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Lawmakers Prepare Plans to Finance Storm Relief

By [CARL HULSE](#)

WASHINGTON, Sept. 20 - Conservative House Republicans plan to recommend on Wednesday more than \$500 billion in savings over 10 years to compensate for the costs of Hurricane Katrina as lawmakers continue to struggle to develop a consensus on the fiscal approach to the disaster.

At the top of a partial list of the potential cuts being circulated on Tuesday were previously suggested ideas like delaying the start of the new Medicare prescription drug coverage for one year to save \$31 billion and eliminating \$25 billion in projects from the newly enacted transportation measure.

The list also proposed eliminating the Moon-Mars initiative that NASA announced on Monday, for \$44 billion in savings; ending support for the Corporation for Public Broadcasting, \$4 billion; cutting taxpayer payments for the national political conventions and the presidential election campaign fund, \$600 million; and charging federal employees for parking, \$1.54 billion.

"What House conservatives will demonstrate through Operation Offset is that there is more than enough room in the federal budget to provide for the needs of the families affected by Katrina without raising taxes," said a House Republican aide who is working with lawmakers on the proposals and who insisted on anonymity because the package would not be made public until Wednesday.

The suggestions are certain to draw serious opposition from other lawmakers who consider those programs essential, illustrating the difficulty faced by the majority Republicans in finding acceptable ways to offset the hurricane costs.

Before the list was made public, Representative Tom DeLay of [Texas](#), the House majority leader, declared that delaying the Medicare plan was a nonstarter. Mr. DeLay also expressed skepticism that most lawmakers would want to revisit the transportation bill, saying he would be reluctant to sacrifice the projects that he won for his district in the Houston area.

"My earmarks are pretty important to building an economy in that region," Mr. DeLay said of the local projects he backed in the bill. A watchdog group said those items totaled more than \$114 million.

Mr. DeLay said Republicans would press ahead this year with their planned tax cuts, though Treasury Secretary John W. Snow told a trade association on Tuesday that some tax measures might have to be delayed, including a repeal of the estate tax and the effort to make permanent some cuts instituted earlier in the Bush administration.

"I think it will push to the back burner some issues that otherwise would have been on the agenda now," Mr. Snow said in a speech to the National Association of Federal Credit Unions.

Senate Republicans met for more than an hour on Tuesday with Joshua B. Bolten, director of the Office of Management and Budget, to try to hash out an approach to hurricane-related spending, a problem that lawmakers acknowledge is among the most difficult they have faced.

Senators said they continued to press the White House to name a prominent individual to oversee the relief effort, creating a central contact point for the flow of money, as well as many legislative proposals.

In the House, Democratic leaders called for establishing a special commission to try to prevent fraud and abuse in spending on the recovery.

"We need to make sure that federal contracts are awarded based on confidence and integrity instead of cronyism and greed," Representative Henry A. Waxman, Democrat of [California](#), said. "And at long last, we need to start putting the interests of the taxpayers ahead of the private contractor."

Senate Republican leaders promised to be diligent in overseeing the money, which they said was being spent more slowly than immediately after the storm. They said they would keep the deficit in mind.

Senator Bill Frist of [Tennessee](#), the majority leader, said Congress needed "to make sure that that money is spent wisely, that it is spent with full accountability, that it is spent with fiscal responsibility and transparency."

There was a sharp split among Republicans. Some were more insistent on clearly defined cuts than others.

"There is no agreement to pay for this at all," Senator Judd Gregg, Republican of [New Hampshire](#), said. "Those of us who would like to pay for it are very much a minority within our caucus."

Mr. DeLay said estimates that the recovery and rebuilding effort could cost \$200 billion or more were unfounded. Other lawmakers disputed that, saying none of the rebuilding costs have been considered, as the [Louisiana](#) delegation is preparing a multibillion-dollar aid request.