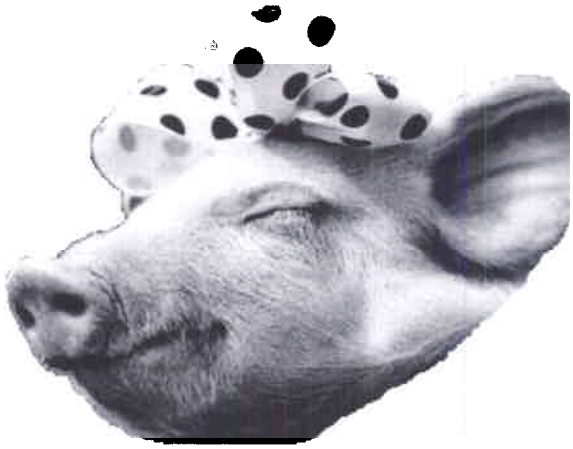
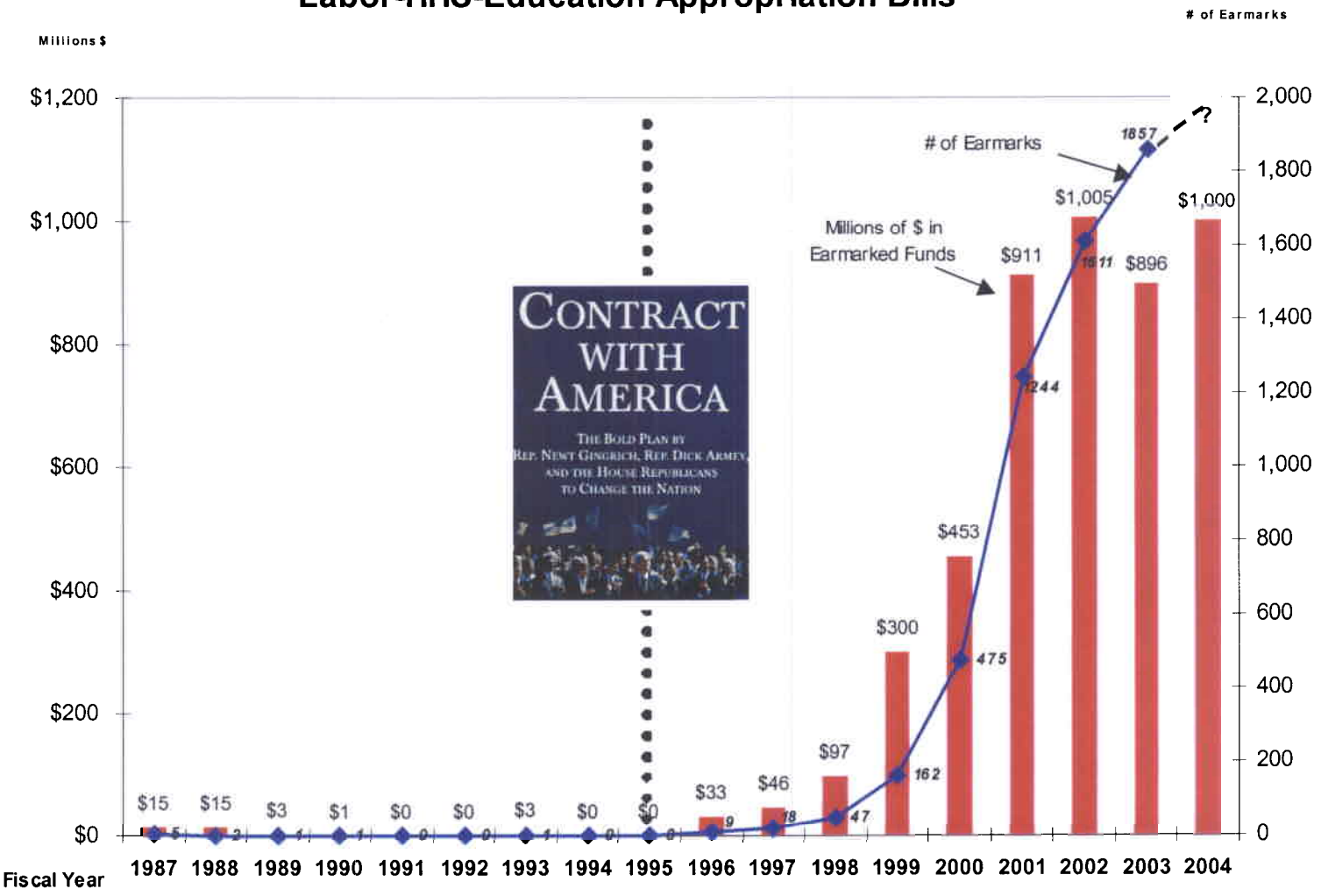
Grand Old Porkers



