

Congressional logjam over expanding the child tax credit for low-income families

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By DAVID WELNA

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From NPR News, this is ALL THINGS CONSIDERED. I'm Michele Norris.

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And I'm Melissa Block.

Congressional Republicans took considerable heat for removing part of the Bush tax-cut plan benefiting low-income families. The change was made just before final passage of the bill. Last week in response to the public outcry, the Senate restored the tax credit to more than six million low-income families with children. But rather than simply approve the Senate bill, the House has drawn up its own child tax credit fix that carries a far bigger price tag. NPR's David Welna reports from the Capitol.

Unidentified Woman: We got to put our prayers into action, God, and so right now in the homes of hundreds...

DAVID WELNA reporting:

At what was billed as a prayer gathering held today in an ornate Senate caucus room, religious leaders from around the country joined to press House GOP leaders to pass a child tax credit for low-income families. The Reverend Jim Wallace heads the multidenominational group Call to Renewal.

Reverend JIM WALLACE (Call to Renewal): The White House heard the outrage; now the

president says, too, that we should do the right thing, that the House should do the right thing. Now we will wait to see if they do and to see if low-income families and their children are embraced.

WELNA: Meanwhile, at a notebooks-only briefing for reporters in the Capitol, Majority Leader Tom DeLay scoffed at the notion that the House would simply take up the bill passed last week by the Senate that restores the child tax credit for low-income families. As DeLay put it, 'Ain't going to happen.' This followed what essentially were marching orders from President Bush to pass the Senate bill conveyed yesterday by White House spokesman Ari Fleischer.

Mr. ARI FLEISCHER (White House Spokesman): His advice to the House Republicans is to pass it, to send it to him so that he can sign it. He understands they're going to take a look at some other tax matters; that's their prerogative. But he wants to make certain that this does not get slowed down, bogged down; he wants to sign it.

WELNA: Asked about Fleischer's comment, DeLay replied acidly, 'Last time I checked, he doesn't have a vote.'

Late this afternoon, House Ways and Means Committee Chairman Bill Thomas announced the House would consider as soon as Thursday its own bill to fix the child tax credit omission. But while the Senate bill's \$10 billion cost is paid for by increased customs fees, the House bill carries an \$85 billion price tag with nothing to offset the cost. Thomas said that's the price of extending the tax credits for a full decade rather than the three years in the Senate's bill.

Representative BILL THOMAS (Republican, California; Chairman, House Ways and Means Committee): I understand that you can pay for offsets when you're doing politics. Politics is always cheap. When you do policy and you're trying to help real people for a decade, that costs money.

WELNA: The Senate would likely balk at the House bill's bigger price tag and the fact that it's not paid for with offsets. Its higher cost might also force House Democrats to vote against it, even though they've been pushing hard to restore the child tax credits. Illinois Congresswoman Jan Schakowsky says she can only see herself voting for a bill like the one passed by the Senate.

Representative JAN SCHAKOWSKY (Democrat, Illinois): If it is not and if it is a loaded-up bill, I won't be able to support such a measure. I think in the long run, or maybe even in the short run, it will end up hurting those working families and will just serve once again that very top level of Americans that they seem so dedicated to helping--the very richest.

WELNA: Last night Republican Congressman Mike Castle of Delaware introduced the Senate's bill fixing the child tax credit. Like other GOP moderates in the House, Castle says he simply wants to get that fix over and done with. He's worried Republicans have gotten a black eye for taking it out of the original tax-cut bill.

Representative MICHAEL CASTLE (Republican, Delaware): I don't think the black eye would

last very long if this is done quickly, but I think if there is an effort either to scuttle this or to delay it indefinitely, then that might be quite a shiner, then the black eye would last for a long time.

WELNA: But for House Republican leaders, this may be payback time. By proposing a much more costly fix to the child tax credit problem, they have a chance to get even with the Senate, which last month forced those leaders to settle for a tax cut less than half the size that they wanted. David Welna, NPR News, the Capitol.