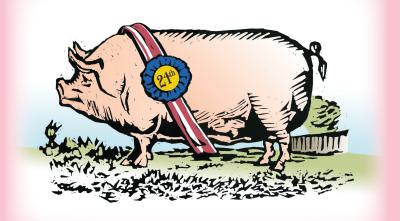
CITIZENS AGAINST GOVERNMENT WASTE



2016 Congressional Pig Book® Summary

"The Book Washington Doesn't Want You to Read"

Praise for CAGW and the Pig Book

"I believe that this book should be read by every citizen in America. ... What is being done here by CAGW, in my view, is of the greatest importance. [M]y constituents ... need to have these concrete examples of the way that business is done here in Washington, D.C., unfortunately, and the only way it's going to stop is when it's exposed."

Sen. John McCain (R-Ariz.)

"Thanks to Citizens Against Government Waste for all your hard work to hold Washington accountable to our taxpayers."

Sen. Joni Ernst (R-Iowa), May 13, 2015

"Tom Schatz deserves as much credit as anyone in America for putting a spotlight on government waste."

Sen. Pat Toomey (R-Pa.), May 13, 2015

"I commend Citizens Against Government Waste for trying to shame Congress into fiscal responsibility, although one has to wonder if Congress has any shame. You certainly don't get that impression by flipping through the *Pig Book*."

Then-Rep. Jeff Flake (R-Ariz.)

"Even though actress Fran Drescher spoke at the National Press Club Tuesday, the real eye turner could be found down the hall at an event held by Citizens Against Government Waste. The organization released its annual *Pig Book*, detailing some of the biggest 'porkers' – or earmark lovers and their pet projects – in Congress. ... And to add some heft to their presentation, the organization brought out two real pigs – Dudley and Winnie – who did their part to oink about government waste."

Politico, April 15, 2009

"At a time when millions of families are cutting back on spending, this year's *Pig Book* shows that politicians in Washington still refuse to make tough choices and sacrifice their pet projects. I applaud CAGW for their efforts to force elected officials in Washington to deliver the change the American people were promised."

Sen. Tom Coburn (R-Okla.), April 14, 2009

"[CAGW] just hosted its well-known Washington awards show, complete with men in pig costumes – and actual pigs. Citizens Against Government Waste has been rolling out the swine awards for nearly 20 years, and ... they've identified \$290 billion in pork spending since 1991."

FOX Business Network, April 14, 2009

"Those peckerwoods don't know what they're doing. They don't. They're not being realistic."

The late "King of Pork" Sen. Robert C. Byrd (D-W.Va.) National Public Radio, July 19, 2001

"All they are is a bunch of psychopaths."

The late CAGW "Oinker" Sen. Ted Stevens (R-Alaska) Associated Press, December 26, 1999

Citizens Against Government Waste (CAGW) is a private, nonprofit, nonpartisan organization representing more than one million members and supporters nationwide. CAGW's mission is to eliminate waste, mismanagement, and inefficiency at all levels of government.

INTRODUCTION

Pork-barrel spending is alive and well in Washington, D.C., despite claims to the contrary. For the fourth time since Congress enacted an earmark moratorium that began in fiscal year (FY) 2011, Citizens Against Government Waste (CAGW) has unearthed earmarks in the appropriations bills.

The 2016 Congressional Pig Book exposes 123 earmarks in FY 2016, an increase of 17.1 percent from the 105 in FY 2015. The cost of earmarks in FY 2016 is \$5.1 billion, an increase of 21.4 percent from the \$4.2 billion in FY 2015. While the increase in cost over one year is disconcerting, the two-year rise of 88.9 percent over the \$2.7 billion in FY 2014 is downright disturbing.

The FY 2016 earmarks are all contained in H.R. 2029, the Consolidated Appropriations Act, 2016, which presents its own challenges in regard to how the taxpayers' money is being spent. Throwing all earmarks into one large bill makes it more difficult to identify and eliminate earmarks than if Congress adhered to regular order and considered the 12 appropriations bills individually.

Publication of the 2016 Pig Book also marks 10 years since the record earmark amount of \$29 billion in FY 2006. In order for earmarks to reach that level over the next decade, legislators would need to increase the cost of earmarks by \$2.4 billion annually. Unfortunately, this is not out of the question given its growth over the past two years.

