bill passed than simply say I voted for the perfect. So the answer to your question is we are trying to work with Mr. Reid. We passed, as you know, a bill, \$1.3 billion tax cut for small business. Chamber of Commerce endorsed it, and the Chamber of Commerce opposed

the Senate version, as you know.

So we not only have, we think, the interests of those on the minimum wage, but also the interests of small business in mind, and we would like to see the Senate move ahead on that. Now, the Senate has some other ideas. We are trying to work on those. Legislating is the art of the possible, the art of putting together 51 votes, or, in the Senate's case, 60 votes, and 218 votes over here. We are working on that. We hope it passes. We hope it passes as lean as possible, which is why we tried to make the effort to give the Senate a tax package which small business supports.

Q Leader, a question for you. Will Mr. Murtha be writing and introducing, sponsoring the actual supplemental bill?

Mr. Hoyer. No.

Q Who will do that?

Mr. Hoyer. Mr. Obey will. As is always the case, supplementals are always written by the committee, of course, but the Chairman of the committee, full committee, is always the chief sponsor of supplementals.

Q In the Senate they are working to perhaps put something about Iran in the supplemental, and do you feel the House -- you should take a look at this and prevent President Bush from going forward?

Mr. Hoyer. I expect language on Iran in the bill.

Q Anything more specific?

Mr. Hoyer. No, because I haven't seen the language, but I think I said last week it is my position that the President under the Constitution cannot go to war with Iran or any other country without authorization of the Congress. Now, sometimes that authorization is given by indirection, as we have seen over the past, as opposed to specific declaration of war. I understand that.

Clearly the Congress -- I think that is the only constitutional position the Congress ought to take. Now, having said that, I think I also responded to a question last week or the week before that the President obviously has inherent authority as Commander in Chief under Article II of the Constitution to respond to adverse actions taken against citizens, troops, who are also citizens; defensive actions.

Q Mr. Leader, you mentioned in response to his question about letting every side have its vote.

Mr. Hoyer. I didn't say we were going to do that; I said that is one thing we are talking about.

Q I guess my question is are you envisioning that in a private caucus process, committee process, allowing a full vote on the floor?

Mr. Hoyer. No, no. There is hardly anybody in this

discussion that wants to be private about what they are going to do. They want to tell their people and they want to tell the country what they believe and where they want to go, and that is a legitimate thing for a Representative to do in a free and open democracy?

Q So you mean a vote on the floor.

Mr. Hoyer. Figuring out how you do that and still need to move forward. Mr. Murtha said on Russert we don't have the votes for what Murtha would like to do, perhaps. I am not characterizing that because I didn't watch Russert, but I understand he said we don't have the votes. I think that probably as a practical matter is correct if he's talking about an option -- I don't know how he characterized his own option, but, in any event, a more definitive option than perhaps may be passable. We are trying to figure that out.

Q Mr. Obey's posture has been you are in the Majority now, you shouldn't be offering amendments to your own bills. But it sounds like people have talked about this. Potentially you are talking about bringing out a bill that you think should pass and have a rule that allows amendments; for example, if you brought out, as you expect, some of the Murtha conditions with waivers, that you could potentially have a rule that would allow someone to strike the waivers so they can express that desire.

Mr. Hoyer. No, no, David, I think that is a fair

question. What I am saying is there are Members on a spectrum of opinion that would like some way to express that. That is one option to do that. On the other hand, Mr. Obey correctly indicates that we would like to reach a consensus to move something. Whether or not -- that is what we are talking about.

Q Mr. Leader, should those who you give that opportunity to express themselves through a vote or amendment on the floor lose that vote, do you then have assurances from them they will be with you on final passage?

Mr. Hoyer. First of all, we haven't decided the first question, so we haven't gotten to the second.

Q Don't you want to know about the second question before you offer the first?

Mr. Hoyer. However way you want to put it, the answer is yes.

Q Is another part of the calculus --

Mr. Hoyer. Somebody over here asked what's the question. Clearly your observation is correct; the whole purpose of discussing this is to try to create consensus. If you don't get the consensus at the end of the effort, you have not succeeded. So the answer is, yes, you want to know if you can do A, will you do B. But whether or not we are going to do A and C and get to B has not yet been decided. It is complicated. We are discussing it; it is taking us

more time than we thought. People feel very strongly about this, as the country does.

Q Mr. Hoyer, a lot of your Members also want to use the supplemental to sort of relieve some pent-up needs that they see on the domestic side of the agenda, like agriculture and New Orleans levees or this problem in Oregon, the problem with the salmon. What items do you think are going to make the cut in that regard, and do you run the risk of the Christmas tree light situation?

Mr. Hoyer. You have been around a long time. On every supplemental you run the risk of a Christmas tree. If you are a House Member, your frustration is you know that the Senate is going to add stuff on. That is historically the case. But I am not going to -- you know the interest; you didn't mention SCHIP, but that is certainly one of those items that we are very concerned about, the States are very concerned about. There are a number of items like that. You mentioned the emergency drought relief for farmers. There are a number of items like that. There is veterans health issues that are of concern, obviously, Katrina concerns. There are a lot of concerns.

But I think the fair answer to that is Mr. Obey has not decided on the final draft as to what is going to be included, and I am not going to pick winners and losers at this point in time. But your question is are there a lot of

things being proposed to be added on the supplemental? The answer is yes. That is not an unusual situation, as you well know. Every supplemental I have ever dealt with, people wanted to add something on. In many instances none is added on; in some instances some things are added on. I think we are in that mode right now. Clearly there are a number of items that people feel ought to be added to the supplemental.

The President has indicated that he might veto the bill. If that is the case, we would think that would be unfortunate, and if, in fact, it is a good bill that he likes in terms of funding the effort in Iraq and Afghanistan, supporting our troops, we would hope he would sign it.

Richard.

Q On Iraq, if you continue to have problems on your side, could you imagine a scenario in which you pass a bill with Republicans? And I ask that keeping in mind that Boehner said this morning that he is willing to support a supplemental so long as it doesn't inhibit the generals, his language.

Mr. Hoyer. I am certainly open to discuss that -- what he means by that. I don't know what he means by that. We are hopeful to pass a bill, we are hopeful to pass a bill with Democrats, an overwhelming number of Democrats and

Republicans voting for it. We think that would be good for the country to have a bipartisan vote on this issue.

Q Mr. Leader.

Mr. Hoyer. Don't read into that, Richard, that I am saying that therefore we are not looking to create the consensus we need on the Democratic side, because that would be inaccurate.

Q Medicare advantage; how seriously are you looking at that for savings, and what would that money --

Mr. Hoyer. It is in the mix. I don't want to calculate how serious we are looking at it. Clearly there are some things that the committees want to do. As you know, I have met with John Spratt and all the committees. Clearly John Spratt and I have sent them the message that they need to be looking at offsets. We have adopted pay-go. We think pay-go is very difficult for us to deal with, but we think it is important in the long-term economic fiscal health of the country that we do that. But that is going to require some squeezing, and it will require offsets, not just add-ons. And so Medicare Advantage is a big pot.

Q The payments parts.

Mr. Hoyer. I don't want to get into that because the committees need to be figuring that out, and I don't want to anticipate or prejudice anything they may be considering themselves.

Thank you very much.

[Whereupon, at 11:59 a.m., the press conference concluded.]