

Reconciliation Might Threaten Delicate Talks On Key Issues

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by [Chris Strohm](#), Dan Friedman and Darren Goode

South Carolina Sen. **Lindsey Graham**, the lone Republican working with Democrats on both immigration and climate change legislation, might walk away from talks on those issues if Senate Democrats use budget reconciliation to pass changes to their healthcare bill in a deal with the House, according to Graham and a leadership aide.

"Reconciliation would have the same consequence to the future of the Senate as if we had pulled the trigger on the nuclear option for judges, which would be catastrophic," Graham said, when asked if it would cause him to abandon talks on immigration.

Graham's threat is the latest obstacle for the bills, which already appeared unlikely to pass this year.

A leadership aide predicted Graham and other Republicans would avoid cooperating on a climate bill if Democrats used reconciliation to advance healthcare legislation.

Today, President Obama is scheduled to host a critical meeting on immigration with Graham and Senate Judiciary Immigration Subcommittee Chairman **Charles Schumer**, D-N.Y., with the intention of helping to advance a comprehensive bill being written by the two senators. "I think the president, Sen. Graham and I all want to put together a comprehensive, strong immigration reform bill, because the system's broken," Schumer said. "The purpose of the meeting is to discuss [that] we're getting close and how we can get over the line," he added.

An official working on the issue said today's meeting is mostly symbolic, a White House effort to signal continued commitment to a bill ahead of a March 21 march for immigration reform by key interest groups.

But others believe the immigration bill has little-to-no chance of moving this year; all sides already are preparing to blame each other while engaging in their own damage control.

Democrats are ready to say they did everything they could to write a bipartisan bill, but could not get more than one Republican on board. Republicans are poised to accuse Obama of alienating GOP lawmakers by not doing enough to promote an immigration overhaul. And the White House will say it did what it could, including holding today's summit.

Unlike Graham, other key Republicans have not gotten behind immigration reform. Sen. **Susan Collins**, R-Maine, said she has not had any conversations with Schumer or Graham about the issue, and doubted a bill could move this year.

"I cannot imagine that the Senate is going to have time this year to tackle an issue as complex and controversial as immigration," Collins said. "Having said that, I'm always willing to look at any bill that any of my colleagues brings forth, but that doesn't mean I will sign on."

Sen. **John Cornyn**, R-Texas, said he is interested in participating in talks but is not ready to co-sponsor a bill.

Schumer asserted at a news conference Wednesday that he and Graham are "real close" to a deal. But Schumer and Democratic aides said a key obstacle is Graham's refusal to back a compromise without another Republican on board.

Schumer said Democrats had hoped to win backing from former Sen. **Mel Martinez**, R-Fla., before his resignation last year. They have since failed to find a second Republican, despite approaching many across the aisle, according to aides.

Democrats believe that five to 10 Senate Republicans ultimately might vote for an immigration reform bill, based on their public statements. But aides said that despite support for an overhaul from business groups, Republicans are unwilling to take on a hot-button issue that riles their conservative base, especially with most GOP lawmakers assuming the bill has little chance to pass in an election year.

"I just can't devote time this year to a bill where I don't know whether it's going to happen or not, nor do they," said Sen. **Richard Lugar**, R-Ind., who said he declined to work with Democrats on a bill in a meeting with Schumer a few months ago and in conversations with Graham. "I am sympathetic. I listened to what they have to say, but I just said, 'Please don't count on me.'"

Lugar said, "It would not be a popular bill either in my state or in the country. That's why it hasn't moved essentially. It really would require enormous exertion on the part of the administration as well as members of Congress."

A Democratic aide said Schumer approached Sen. **George Voinovich**, R-Ohio, after Homeland Security Secretary Napolitano, citing a meeting with Voinovich, indicated the senator might be receptive. But Voinovich declined.

A Senate GOP leadership aide acknowledged Graham has played a pivotal role in trying to forge a deal on climate change legislation with Senate Foreign Relations Chairman **John Kerry** and Sen. **Joe Lieberman**, D-Conn.

The three senators met Tuesday with the heads of several leading business and industry groups -- including the U.S. Chamber of Commerce, National Association of Manufacturers, Portland Cement Association and American Farm Bureau Federation. There were also officials from the auto, airline and electric utility sectors.

One attendee said the three senators are "sitting down with us and actually negotiating on a real-time basis" -- in stark contrast to the way climate bills were handled last year by the House and the Senate Environment and Public Works Committee.

Laura Narvaiz, a NAM vice president, said senators appeared to be heading in a positive direction. But she said her group will reserve any judgment on the substance of a bill "until we see something in writing."

A Senate GOP aide said it was too early to begin worrying that a deal will be struck on a climate bill that would put a price on industrial carbon emissions. But at the same time, aides said stakeholders should consider the impact reconciliation will have on climate legislation and the possibility that the midterm elections could yield more business-friendly Republicans in Congress.

"They should definitely realize there's not a lot of good reasons to cut a rash deal at this point," a Republican aide said. "I think they're going to have a very hard time convincing any Republicans, particularly with reconciliation hanging over their head. It seems like, to me, from a business perspective, they should consider that."

Graham, Kerry and Lieberman are tentatively scheduled to meet again with industry groups next Wednesday and have promised to try to show them a draft outline by then, sources

said. They are still working toward the goal of having a draft bill ready by the first week in April.