In FY 2016, as in each of the years following the establishment of the moratorium, there are fewer earmarks than in the peak years, but far more money was spent on average for each earmark and no detailed description was provided. For instance, legislators added 15 earmarks costing \$549.6 million for the FY 2016 Army Corps of Engineers in the Energy and Water Development and Related Agencies Appropriations Act. These earmarks correspond to 482 earmarks costing \$541.7 million in FY 2010.

In other words, the average dollar amount for the earmarks in FY 2016 was \$36.6 million, while in FY 2010 that average was \$1.1 million. The "Congressionally Directed Spending" section at the end of the FY 2010 bill contained the names of the members of Congress requesting each project and its location, as required by the transparency rules. In stark contrast, the FY 2016 earmarks, which cost \$7.9 million more than the FY 2010



INTRODUCTION (continued)

projects, contained no such data and simply created a pool of money to be distributed at a later date without any specific information about the eventual recipients.

Members of Congress will argue that their standards differ from the earmark criteria used in the *Pig Book*, and that the appropriations bills are earmark-free according to their definition. However, the difference in the definition of earmarks between CAGW and Congress has existed since the first *Pig Book* in 1991. The pork-free claim can also be challenged based on the inclusion of projects that have appeared in past appropriations bills as earmarks. In addition to meeting CAGW's long-standing seven-point criteria, to qualify for the *2016 Pig Book* a project or program must have appeared in prior years as an earmark. The total number and cost of earmarks are, therefore, quite conservative.

The question for those in Congress who deny the existence of earmarks in the appropriations bills is: Why were these projects previously considered earmarks, but not in 2016?

Unfortunately, the earmark moratorium has not only failed to eliminate earmarks, but also has rendered the process patently less transparent. There are no names of legislators, no list or chart of earmarks, and limited information on where and how the money will be spent. Earmarks were scattered throughout the legislative and report language, requiring substantial detective work to unearth each project. While the lower number and cost of earmarks are an improvement relative to many prior years, transparency and accountability have regressed immeasurably.

The earmarks in the appropriations bills enacted since the initiation of the moratorium raise disturbing questions for the future, particularly because representatives and senators from both sides of the aisle continue to clamor for their revival.

One of the most frequently used arguments in favor of earmarks is that they would help pass certain spending bills. In the past, however, members have voted for excessively expensive legislation because they have received a few earmarks, which means the moratorium has helped restrain spending. A



INTRODUCTION (continued)

return to rampant earmarking would inevitably increase the risk of corruption and the potential for an explosion in expenditures compared to current levels.

There are also concerns regarding which legislators benefit most in a system with openly-incorporated earmarks. As Sen. John McCain (R-Ariz.) <u>explained</u> on May 7, 2014, regarding those making the case for a return to earmarks, "The problem with all their arguments is: the more powerful you are, the more likely it is you get the earmark in. Therefore, it is a corrupt system."

Earmarks create a few winners (appropriators, special interests, and lobbyists) and a great many losers (taxpayers). They contribute to the deficit directly, by tacking on extra funding, and indirectly, by attracting votes to costly legislation that might not otherwise pass. Earmarks corrupt democracy by eclipsing more important matters in the minds of legislators and voters.

The latest installment of CAGW's 24-year exposé of pork-barrel spending includes \$40 million to upgrade the M1 Abrams tank, which is opposed by the Pentagon; \$8 million for the aquatic plant control program; \$5.9 million for the East-West Center, an earmark championed by Senate Appropriations Committee member Brian Schatz (D-Hawaii); and, \$5 million for the Maritime Guaranteed Loan (Title XI) account, a program with a remarkably long and sordid history.

The projects in the 2016 Congressional Pig Book Summary symbolize the most blatant examples of pork. As in previous years, all items in the Congressional Pig Book meet at least one of CAGW's seven criteria, but most satisfy at least two:

- Requested by only one chamber of Congress;
- Not specifically authorized;
- Not competitively awarded;
- Not requested by the President;
- Greatly exceeds the President's budget request or the previous year's funding;
- Not the subject of congressional hearings; or,
- Serves only a local or special interest.



I. AGRICULTURE

Members of Congress have long used the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act to feed at the trough, but some progress is being made. While there were four earmarks in both FYs 2015 and 2016, the cost dropped by 58.7 percent, from \$57.8 million in FY 2015 to \$23.9 million in FY 2016.

\$10,000,000 for high energy cost grants within the Rural Utilities Service (RUS). The RUS grew out of the remnants of the Department of Agriculture's Rural Electrification Administration (REA) of the 1930s. The primary goal of the REA was to promote rural electrification to farmers and residents in out-of-the-way communities where the cost of providing electricity was considered to be too expensive for local utilities. By 1981, 98.7 percent electrification and 95 percent telephone service coverage was achieved. Rather than declaring victory and shutting down the REA, the agency was transformed into the RUS, and expanded into other areas.

