Conrad pitches more cuts

N.D senator suggests \$102 billion more in cuts to reduce deficit

By Carter Wood Herald Staff Writer

BISMARCK — Sen. Kent Conrad on Monday outlined plans for cutting the federal deficit over five years by \$102 billion more than proposed by President Clinton.

The North Dakota Democrat named the space station and the superconducting supercollider in Texas as two projects that could be shelved in the interest of deficit reduction.

Conrad also proposed restoring \$4 billion worth of cuts to agriculture, which he said suffered disproportionately in Clinton's economic package.

While calling for an end to most development of the "Star Wars" missile-defense system, Conrad continued his backing of a single, anti-ballistic-missile site at Nekoma.

He detailed his proposals in a conference call with reporters a day before two scheduled meetings with Clinton at the White House.

"I think the president should be commended for moving in the right direction," Conrad said. "I think he's shown a great deal of courage for standing up and presenting this plan (but) I do sincerely

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Conrad's proposal

■ Reduce \$241 billion package of new spending and tax incentives by one third: \$77 billion.

■ Increase administrative overhead cuts by 50 percent: \$5.6 billion.

■ End space station development: \$10.4 billion.

■ Kill superconducting supercollider: \$2.3 billion.

■ Limit Strategic Defense Initiative to Nekoma site: \$10.9 billion.

■ Restore agriculture cuts: \$4 billion.

■ Total reduction, administration: \$406.0 billion.

Total reduction, Conrad: \$508.2 billion.

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believe the program can be improved."

Conrad is one of about a dozen moderate to conservative and energy-state Senate Democrats whose support is seen as crucial to the success of Clinton's economic proposals. Their backing largely depends on the president agreeing to more cuts.

The select senators will visit with Clinton and other administration at 5:30 p.m. today. In the morning, Democratic members of the Senate Budget Committee — Conrad included — will go to the White House.

"The president has been very clear: If you have changes you believe that should be made, send them to us and be specific," Conrad said. "I'm doing that."

One North Dakota battle that may be lost is Clinton's proposed tax on energy, based on British thermal units (Btus). The tax worries the state's lignite and oil interests, who fear it will make their fuels non-competitive.

Conrad sounded an optimistic tone about exempting the Great Plains Synfuel plant at Beulah, N.D., from having both its coal and artificial natural gas taxed. But he saw little chance his long-favored oil import fee would replace a Btu tax

Conrad said his proposal would produce \$508.2 billion in deficit reductions over five years, \$102.2 billion more than proposed by Clinton.

The largest saving of \$77 billion would come from reducing Clinton's \$231 billion package of tax incentives and new spending. Conrad also wants to increase the cuts in federal and congressional administrative overhead by another 50 percent, saving \$5.6 billion.

Ending the space station would save \$10.4 billion, and the superconducting supercollider research project another \$2.3 billion.

Limiting Star Wars to a single ABM system at Nekoma would trim federal spending by \$10.9 billion. Conrad said that site would provide an "insurance policy" against an accidental launching of missiles or a terrorist attack, while still complying with arms reduction treaties with the former Soviet Union.

Conrad would also increase the amount of money available for 5 percent subsidized loans by the Rural Electrition Administration.