

'A Good First Step'

Bipartisan Negotiators Reach Modest Budget Pact

BY DAVID ESPO AND ANDREW TAYLOR
Associated Press

WASHINGTON — Shedding gridlock, key members of Congress reached a modest budget agreement Tuesday to restore about \$63 billion in automatic spending cuts from programs ranging from parks to the Pentagon.

The increases would be offset by a variety of spending reductions and increased fees elsewhere in the budget totaling about \$85 billion over a decade, leaving enough for a largely symbolic cut of more than \$20 billion in the nation's \$17 trillion debt.

Federal civilian and military workers, airline travelers and health care providers who treat Medicare patients would bear much of the cost.

Significantly for Democrats, they failed in their bid to include an extension of benefits for workers unemployed longer than 26 weeks. The program expires on Dec. 28, when payments will be cut off for an estimated 1.3 million individuals.

Bipartisan approval is expected in both houses in the next several days, despite grumbling from liberals over the omission of the unemployment extension and even though tea party-aligned groups have already begun pushing Republican conservatives to oppose it.



Ryan

it into law and our economy can continue growing and creating jobs without more Washington headwinds."

Congress' two budget negotiators hailed their own work.

The deal "reduces the deficit by \$23 billion and it does not raise taxes. It cuts spending in a smarter way" than the ones in effect, said Rep. Paul Ryan, the Wisconsin Republican who chairs the House Budget Committee and was his party's negotiator in several weeks of secretive talks.

His Democratic counterpart, Sen. Patty Murray of Washington, said, "We have broken through the partisanship and gridlock" that could have produced a government shutdown in January.

The \$63 billion in restoration of across-the-board spending would be doled out across this budget year and the next, which ends on Sept. 30, 2015.

The offsetting \$85 billion in deficit

cuts would play out over a decade. They call for newly hired federal workers to make larger contributions to their own pensions, as well as an increase in a federal airport security fee that would add \$5 to the cost of a typical roundtrip flight. Also included were unspecified savings from military retirement programs.

More savings would come from extending an existing 2 percent cut in payments to providers who treat Medicare patients.

Full details were unavailable pending their posting on budget committee websites.

Murray and Ryan had scarcely finished lauding their work when Sen. Marco Rubio, R-Fla. and a potential 2016 presidential contender, announced he would oppose it.

"We need a government with less debt and an economy with more good paying jobs, and this budget fails to accomplish both goals," he said in a statement.

Even some of the bill's supporters stopped short of describing it in glowing terms.

"While modest in scale, this agreement represents a positive step forward by replacing one-time spending cuts with permanent reforms to mandatory spending programs that will produce real, lasting savings," said Speaker John Boehner, R-Ohio.

Gunmen Abduct Activists In Syria

NABEK, Syria (AP) — Masked gunmen abducted a leading Syrian human rights lawyer and three other prominent activists in a rebel-held Damascus suburb Tuesday in a new sign that al-Qaida linked militants who have joined the fight against President Bashar Assad are trying to silence rivals in the opposition movement.

Razan Zaytouni, one of the most outspoken critics of President Bashar Assad as well as Islamic militants who have gained increasing sway over the fight to oust the government, was seized along with her husband and two other colleagues from her office in Douma.

No group claimed responsibility for the kidnapping, but Zaytouni herself had publicly blamed al-Qaida linked rebels for kidnapping activists and colleagues said she had received indirect threats from extremists in recent days.

With just about a month to go before the start of internationally brokered peace talks to end the civil war, Assad's forces have stepped up a punishing offensive against rebels in a mountainous region near the border with Lebanon.

On Tuesday, the government showed off its victory over rebels in Nabek, taking media, including The Associated Press, to the town a day after it was captured. Nabek lies on the main Damascus-Homs highway, about 80 kilometers (50 miles) away from the capital.

General Motors Names Product Chief

DETROIT (AP) — Mary Barra has spent the past three years as General Motors' product chief, making cars that drive better, last longer and look good in showrooms.

Now she will take on an even bigger job. On Tuesday, the board named the 33-year company veteran CEO, making her the first woman to lead a U.S. car company.

Barra replaces Dan Akerson, who moved up retirement plans by several months to help his wife, Karin, battle advanced cancer.

When Barra starts her new job Jan. 15, she will lead a company that's made nearly \$20 billion since emerging from bankruptcy in 2010, much of it from the cars and trucks she helped develop. But she still faces challenges of paring down GM's costs and winning over buyers in international markets such as India and South America.

Akerson, 65, said he had planned to stay at least until spring, but his wife's diagnosis changed that. He said the board unanimously picked Barra from several internal candidates because of the breadth of her experience, her management record, her people skills and her understanding of GM's operations.

Nevada

6 Missing Adults, Children Found Alive

BY MICHELLE RINDELS AND SCOTT SONNER
Associated Press

RENO, Nev. — A desperate search for a couple and four children missing for two days in the below-zero cold of Nevada's rugged mountains turned jubilant Tuesday when rescuers guided in part by cellphone signals and footprints in the snow found them alive and well near their overturned Jeep.