RUS high energy cost grants are intended to assist communities whose energy costs exceed 275 percent of the national average by funding the construction, installation, and repair of energy distribution facilities. This may sound like a bright idea, but the RUS Electric Loan program is intended to achieve the same objective. President Obama's FY 2013 version of *Cuts, Consolidations, and Savings* noted that low-interest electric loans are available through the RUS to residents of rural areas served by the high energy cost program. The grants are available in Alaska, Hawaii, several communities in certain other states, and in U.S. territories.

Since FY 2002, members of Congress have added six earmarks for high energy cost grants totaling \$113.5 million.

I. AGRICULTURE (continued)

\$3,000,000 for the Delta Regional Authority (DRA), which also received a \$3 million earmark in the Agriculture Appropriations bill in FYs 2014 and 2015. However, in FY 2016, the DRA received an additional earmark costing \$10,064,000 in the Energy and Water Development and Related Agencies Appropriations Act, for a combined total of \$13,064,000, an increase of 335.5 percent over the past earmarks.

Established in 2000, the DRA is intended to provide economic development assistance to support the creation of jobs and improve local conditions for the 10 million people who reside in 252 counties and parishes throughout the Mississippi Delta states of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

According to the Republican Study Committee's FY 2016 <u>budget</u>, funding for the DRA should be terminated because such regional commissions are duplicative of other federal programs and support mostly local projects. Support for cutting DRA funds is bipartisan, as President Obama's FY 2017 <u>version</u> of *Cuts, Consolidations, and Savings* recommended reducing the agency's budget by \$3 million annually.

Since FY 2003, the DRA has received eight earmarks totaling \$30.8 million.





II. COMMERCE, JUSTICE, SCIENCE

While each of the past two versions of the Commerce, Justice, Science, and Related Agencies Appropriations Act have contained one earmark, its cost increased by 300 percent, from \$15 million in FY 2015 to \$60 million in FY 2016. Members of Congress should be congratulated for eliminating the plethora of earmarks that previously appeared for programs such as the Community Oriented Policing Services, but the lone earmark in the FY 2016 version of the bill is a stain on an otherwise pork-free piece of legislation.

\$60,000,000 for construction of research facilities at the National Institute of Standards and Technology (NIST). According to the legislation, the funding is to initiate "the design and renovation of its outdated and unsafe radiation physics infrastructure in fiscal year 2016." Though the legislation does not designate a location for the funding, NIST's Radiation Physics Division operates facilities in Boulder, Colorado, and Gaithersburg, Maryland.

Since FY 2002, members of Congress have directed 19 earmarks costing taxpayers \$186 million for research facility construction at NIST in Alabama, Mississippi, North Dakota, New Hampshire, New York, South Carolina, Virginia, and Puerto Rico. These include two earmarks costing \$60 million by Senate Commerce, Justice, Science, and Related Agencies Subcommittee Chairman Richard Shelby (R-Ala.), and four earmarks totaling \$19.5 million by Senate Appropriations Committee Chairman Thad Cochran (R-Miss.) and Sen. Roger Wicker (R-Miss.).

Sen. Cochran requested 709 earmarks costing taxpayers \$1.9 billion between FYs 2008-2010, the three years in which members were required to identify their earmark requests. He requested both the highest number and dollar amount of earmarks in each of these years, making him the "King of Pork" for that period of time.

III. DEFENSE

The Department of Defense (DOD) Appropriations Act usually contains the most earmarks at the highest cost to taxpayers each year, and the FY 2016 bill did not break this tradition. While the number of earmarks in the bill increased by 19.6 percent, from 56 in FY 2015 to 67 in FY 2016, the cost of these earmarks skyrocketed. The \$3.3 billion in FY 2016 represents a 43.5 percent increase from the \$2.3 billion in FY 2015 (nearly identical to the 43.8 percent increase from FY 2014 and FY 2015), and constitutes 64.7 percent of the \$5.1 billion in earmarks contained in the 12 appropriations bills for FY 2016.