Special Favor "Earmarks" Contained in Annual Labor-HHS-Education Appropriation Bills



A Report by the Minority Staff of the
House Appropriations Committee

The GOP's Rapid Conversion from Pork Busters to Pork Boosters

During the years immediately preceding the 1995 Republican takeover of the U.S. House of Representatives, pork barrel spending was Exhibit A in the Republican mantra about the failings of the Democratic Party's management of the House. At times, it seemed like the only thing Republicans wished to talk about. Newt Gingrich told the House in 1992, ***"...the Democrats...see no contradiction between adding $1,500,000,000 in pork barrel for the politicians in their big-city machines and voting for a balanced budget amendment."*** He also stated that year, ***"I am committed to hunting down every appropriation that we can find that is discretionary spending, that is some politician taking care of himself.... I am going to be prepared to fight every rule on every appropriations bill."***

Congressman Porter Goss told the House that same year, ***"Many Americans are saying this is no longer the people's house but the house of perks and pork,"*** and Congressman Joe Knollenberg the current chair of the Appropriations Subcommittee on Military Construction commented, ***"The American people are tired of paying tax dollars for congressional pork."*** Congressman Ernest Istook, the current chair of the Appropriations Subcommittee on Transportation and Treasury put it simply, ***"a pig is a pig even if he lives at home."***

In 1993, John Doolittle, now a member of the Appropriations Committee, explained the difference between the two political parties on the issue of earmarks, ***"Republicans are concerned about the budget deficit. Adding more pork programs to our massive debt is a bad way to start. When you are in debt, you first need to stop spending."*** Congressman Dan Manzullo stated the case more emphatically. He said that Democrats' proclivity for pork ***"is not only a personal affront to me but reflects the arrogance of the Democrat-controlled leadership in Congress. While we fund frivolous projects, veterans' spending is given secondary priority."*** Congressman Wayne Allard noted, ***"The mood of the citizenry is ripe to eliminate pork barrel spending and bring about real accountability in Congress."***

Congressman Roscoe Bartlett stated, ***"It is tempting to be amused because of the shameless pork and the trampling of democracy in this body are so ludicrous. I now need to recommit myself to not be amused, but to continue to be disgusted and to work ...to make the necessary changes to eliminate the shameless pork and to restore democracy to this body."***