About 200 people had searched by land and air after the group of six failed to return Sunday from a trip to play in the snow near their hometown of Lovelock, in Nevada's high desert.

"They stayed together and that was the key that allowed them to live through this experience. You don't see that that often in search and res-

"They stayed together and that was the key that allowed them to live through this experience."

PAUL BURKE

cue," said Paul Burke, search-and-rescue coordinator for the state. "They did some pretty unusual things, heating up rocks and things, heating up rocks and things. Staying together, that was a big deal."

Their Jeep had overturned just off a road. A member of the rescue team said the engine would no longer start, but the group stayed in the upside-down vehicle for shelter, burning the spare tire to keep warm.

"Their father kept them alive and well," said Patty Bianchi, CEO of Pershing General Hospital, where the six were taken. "Everybody is in good shape. There was no

frostbite. They are stable. They suffered a little exposure and dehydration, but that is all."

About 100 well-wishers lined the street outside the hospital and broke into cheers when two of the smallest children were taken from an ambulance. The others walked into the hospital on their own.

"The mood where I'm at's ecstatic," said Col. Tim Hahn of the Civil Air Patrol, which used several planes to search for the group. "We are thrilled beyond words."

Rescuers began scouring the Seven Troughs Area wilderness on Sunday night

for James Glanton, 34; his girlfriend, Christina McIntee, 25; their two children, Evan and Chloe Glanton; and Shelby Fitzpatrick and Tate McIntee, a niece and nephew of McIntee's. The children range in age from 3 to 10.

The situation grew more dire as overnight temperatures in Lovelock dipped to 16 below zero.

A cellphone forensics team analyzed which towers the woman's phone was in contact with during their trip, giving searchers a better idea of where they might be, Hahn said. They were so far out in the wilderness that they apparently were unable to call for help, although there was enough signal strength to leave a basic electronic trail from the early stages of their ordeal, air patrol officials said.

Death Toll Rises In C. African Republic

BANGUI, Central African Republic (AP) — More than 500 people have been killed over the past week in sectarian fighting in Central African Republic, aid officials said Tuesday, as France reported that gunmen killed two of its soldiers who were part of the intervention to disarm thousands of rebels accused of attacking civilians.

Aid workers have collected 461 bodies across Bangui, the capital, since Thursday, said Antoine Mbaog Bogo of the local Red Cross. But that latest figure does not include the scores of Muslim victims whose bodies were brought to mosques for burial.

The government of the predominantly Christian country was overthrown in March by Muslim rebels from the country's north. While the rebels claimed no religious motive for seizing power, months of resentment and hostility erupted last week in a wave of violence.

The French deaths came as French President Francois Hollande arrived for a visit to France's former colony, heading into the tumultuous capital after attending a memorial in South Africa for Nelson Mandela.

"The mission is dangerous. We know it," Hollande told troops in a huge airport hangar after paying respects at the coffins of the two young soldiers. "But it is necessary in order to avoid carnage."

Ban On High-Risk Bank Trades Approved

BY MARCY GORDON
AP Business Writer

WASHINGTON — U.S. regulators have taken a major step toward reining in high-risk trading on Wall Street, banning the largest banks from trading for their own profit in most cases.

It took three years to write and adopt the Volcker Rule, one of the most critical changes to financial laws in the wake of the 2008 banking crisis.

The Federal Reserve and the Federal Deposit Insurance Corp., the Securities and Exchange Commission, the Commodity Futures Trading Commission and the Office of the Comptroller of the Currency each voted Tuesday to adopt it.

The final version is stricter than many had expected. Its goal is to reduce the kind of trades that nearly toppled the financial system five years ago and required taxpayer-funded bailouts.

At its heart, the rule seeks to ban banks from almost all proprietary trading. The practice of trading for their own

profit has been very lucrative for big banks like JPMorgan Chase, Bank of America and Citigroup. The rule also limits banks' investments in hedge funds.

But the 920-page rule contains several exemptions that allow banks to continue proprietary trading in some instances. That raises questions about whether the government can completely limit extreme risk-taking in a complex financial world.

Congress instructed regulators to draft the Volcker Rule under the 2010 financial overhaul law. It was a high-priority proposal for President Barack Obama and named after Paul Volcker, a former Fed chairman who was an adviser to Obama during the financial crisis.

On Tuesday, Obama praised regulators for adopting a rule that ensures "big banks can't make risky bets with their customers' deposits."

Regulators won't begin enforcing the rule until 2015. The largest banks will be required to show next year how they are taking steps toward compliance.

The U.S. Chamber of Commerce on Tuesday said the rule could hurt Main Street businesses by making it harder for them to raise capital as banks' available cash is reduced. The business lobbying group hinted at a possible court challenge, saying it will "take all options into account as we decide how best to proceed."



AM 1450

MORNING COFFEE

WEEKDAYS MONDAY-FRIDAY

Wednesday, December 11
7:40 am YC Observer (Kathy Church, Kristy Wyland)
8:20 am Hy-Vee Foods (Chef Staci)

Thursday, December 12
7:40 am Yankton Chamber (Carmen Schramm)
8:20 am Yankton Conv/Vis Bureau (Lisa Scheve)



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