\$1,150,800,000 for 28 earmarks for health and disease research under the Defense Health Program, which is a 7.8 percent increase in cost over the 27 earmarks worth \$1,067,115,000 in FY 2015. Former Sen. Tom Coburn's (R-Okla.) November 2012 report, *The Department of Everything*, pointed out that the DOD disease earmarks added by Congress mean that "fewer resources are available for DOD to address those specific health challenges facing members of the armed forces for which no other agencies are focused." According to the report, in 2010 the Pentagon withheld more than \$45 million for overhead related to earmarks, which means those funds were unavailable for national security needs or medical research specifically affecting those serving in the military.

A March 14, 2012, *Washington Post* article stated that DOD Comptroller Robert Hale proposed decreasing the Pentagon health budget in part by eliminating "one-time congressional adds," which totaled \$603.6 million in FY 2012 for the Congressionally Directed Medical Research Program.

Since FY 1996, members of Congress have added 640 earmarks for the Defense Health Program, costing taxpayers \$9.2 billion.





III. DEFENSE (continued)

\$1,000,000,000 for one additional DDG 51 ship, an Arleigh Burke-class destroyer. The DDG 51 has a long history of receiving earmarks from members of Congress, including \$720 million requested by then-Senate Majority Leader Trent Lott (R-Miss.) in FY 1998. Like many legislators, Sen. Lott was unrepentant in his pork-barreling, stating "I'll do anything for that [Ingalls] shipyard," the DDG 51 construction site. Since FY 1991, members of Congress have added 21 earmarks for the DDG 51 program, costing taxpayers \$2.7 billion.

\$255,000,000 for two additional F-35 Joint Strike Fighter (JSF) aircraft for the Navy. The acquisition misadventures of the JSF program have been well-documented. In development for nearly 15 years and four years behind schedule, the program is approximately \$170 billion over budget and has encountered an abundance of persistent issues. An April 2015 Government Accountability Office (GAO) report noted that the lifetime operation and maintenance costs of the most expensive weapon system in history will total approximately \$1 trillion.

Many of the problems with the F-35 program can be traced back to the decision to operate program development and procurement simultaneously. This meant that whenever problems were identified, contractors needed to go back and make changes to aircraft that were already in production.

Top Pentagon brass agrees. Speaking at the Aspen Security Forum on July 24, 2015, Air Force Secretary Deborah Lee James <u>stated</u>, "The biggest lesson I have learned from the F-35 is never again should we be flying an aircraft while we're building it." And Under Secretary of Defense for Acquisition, Technology, and Logistics Frank Kendall <u>referred</u> to the purchase of the F-35 as "acquisition malpractice" in February 2014.

III. DEFENSE (continued)

Beyond the litany of setbacks and drawbacks, doubts exist as to whether the JSF will be an improvement over the aircraft it is set to replace. Many members of Congress, including Rep. Martha McSally (R-Ariz.), who served 26 years in the Air Force and retired as a colonel in 2010, have questioned whether the F-35 will exceed the performance of the (far cheaper) A-10 in close-air support of troops on the ground. In addition, a January 2015 simulation which pitted the JSF against the F-16, another aircraft due to be replaced, found the F-35 to be at a disadvantage in air-to-air combat, according to a leaked test pilot's report.

Rather than asking pressing questions as to whether the JSF remained worthy of further commitment, members of Congress provided funding via an earmark for two additional aircraft. Since FY 2001, members of Congress have added 12 earmarks for the JSF program, costing \$1.9 billion.

\$125,000,000 for two earmarks for the National Guard Counter-Drug Program. Formerly earmarked to individual states and congressional districts, the program, which allows for the use of military personnel in domestic drug enforcement operations, is now funded in one bundle as a work-around to the earmark moratorium.

The Drug Enforcement Administration, with a budget of \$2.1 billion, is already responsible for these activities. Since FY 2001, there have been 66 earmarks costing taxpayers \$492.1 million for the National Guard Counter-Drug Program. Members of Congress who have inserted earmarks for this program in the past include longtime pork advocates such as Senate Majority Leader Mitch McConnell (R-Ky.), Senate Minority Leader Harry Reid (D-Nev.), House Appropriations Committee Chairman Harold Rogers (R-Ky.), and the late Sens. Daniel Inouye (D-Hawaii) and Ted Stevens (R-Alaska).





III. DEFENSE (continued)

\$40,000,000 for the continued upgrade of the M1 Abrams tank to the M1A2SEP variant. Over the objections of senior DOD officials, members of Congress have for many years been earmarking funds for the M1 upgrade program. Although the tank plant is located in Lima, Ohio, its suppliers are spread across the country, which helps to explain the widespread support.

