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House GOP Insists Tax Cuts, Social Security On Agenda

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House Republican leaders today insisted their tax cut and Social Security plans have survived the Hurricane Katrina crisis and will be revisited this fall. "It's on our agenda," Speaker Hastert said today at a news conference to discuss the legislative outlook. House Ways and Means Social Security Subcommittee Chairman Jim McCrery, R-La. -- who is deeply involved in Hurricane Katrina relief efforts as well as the Social Security and tax cut debates -- said Republicans remain committed to extending tax cuts in a reconciliation package now slated to be reported in early November. "The House Ways and Means Committee has not abandoned trying to extend the dividends and capital gains" rate cuts through reconciliation, McCrery said. "I don't subscribe to that view [that prospects are fading for a reconciliation package]. I don't see any reason why we can't take up reconciliation," McCrery added. Likewise, Senate Finance Chairman Grassley has repeatedly stressed his intention to extend those tax cuts.

McCrery also stressed that he does not believe Social Security is off the table for the year. "We're still going to make an effort ... this year," he said. Ways and Means Chairman Thomas, speaking to a trade group this morning, said a retirement overhaul package was delayed, not dead. "We came back ready to work on a series of issues, Social Security and the estate tax, but we've been shifted into a crisis mode," Thomas said. "We will have a broad-based pension and retirement security bill but it's been slightly delayed."

While House GOP leaders reiterated their commitment this week to overhauling Social Security, enthusiasm for the issue among the rank-and-file has been almost nonexistent since members returned from the August recess. "I don't see how it happens this year," one junior Republican lawmaker said today. "No one is talking about it anymore."

Majority Leader DeLay, however, told reporters Tuesday that there is "plenty of time" on the legislative schedule to address Social Security but declined to offer a timeframe for when it might hit the floor. Republican Conference Chairwoman Deborah Pryce of Ohio did not rule it out but would not commit the House to action. "I think we'll do something with immigration," she said. "But we'll need to take the temperature of the Conference on Social Security. There's no reason to do it if we don't have the votes."

Thomas said today that estate tax legislation would be revived during the next month but said "the clock is ticking down" on permanently resolving the issue. He said it would be impossible to get a permanent repeal bill through the Senate but called for completing action on a permanent solution reducing the rate and expanding the exemption from the tax. "We need to do this in the next month," Thomas told the United Fresh Fruit & Vegetable Association, a strong backer of estate tax repeal.

Sen. Jon Kyl, R-Ariz., who has been seeking an estate tax compromise in the Senate, said last week that those efforts were on hold as senators focused on Katrina relief.