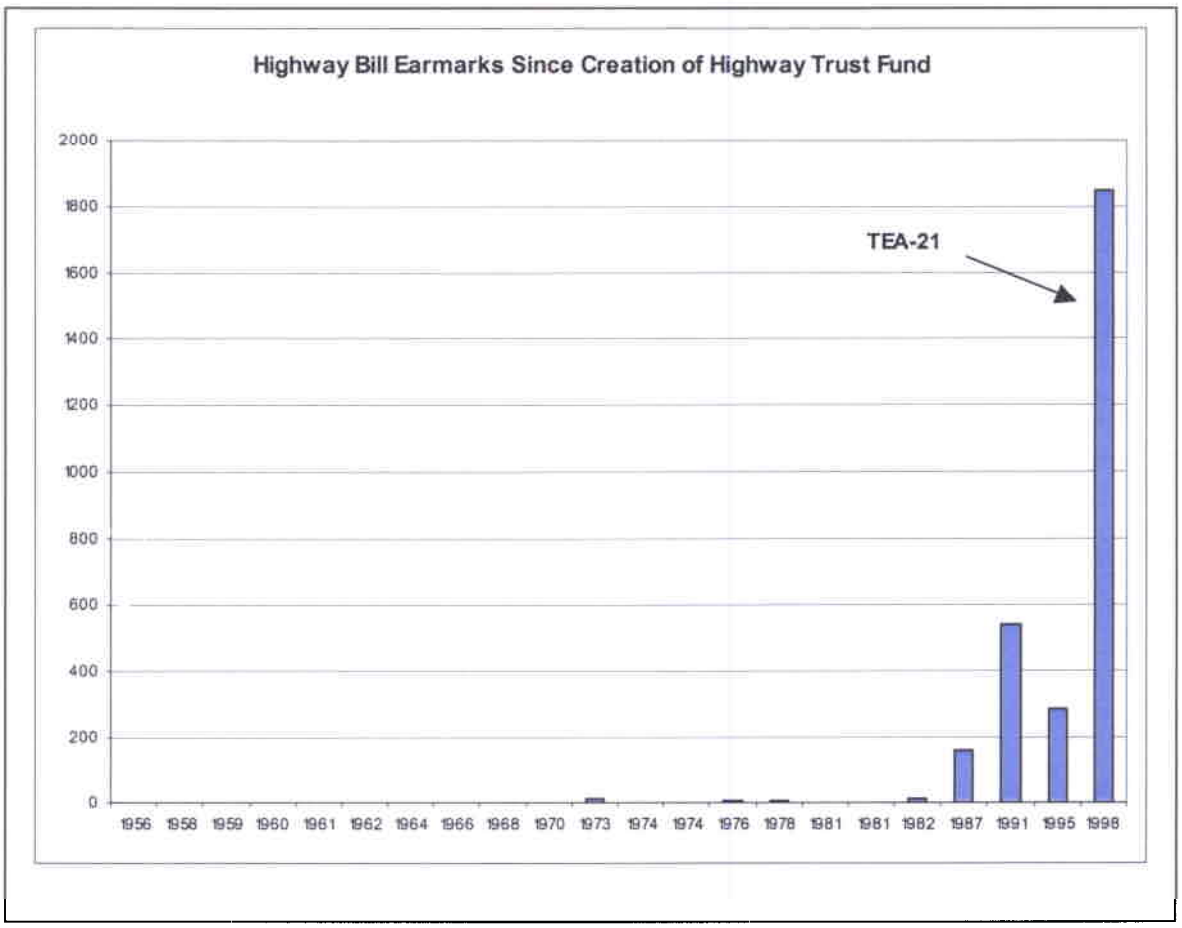
Congressman John Linder stated, ***"The American people are demanding an end to pork barrel spending and the Democrats who control this Congress are offering a token bill completely lacking in substance. Say `no' to pork barrel spending, my friends."***

Republican Representatives were so strident in their opposition to pork barrel spending during that period that it is difficult for many people to believe the record they have created since taking control of the House of Representatives. The facts indicate that Republicans have not only indulged in spending substantial sums for special favor earmarks but have actually taken the practice to levels that their Democratic predecessors could never have imagined. Not only have they dramatically increased the number of earmarks in virtually every area of government in which funds were previously earmarked by House Democrats, they have opened up broad new areas of government to the practice of earmarking that were previously not subject to earmarks.

IT'S NOT JUST APPROPRIATIONS

While much of the attention concerning pork barrel earmarks has focused on the 13 annual appropriations bills that fund the various agencies of government, a large portion of the federal budget is spent based directly on permanent law that is written by authorizing committees. One example of this is the Highway Trust Fund, which is under the jurisdiction of the Transportation and Infrastructure Committee. One of the early indications of how little interest House Republican leaders had in restraining earmarks was the passage of the Transportation Equity Act for the Twenty-first Century (TEA-21) in 1998.