In testimony before the House Armed Services Committee on February 17, 2012, then-Army Chief of Staff General Raymond Odierno <u>told</u> Congress that the U.S. possesses more than enough tanks to meet the country's needs. In fact, the Army has so many M1 tanks that 2,000 of them are parked in a California desert.

The FY 2016 DOD Appropriations Act hinted at a parochial incentive for the program's continuance: the earmark will be used for "industrial base support." There's nothing like an old-fashioned jobs program disguised as a national security priority.

Since FY 1994, there have been 39 earmarks for the M1 Abrams program, requested by at least 13 members of Congress, costing taxpayers \$948.6 million. As Congress continues to ignore the DOD, taxpayers will carry on footing the bill for upgrades to what Gen. Odierno <u>described</u> as "tanks that we simply do not need."

\$25,000,000 for the Starbase Youth Program, which teaches science, technology, engineering, and math (STEM) to at-risk youth in multiple locations at or near military bases around the country. Since FY 2001, nine earmarks costing taxpayers \$94 million have been added for Starbase, including an earmark worth \$1.9 million in FY 2010 added by Sen. Amy Klobuchar (D-Minn.) and Rep. Keith Ellison (D-Minn.).

A March 2012 GAO annual report on program duplication, overlap, and fragmentation found that \$3 billion was spent in FY 2010 across 13 agencies for 209 STEM programs, 83 percent of which overlapped with at least one other program. President Obama proposed the consolidation or elimination of 31 STEM programs in FY 2015, and a further 20 STEM programs in FY 2016. No funding was requested for Starbase in his FY 2016 budget.



III. DEFENSE (continued)

\$20,000,000 for alternative energy research. Since FY 2004, Congress has used the defense appropriations bill as a vehicle to insert 26 earmarks worth \$274.9 million for this purpose, despite the fact that the Energy and Water Development Appropriations Act supplies billions of dollars for alternative energy research every year.

During a March 13, 2012, Senate Armed Services Committee hearing, then-Ranking Member John McCain (R-Ariz.) <u>asserted</u> that the Navy's efforts to develop biofuels could turn into another "Solyndra situation," citing the solar panel manufacturer that received a \$535 million loan guarantee through the Department of Energy before filing for bankruptcy in September 2011.

According to Sen. McCain, the Navy spent in excess of \$400 per gallon for approximately 20,000 gallons of algae-based biofuel. In a February 2011 hearing, House Armed Services Committee member Randy Forbes (R-Va.) fired a shot across the Navy's bow, <u>telling</u> Navy Secretary Ray Mabus, "You're not the secretary of Energy. You're the secretary of the Navy."



IV. ENERGY AND WATER

The Energy and Water Development and Related Agencies Appropriations Act is more flooded with pork than it was in FY 2015. The number of earmarks increased by 10 percent, from 20 in FY 2015 to 22 in FY 2016, while the cost surged by 16.5 percent, from \$604.8 million in FY 2015 to \$704.7 million in FY 2016.

\$549,594,000 for 15 earmarks for the Army Corps of Engineers, a 51 percent increase in cost from the \$363.9 million in FY 2015. President Obama's FY 2017 <u>version</u> of *Cuts, Consolidations, and Savings* recommended reducing the operations and maintenance budget for the Corps of Engineers by \$432 million.

Legislators have long treated the Army Corps of Engineers as a prime repository of pork, and it is among the most heavily earmarked areas of the federal budget. Since FY 1996, members of Congress have added 6,902 earmarks for the Corps, costing taxpayers \$12.2 billion.

IV. ENERGY AND WATER (continued)

\$51,000,000 for the Appalachian Regional Commission (ARC), which is a 133.9 percent increase over the \$21.8 million earmark in FY 2015. ARC was created by Congress in 1965 to "bring the 13 Appalachian states into the mainstream of the American economy." The commission represents a partnership of federal, state, and local governments and covers all of West Virginia along with portions of Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. The ARC provides funding for several hundred highway and development projects throughout the Appalachian region. The commission is duplicative of dozens of other programs that exist at the federal, state, and local levels, and unfairly focuses on a region of the country that is no more deserving than other impoverished areas.

Since FY 1995, the ARC has received eight earmarks totaling \$221.5 million for projects in Alabama, Kentucky, and West Virginia.

\$10,064,000 for the Delta Regional Authority, which also received an earmark costing \$3 million in the Agriculture Appropriations Act, for a combined total of \$13,064,000.

