



KELLEN WASHINGTON REPORT

“We believe there is a significant risk that congressional negotiations could result in no agreement on a medium-term fiscal strategy until after the 2012 congressional and presidential elections... and we believe a delay beyond that time is possible.”

– Standard & Poor’s warning that it may downgrade the credit rating of the United States from “stable” to “negative”

OUT WITH THE DEFICIT, IN WITH THE DONALD

As budget talks remain tied up on Capitol Hill, with Congress out for a two-week holiday recess, the major topic in Washington has switched from the federal deficit to whether or not Donald Trump is serious about running for president.

The political establishment was clearly shaken as Trump appeared in TV interview after interview, challenging the accepted wisdom of party leaders and appearing to make progress in convincing the media that he was indeed serious. As Trump himself put it, “Originally they said, ‘Oh, Trump is just having a good time. Then, as of today, they are really taking it seriously. I’m not playing games. I am totally serious.’”

Mainstream Republicans like Karl Rove appeared the most concerned, fearing that a Trump candidacy would draw votes from the party’s regular nominee, whoever that might turn out to be. But longtime Republican fundraiser Fred Malek, who was financial co-chair of John McCain’s presidential campaign, took a more positive view. “I appreciate his directness,” he told the *Wall Street Journal*. “He would not be my top pick for the nomination, but only fools would underestimate him.”

“People are just loving his honesty and his not-politics-as-usual approach,” according to a top Republican operative in Iowa. Indeed, Trump’s bluntness has become his chief attraction, according to the *Journal*.

And while Congress continues to enjoy “spring break,” the public comments on Trump continue to roll in:

“I saw Donald Trump kind of rising in some polls and given his behavior and spectacle the last couple of weeks, I hope he keeps on rising. There is zero chance that Donald Trump would ever be hired by the American people to do this job. There may be a small part of the country that believes these things, but mainstream Americans think it’s a side show” – Senior White House adviser David Plouffe

“I respect him, I like him, disagree with everything he says about politics these days, but this guy has built buildings, he’s been good for New York City and if there’s a little bit of bravado in there, that also is what New York is all about.” – CNN host Eliot Spitzer

“Donald J. Trump is a man of mystery, of course, and we have no way of knowing whether he’s really running for president or just trying to sell some home furnishings. I’d submit that he doesn’t know, either, for sure... Think of the Trump Presidential Seal on golf towels and pain relievers! On the other hand, it’s a time-consuming and inefficient use of the Trump name, which goes so effortlessly on buildings and men’s suits and gold-bar-shaped chocolates. They come in three flavors, by the way. Milk chocolate, dark chocolate, and my favorite, deluxe nut. Deluxe nut. Which I think might make a wonderful Secret Service code name, should it come to that.” – Rob Long, *National Review* (5/2)

So, who does have Trump’s vote?

Recently booted from Trump’s NBC show ‘Celebrity Apprentice,’ actor Gary Busey said that he thinks Trump has what it takes to be a good president. “He’s got an awareness level that’s very high, and I’m going to vote for him for president, and I suggest you all do. Because he has the wherewithal to turn this country over, turn the dump over, get out of where we are now.”

HOME TRUTHS ON GOVERNMENT WASTE

As politicians and their staffs wrangled over what could be done to cut waste and reduce budgets without upsetting voters, the *Washington Post* decided to go straight to the source. It asked federal workers and others with in-depth knowledge of the workings of the federal government to answer a simple question: What needs to be trimmed from the budget?

Here are excerpts from their answers, as published by the *Post* on April 15. Names were withheld.

Internal Revenue Service

“There are way too many levels of management, too many executives, too much duplication of effort, too many meetings, etc. We simply have too much “managing” going on: meetings about meetings, time spent fine-tuning the administration of the organization and so on. We could greatly reduce our budget by simplifying the management areas of responsibility, thereby reducing the executive and upper-level management ranks. We have too many employees (many of them in higher pay brackets) in the administrative areas and too few in the field, assisting taxpayers.”

Treasury Department

“Social security payments received by individuals with adjusted gross income greater than \$500,000 (or \$1 million jointly) should be subject to 100 percent tax.”

“The retirement age should be adjusted every five years based on updated life-expectancy rates.”

Environmental Protection Agency

“The layers of management are insane...It takes 13 steps and five layers to get a signature from our office director.”

Agriculture Department

“The food-stamp program needs major overhaul. Way too many people are just plain living off of it now. It accounts for over 75 percent of the USDA (agriculture department) budget.”

“I would reduce the Paperwork Reduction Act. Making sure the government doesn’t impose excessive paperwork and information-collecting on the public is laudable, but there should be a threshold for reporting. What constitutes information collection and a “burden” is ridiculous...The government is spending much more time and money justifying the collection of information than the public is spending actually providing the information.”

National Institutes of Health

“The workforce needs to be looked at...Due to such things as the misuse of EEO (equal employment opportunity) there are lots of employees who are able to hold on to their positions, collect paychecks and not do what they were hired to do...A good way to accomplish this is to overhaul the performance-based system that the grade-scale federal employees are on. Under this system, most employees receive a “fully successful” even if they are not performing their duties, due to their supervisors’ fear of backlash from that employee.”

Nuclear Regulatory Commission

“Many middle managers have old-time skills and non-innovative processes... Redundant training has nothing to do with real-world skills.”

WHAT DO SENATORS DO ON THEIR SPRING BREAK?

Well, at least 17 are in Asia this week, including a large delegation of 10 senators, their spouses, staffers and military escorts, on an “informational trip” through China, starting in Hong Kong. This delegation is led by majority leader Harry Reid and includes Democrats Dick Durbin (IL), Barbara Boxer (CA), Chuck Schumer (NY), Frank Lautenberg (NJ), Jeff Merkley (OR) and Michael Bennet (CO), as well as Republicans Richard Shelby (AL), Mike Enzi (WY) and Johnny Isakson (GA.) Another delegation, led by minority leader Mitch McConnell (KY), will be stopping in South Korea and other undisclosed destinations. It includes Rob Portman (OH), Mike Johanns (NE), John Hoeven (NE) and Jerry Moran (KS.)

Columnist Al Kamen of the *Washington Post* notes wryly that though this is Easter week, it was impossible to find out if any of the delegation to China intended to visit with any of the Christians jailed recently by the Beijing authorities. When he asked, he was told that “security concerns” prevented the release of such details. No details, either, on shopping plans.

BY THE NUMBERS

President Barack Obama and his wife, Michelle, paid \$453,770 in federal income taxes on \$1.7 million in income, according to their 2010 tax returns released by the White House.

Vice President Joe Biden and his wife, Jill, also released their 2010 federal income tax returns, reporting an income of \$379,178. The Bidens paid \$86,626 in total federal taxes for 2010.

As for Donald Trump, don’t expect to see his tax returns any time soon. That is, unless President Obama offers up a personal copy of his birth certificate, according to Trump’s demand in an interview with ABC’s George Stephanopoulos. Trump later told NBC’s “Today Show” that he would release his personal financials 30 days after announcing a potential White House run, noting that his net worth is “much higher” than the \$2.7 billion cited by Forbes magazine’s annual report of the wealthiest Americans.