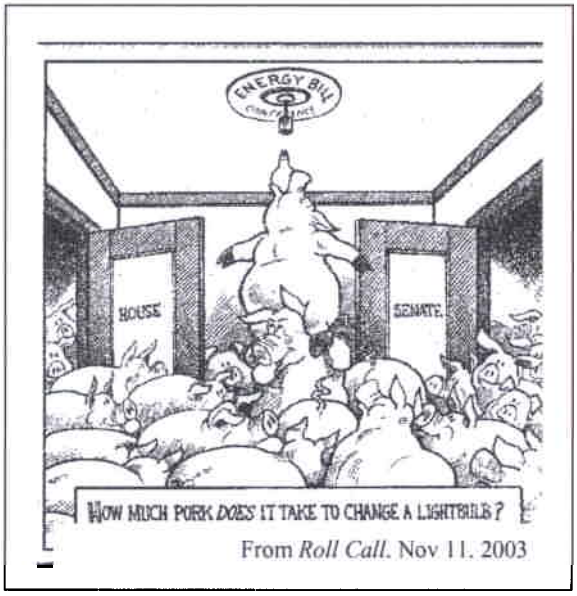
The TEA-21 bill not only included language that allowed members of Congress to specify which bridges, roads



and interchanges would be built with a large portion of the highway and transit money, the legislation contained such earmarks in far larger numbers than in any previous highway or transportation legislation. TEA-21 contained a total of 1850 earmarks designating the use of $9.4 billion. That was not only greater than any previous transportation authorization, it was far greater than all previous transportation authorizations combined.

From the passage of the legislation that created the national Highway Trust Fund in 1956 to the day Republicans took control of Congress in 1995, 20 separate highway bills were enacted into law. Those 20 bills contained 739 earmarks. In 1998, the TEA-21 legislation earmarked two and half times as many projects as had been earmarked in the preceeding 40 years of Democratic leadership.

Republicans have also not been shy about using the tax code and entitlement programs as mechanisms to direct special favors. The House and Senate conference on energy legislation now underway has special tax breaks for bow and arrow manufacturers, fishing tackle producers and a number of other special interest groups.



From *Roll Call*, Nov 11, 2003

EXPANDING THE USE OF EARMARKS IN PREVIOUSLY EARMARKED PROGRAMS

Four of the thirteen regular appropriation bills - Military Construction, Energy and Water, Interior and Treasury-Post Office - have always designated specific projects to be financed with the funds that are appropriated simply because they contain construction accounts and the bills themselves represent the agreements between Congress and the Executive Branch as to which specific construction projects were to go forward. In all four of these bills, the construction funds were provided solely for federal buildings and facilities built on federal property. The overwhelming majority of projects financed in these bills were selected by the executive branch on the basis of their own internal determination of construction priorities. Nonetheless, the Congress has always asserted its prerogative to fund certain specific projects in each of these bills regardless of whether or not they were requested by the White House. In addition, Congress has often included earmarks in several other appropriations bills. Agriculture, Commerce-State-Justice, Defense, Transportation and VA-HUD, are bills where varying amounts of funds were earmarked prior to the Republican takeover. Earmarks were rarely, if ever, found in four other bills. These included the largest domestic appropriation, the Labor-HHS-Education bill (containing more than one-third of all non-defense discretionary spending), as well as the Foreign Operations bill, theDistrict of Columbia bill and the Legislative Branch bill.

Earmarking practices on construction-dominated portions of four appropriations bills - Military Construction, the water projects portion of Energy and Water, Interior and Treasury-Post Office - have continued at approximately the same levels and under roughly the same guidelines as existed prior to the Republican takeover. These bills combined account for less than one tenth of all discretionary spending.

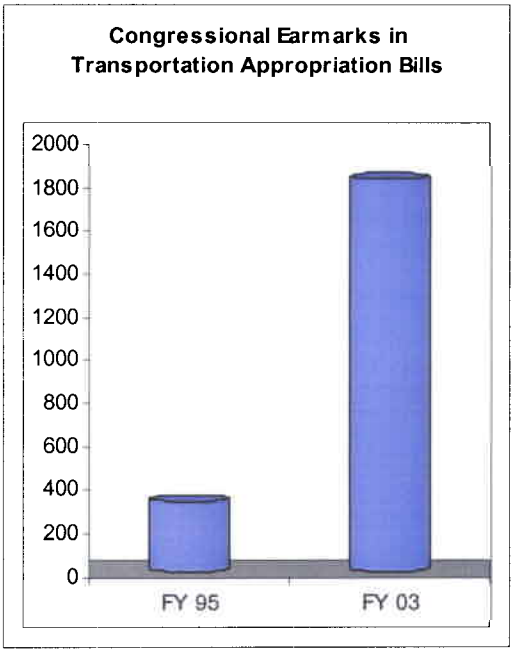
But in the remaining nine bills (accounting for more than 90% of total government discretionary spending), there has been a dramatic increase in earmark activities. Similar increases have also occurred in the energy portion of Energy and Water appropriations bills.