\$8,000,000 for the aquatic plant control program, double the \$4 million earmarked in FY 2015. Since 1994, there have been 22 earmarks worth a total of \$38.1 million for aquatic plant control projects, including three by Sen. Chuck Schumer (D-N.Y.) and one each by Sens. Patrick Leahy (D-Vt.) and Jeff Sessions (R-Ala.).





V. FINANCIAL SERVICES

Both the FY 2015 and FY 2016 versions of the Financial Services and General Government Appropriations Act contained one earmark, with the cost increasing by 9.7 percent, from \$51.6 million in FY 2015 to \$56.6 million in FY 2016. Members of Congress should be congratulated for eliminating the numerous earmarks for the Small Business Administration that have plagued previous bills, but an earmark-free bill would have been a better result.

\$56,600,000 for the High Intensity Drug Trafficking Areas program (HIDTA) at the Office of National Drug Control Policy. Originally intended for border states, members of Congress have used earmarks to expand HIDTA to non-border states. Since FY 1997, 30 earmarks costing taxpayers \$269.8 million have been provided for HIDTA programs; 16 of the earmarks were directed to programs in 10 states, only two of which, Arizona and New Mexico, are border states. The other eight states that received HIDTA earmarks were Alabama, Hawaii, Iowa, Louisiana, Missouri, New Jersey, Tennessee, and Wisconsin.

The President's FY 2017 <u>version</u> of *Cuts, Consolidations, and Savings* recommended trimming the HIDTA program by \$54 million, or 21.6 percent, from the \$250 million spent in FY 2016. The proposed reduction is nearly identical to the \$56.6 million earmarked by Congress in FY 2016.

VI. HOMELAND SECURITY

The cost of the earmarks in the FY 2016 Department of Homeland Security (DHS) Appropriations Act remained relatively consistent, increasing by 3.1 percent, from \$319.1 million in FY 2015 to \$329.1 million in FY 2016. Members of Congress added one earmark to the six found in FY 2015 for a total of seven in FY 2016.

\$100,000,000 for the Port Security Grant Program (PSGP), which has received six earmarks totaling \$789 million since FY 2005. A June 2014 GAO report found that, despite distributing nearly \$2.9 billion in funding to the PSGP since 2002, the Federal Emergency Management Agency "stated that it is unable – due to resource constraints – to annually measure reduced vulnerability attributed to enhanced PSGP-funded security measures."

\$70,500,000 for the Offshore Patrol Cutter program (OPC). According to the legislation, the earmark is "included to exercise the option for Detail Design and commence Phase II of the OPC acquisition." A May 14, 2015, GAO report found the Coast Guard acquisition portfolio for its overall fleet to be unaffordable, in large part because the OPC is crowding out other spending. According to the report, the program is estimated "to cost \$12.1 billion. The OPC will absorb about two-thirds of the Coast Guard's acquisition funding between 2018 and 2032 while it is being built. As a result, remaining Coast Guard acquisition programs will have to compete for a small percentage of funding during this time." Since FY 2005, legislators have added two earmarks for the OPC, costing \$90.1 million.

\$56,000,000 for the National Domestic Preparedness Consortium (NDPC), which strives to increase the preparedness of first responders to the threats of terrorism. Since FY 2005, the NDPC has received six earmarks worth \$415.6 million, including a \$10.1 million earmark in FY 2010 by Senate appropriator Tom Udall (D-N.M.) and former Sen. Jeff Bingaman (D-N.M.).





VII. INTERIOR

Reversing the larger trend for the year, the cost of earmarks shrank in the FY 2016 Department of the Interior, Environment, and Related Agencies Appropriations Act. The number of earmarks decreased by 50 percent, from six in FY 2015 to three in FY 2016, and the dollar amount decreased by 65.3 percent, from \$86.2 million in FY 2015 to \$29.9 million in FY 2016.

\$9,869,000 for the Heritage Partnership Program (HPP), which supports the 49 National Heritage Areas (NHAs) created by Congress. Operated through the National Park Service, the HPP has received 50 earmarks costing \$66.1 million since FY 2001, including funding for projects such as park improvements, sports complexes, health centers, water quality monitoring, bike paths, sustainable agriculture, and agricultural tourism.

Each of the President's budgets from FYs 2011-2017 have slashed funding for NHAs, including the FY 2017 <u>version</u> of *Cuts, Consolidations, and Savings*, which recommended trimming the budget by 55 percent, from \$20 million to \$9 million. Unfortunately, members of Congress have annually ignored the budget cuts. In each of the years Congress has passed the 12 appropriations bills over this timeframe, legislators have provided an earmark for the NHAs.

