

RAHALL *Report*

1981 LEGISLATIVE RECAP

by Congressman Nick Rahall

This past year brought many dramatic changes in the way our government operates. Major reductions were made in Federal spending, and the impacts of these cutbuacks are just beginning to be felt by the American people.

The following is a list of some of the major legislative actions and what they mean:

-BUDGET RECONCILIATION- Although the fiscal 1982 budget provided President Reagan with a victory, economic realities later scuttled his budget goals.

Congress July 31, gave final approval to a measure that curtailed the shape and scope of many government programs. The bill cut nearly \$35.2 billion from the \$740 Billion spending level projected.

-TAX CUTS- Fashioned in a "bidding war" by the Administration, the tax measure called for \$749 Billion in business and individual tax cuts for fiscal years 1982-'86.

The main components were a 23 percent across the board cut in individual income tax rates; accelerated depreciation of capital investments; saving incentives; and tax relief for oil producers, married couples and estates.

-FOREIGN POLICY- While the House disapproved of the sale of AWACS planes to Saudi Arabia, the Senate allowed the sale to go through in a close 52-48 vote on October 28.

-SMALL BUSINESS- At the request of the President, Congress raised interest rates substantially on most SBA business loans and cut the amount of loss covered by disaster loans.

-POSTAL SERVICE- Subsidies to the Postal Service were cut, but Congress deflated the nine-digit zip code and maintained the operation of small rural post offices.

-VETERANS- Congress approved an 11.2 percent average cost-of-living increase for families of severely disabled veterans and families of veterans who died from service-connected causes.

-AMTRAK- Passenger train service for the State of West Virginia, via the "Cardinal" was saved from elimination by Congress.