Default averted



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Senate Majority Leader Harry Reid, D-Nev., speaks with reporters after voting on a measure to avert a threatened Treasury default and reopen the government after a partial 16-day shutdown at the Capitol in Washington on Wednesday as Sen. Patty Murray, D-Wash., chair of the Senate Budget Committee, and Sen. Chuck Schumer, D-N.Y., listen.

BY DAVID ESPO
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WASHINGTON — Up against a deadline, Congress passed and sent a waiting President Barack Obama legislation late Wednesday night to avoid a threatened national default and end the 16-day partial government shutdown, the culmination of an epic political drama that placed the U.S. economy at risk.

The Senate voted first, a bipartisan 81-18 at midevening. That cleared the way for a final 285-144 vote in the Republican-controlled House about two hours later on the legislation, which hewed strictly to the terms Obama laid down when the twin crises erupted more than three weeks ago.

The legislation would permit the Treasury to borrow normally through Feb. 7 or perhaps a month longer, and fund the government through Jan. 15. More than 2 million federal workers would be paid — those who had remained on the job and those who had been furloughed.

After the Senate approved the measure, Obama hailed the vote and said he would sign it immediately after it reached his desk. "We'll begin reopening our government immediately and we can begin to lift this cloud of uncertainty from our businesses and the American people."

Later, in the House, Rep. Harold Rogers, R-Ky., said, "After two long weeks, it is time to end this government shutdown. It's time to take the threat of default off the table. It's time to restore some sanity to this place."

The stock market surged higher at the prospect of an end to the crisis that also had threatened to shake confidence in the U.S. economy overseas

Republicans conceded defeat after a long struggle.

"We fought the good fight. We just didn't win," conceded House Speaker John Boehner as lawmakers lined up to vote on a bill that includes nothing for GOP lawmakers who had demand to eradicate or scale back Obama's signature health care overhaul.

"The compromise we reached will provide our economy with the stability it desperately needs," said Senate Majority Leader Harry Reid, declaring that the nation "came to the brink of disaster" before sealing an agreement.

Senate Republican leader Mitch McConnell, who negotiated the deal with Reid, emphasized that it preserved a round of spending cuts negotiated two years ago with Obama and Democrats. As a result, he said, "government spending has declined for two years in a row" for the first time since the Korean War. "And we're not going back on this agreement," he added.

Only a temporary truce, the measure set a time frame of early next winter for the next likely clash between Obama and the Republicans over spending and borrowing.

But for now, government was lurching back to life. In one example, officials met to discuss plans for gearing back up at the Department of Housing and Urban Development, where 307 employees remained at work during the partial shutdown and more than 8,000 were furloughed.

Final passage came in plenty of time to assure Obama's signature before the administration's 11:59 p.m. Thursday deadline.