A 2009 ExpectMore.gov <u>assessment</u> of the HPP found that the program "lacks a systematic process to identify and designate NHAs." Funding for individual areas is not allocated through a competitive process, and there are no national performance measures to hold the NHAs accountable for the use of federal funds.

VIII. LABOR, HEALTH & HUMAN SERVICES, & EDUCATION (LABOR/HHS)

One of three appropriations bills to see a reduction in the cost of earmarks, spending was reduced by 55.1 percent in the FY 2016 Labor/HHS Appropriations Act, from \$562.5 million in FY 2015 to \$252.6 million in FY 2016. The total number of earmarks increased by 50 percent, from six earmarks in FY 2015 to nine in FY 2016.

\$163,889,000 for the Fund for the Improvement of Education (FIE), which provides grants to state and local education agencies, nonprofit organizations, for-profit organizations, and other public and private entities "to improve the quality of elementary and secondary education at the state and local levels." Since FY 2001, FIE has received 2,572 earmarks costing taxpayers \$1.8 billion. President Obama did not request funding for FIE in either his FY 2011 or FY 2012 budgets.

\$15,409,000 for Rural Hospital Flexibility Grants (Flex) through the Department of Health and Human Services. Flex grants were created to "improve access to hospitals and other health services for families that live in rural communities." The past six Obama administration budgets have recommended slashing funding for the Flex program. In each instance, legislators restored funding via an earmark. Since FY 2006, Flex grants have received five earmarks totaling \$124.3 million.





IX. LEGISLATIVE BRANCH

The last version of the Legislative Branch Appropriations Act to contain an earmark was the FY 2010 iteration, prior to the establishment of the earmark moratorium. Members of Congress added one earmark costing \$200,000 that year. The lone earmark in FY 2016 cost \$84.7 million, a 42,250 percent increase from FY 2010.

\$84,680,000 for House office buildings under the Architect of the Capitol for a total of \$174,962,000, or 93.8 percent more than the administration request of \$90,282,000. While the legislation is not specific as to how the money will be spent, the most logical purpose is for the Cannon House Office Building renovation project. Constructed in 1908, Cannon is the oldest congressional office building. The renewal project began in early 2015, and is anticipated to take 10 years and cost \$752.7 million.

Hopefully the finished product will not be as much of a boondoggle as the Capitol Visitor Center, which came in <u>approximately</u> \$400 million over budget when it was completed in December 2008.

X. MILITARY CONSTRUCTION

The Military Construction, Veterans Affairs, and Related Agencies Appropriations Act had been earmark-free since FY 2012, when members of Congress added three earmarks costing \$89 million. The single earmark costing \$15 million in FY 2016 constitutes a 66.7 percent reduction in the number of earmarks and an 83.1 percent decline in cost from that year.

\$15,000,000 for the Missile Defense Agency (MDA) planning and design account. According to the legislation, "The additional funding is to expedite the construction and deployment of urgently needed missile defense assets in various locations within the Continental United States, including Alaska and Hawaii." The MDA has received two earmarks costing \$35 million since FY 2004.





XI. STATE AND FOREIGN OPERATIONS

The number of earmarks in the State and Foreign Operations Appropriations Act remained steady at five, while the cost increased by 31 percent, from \$177.4 million in FY 2015 to \$232.4 million in FY 2016.

\$66,550,000 for the National Endowment for Democracy (NED), a private, nonprofit foundation that aims to help grow and strengthen democratic institutions around the world. The \$66.6 million earmark in FY 2016 is a 110.8 percent increase over the \$31.6 million earmarked in FY 2015. Since FY 1997, NED has received six earmarks worth a total of \$212.7 million.

\$5,900,000 for the East-West Center in Hawaii, which is intended to promote better relations with Pacific and Asian nations. The center was established by Congress in 1960 with no congressional hearings and over the State Department's opposition. For years, the State Department tried to eliminate the center by not requesting funding in the department's annual budget requests.

After Sen. Daniel Inouye (D-Hawaii) passed away in 2013, Senate Appropriations Committee member Brian Schatz (D-Hawaii) willingly stepped up to the plate to defend the center. In a December 17, 2015, press release, Sen. Schatz claimed credit for securing funding at a level \$5.9 million above the Administration's request. The press release also touted increased federal spending in Hawaii as a victory: "Overall, defense spending in Hawaii will increase by more than \$200 million, and transportation funding will increase by nearly \$10 million."

