



POLITICS: Energy, environment take center stage in budget skirmishes

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Political jockeying over the nation's fiscal health intensified yesterday on the heels of the White House's 2012 budget request, with leaders of both parties and their interest-group allies exerting quick pressure on electorally vulnerable members of Congress to take a stand on the energy-centric presidential pitch.

The Obama administration's budget dealt a \$1.3 billion cut to U.S. EPA while hiking the Energy Department's budget by 12 percent, shifting money out of areas such as fossil-fuel research to pay for new investments in clean energy technology. But of all the line items in the document's hundreds of pages, Republicans seized upon its \$3.7 trillion in total outlays while Democrats talked up its elimination of \$4 billion in oil and gas tax breaks.

The National Republican Senatorial Committee (NRSC) aimed to use the White House's broader projections of growing federal debt, as well as the move to sidestep many key recommendations of its own bipartisan debt commission, as a cudgel against potentially vulnerable Democrats facing re-election in 2012. In matching news releases that targeted eight majority incumbents, the NRSC billed the budget as a "key moment" for senators to either support the president or "condemn this reckless plan of more taxing, more spending, and more borrowing."

Amid that early squeeze, several centrist allies of the White House invoked the phrase "first step" to describe the budget but stopped short of fully endorsing its overall vision.

"It's a good first step," said Sen. Ben Nelson (D-Neb.), who added that he would use his perch on the Appropriations Committee to pursue "additional cuts."

"My sense is that the American people do want to see a reduction in spending," Nelson said, adding that the chances of doing so diminish "unless you start the cuts right now."

Nebraska Attorney General Jon Bruning is among the Republicans already running for the right to take on Nelson in 2012.

Sen. Bill Nelson (D-Fla.), another lawmaker in the NRSC's sights, also called the budget a "first step." Policymakers, he added, should be doing "what we have to do to get our arms around bringing the deficit down and also cutting wasteful spending."

Several high-powered Republicans, including former Sen. George LeMieux, are contemplating entering the Florida Senate race.

A third NRSC target, Sen. Jon Tester (D-Mont.), signaled the administration's challenges to come by going on record early with criticisms of two presidential energy priorities.

In a statement last week, Tester, who is being challenged by Rep. Denny Rehberg (R), rapped early reports of the budget adding new high-speed rail money while cutting home heating assistance for lower-income Americans by about \$2.5 billion. "I won't support a budget that dumps billions of dollars into high-speed rail while cutting something as basic as heat for family homes across Montana and America," he said.

The broader debate over the budget for 2012, which would go into effect on Oct. 1, has yet to home in on the White House's plans for significant new investment in energy technology and research and development. But once those DOE priorities reach the front burner, Third Way clean energy program director Josh Freed predicted that the administration's goals would resonate with voters in swing states.

Constituents of vulnerable senators "will understand that, 'Hey, there is still an important role that the government can play in partnership with business to help get new ideas off the ground and into the market,'" said Freed, whose think tank specializes in bridging the Hill's partisan divide.

"At that point, the private sector is going to take over again and sell those products and put people to work and keep them employed and create new jobs. ... The public understands that's the story of how the railroads got built, how the Internet was created, why GPS is now in their cars," he added.

Whether voters will buy into the president's "innovation" agenda may depend in large part on the competing message from Republicans, who plan to bring up a short-term government spending plan in the House this week that would slice discretionary spending by \$60 billion for the fiscal year that ends in October.

Democratic leaders and environmental groups rushed to condemn those cuts as soon as they hit the streets late Friday, with green advocates focusing on the proposed \$3 billion cut to EPA. But the White House's budget proposal to end \$4 billion in tax subsidies for fossil-fuel companies proved the biggest generator of political heat yesterday, as the Sierra Club sent out releases in the swing districts of several House Republicans depicting their budget moves this week as a choice between "deficit reduction" -- as epitomized by the Obama plan -- and supporting "Big Oil."

After Senate Minority Leader Mitch McConnell (R-Ky.) delivered a floor speech yesterday blasting the White House budget as "irresponsible," a spokesman for Majority Leader Harry Reid (D-Nev.) shot back with another invocation of the fossil fuel subsidies.

"It's incomprehensible how Sen. McConnell thinks 'we don't have the money' to invest in education, innovation and infrastructure, but we can waste billions on handouts to oil companies and insurance companies," Reid spokesman Jon Summers said in a statement.

The maneuvering stands to intensify even further as the week goes on and hearings on the presidential budget begin while the House debates its short-term spending bill. Speaking to conservative bloggers about the clashes to come, House Budget Chairman Paul Ryan (R-Wis.) underscored the stakes for his party's base.

"If they win the PR war" over where and how to cut spending, Ryan said of Democrats, "then the country -- you ain't seen nothing yet."