The East-West Center is similar to the North-South Center, which stopped receiving federal funding in 2001. An April 3, 2009, Congressional Research Service report stated, "Congress has not funded the North-South Center since FY 2001, noting that it should be funded by the private sector." Following that logic, the East-West Center should be funded by the private sector as well. It probably would be, except the center is located in the state of a Senate appropriator. Since FY 1997, the center has received 13 earmarks totaling \$121.5 million.



XI. STATE AND FOREIGN OPERATIONS (continued)

\$5,000,000 for the Asia Foundation, which is "committed to improving lives across a dynamic and developing Asia." Since FY 1997, members of Congress have directed 10 earmarks totaling \$59.6 million to the Asia Foundation.

\$4,400,000 for the Inter-American Foundation (IAF), which promotes and invests in grassroots projects in the Caribbean and Latin America. President Obama proposed a reduction in funding for IAF in each of his budgets, including a cut of 1.3 percent, from \$22.5 million to \$22.2 million in <u>FY 2017</u>, and has recommended that IAF continue to seek partnerships with corporate foundations to leverage additional funding. Since FY 2001, IAF has received four earmarks totaling \$25.2 million.



XII. TRANSPORTATION, HOUSING & URBAN DEVELOPMENT (THUD)

The THUD and Related Agencies Appropriations Act last contained an earmark in FY 2014, when legislators added one project costing \$845,000. In FY 2016, there are two earmarks totaling \$8.8 million, a 941.4 percent increase over FY 2014.

\$5,000,000 for the Maritime Guaranteed Loan (Title XI) program. In 2001, then-Office of Management and Budget Director Mitch Daniels labeled the program as an "unwarranted corporate subsidy." According to an August 8, 2011, *Bloomberg Businessweek* article, the program was suspended in 1987 following 129 loan defaults between FYs 1985-1987, and the Bush administration ceased issuing loans in 2005. However, Congress consistently resuscitated the program. In one high-profile failure, two ferries meant for Hawaii sat docked in Norfolk, Virginia, after the operating company defaulted on a \$138 million loan in 2009. The Navy bought the ferries for \$35 million in 2012.

A December 7, 2010, Department of Transportation Office of Inspector General <u>report</u> found that between February 1998 and April 2002, nine borrowers defaulted on approximately \$490 million in Title XI loans. Between August 2008 and January 2010, six additional borrowers defaulted on approximately \$305 million. Loan information was not maintained properly and, therefore, "there is no assurance that information … need[ed] to effectively oversee the \$2.3 billion Title XI program is readily accessible."

In August 2011, Sen. John McCain (R-Ariz.) called the program "an egregious example of pork-barrel spending." The same can be said for this earmark in 2016. Since FY 2006, there have been three earmarks totaling \$10.8 million for the program.

This booklet was written by Sean Kennedy, director of research, and Curtis Kalin, media director. It was edited by Thomas A. Schatz, president.







Notes



More Praise for CAGW and the Pig Book

"The least popular book in Congress comes out today. *The Pig Book*, a digest of Washington's wasteful or so-called pork spending."

Chris Cuomo, ABC's "Good Morning America," April 2, 2008

"The *Pig Book* portrays a Congress with an insatiable appetite for 'pork,' spending your tax dollars on pet projects, often to help members win votes – or campaign contributions."

CBS, "The Early Show," April 2, 2008

"The *Pig Book*. It sounds like a children's story, but it is anything but. We're talking about some very serious cash here. ... Criticism by this group is not one-sided. Democrats and Republicans are being held in the spotlight for their earmarks."

CNN, April 2, 2008

"In one of those sure signs of spring in the nation's capital – right after the cherry blossoms – comes release of the *Congressional Pig Book*. For 18 years now Citizens Against Government Waste has been contributing to the public debate over congressional spending on earmarks, exposing the way members of Congress spend the taxpayers' money on projects of either dubious merit or projects that simply have not been awarded competitively or been subject to public hearings."

Boston Herald, April 5, 2008

"Citizens Against Government Waste is Washington's leading opponent of porkbarrel spending. Its annual *Pig Book*, which lists the government's narrow giveaways, is used by news outlets worldwide to ridicule federal earmarks."

Jeff Birnbaum, The Washington Post, February 20, 2007

"Every taxpayer should read the *Pig Book*. ... Congress won't stop picking our pockets for wasteful pork projects in which the federal government has no business unless they are forced to by taxpayers. Read the *Pig Book* and weep. Then, get angry and do something."

Syndicated Columnist Cal Thomas, March 29, 2005





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