Transportation

In 1994, the Transportation Appropriations bill represented a very large share of total appropriation earmarks. The FY 1995 transportation bill, which passed Congress only weeks before the Republican takeover, contained 322 earmarks directing the expenditure of $1.5 billion.

A little more than eight years later, Congressional Republicans sent a transportation appropriations bill (FY 2003) to the President that contained 1,818 earmarks, more than five times as many as the last such bill passed by House Democrats. Funds subject to earmarks had grown two and a half fold and totaled $3.9 billion.

Republicans had succeeded in removing much of the Department of Transportation's discretion to prioritize the use of transportation funds with the earmarks in the TEA-21 authorization. The level of earmarking contained in the FY 2003 Transportation Appropriation



meant that there was no discretion at all in many categories of transportation spending. One hundred percent of appropriated funds for the Interstate Maintenance Program, the Bus and Bus Facilities Program, the Ferry Boats Program, and the Intelligent Transportation Systems Program had become earmarked by FY 2003.

Furthermore, state highway commissions found that a rapidly declining share of all federal highway funds could be expended on the basis of their priority setting processes.

Defense

The Defense Appropriations bill is the largest of the 13 bills and prior to the Republican take over of the House, it contained about the same amount of earmarked funds as the transportation bill. But since the Republican take over, earmarking in the Defense Appropriations bill has grown so rapidly that it now contains nearly as much in earmarked funds as the other twelve bills combined. While earmarks in the

Transportation bill have more than doubled, earmarks in the Defense bill have more than tripled.

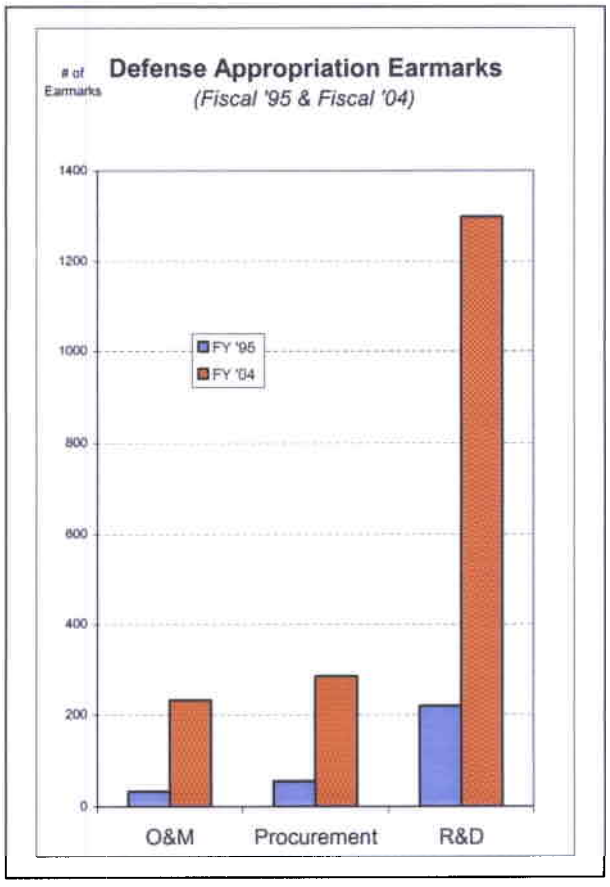
O&M

Earmarking has expanded dramatically in all areas of defense spending. The least earmarked of the defense accounts have been the *"operation and maintenance (O&M)"* accounts. In fiscal 1995, the Air Force O&M account contained only two earmarks controlling the use of just $7 million. In the defense appropriation for fiscal year 2004, the number of earmarks for Air Force O&M had ballooned to 30, and those earmarks control over $60 million. Earmarked items included: three separate projects at Columbus Air Force Base in Mississippi, runway improvements, a sewer upgrade and a better fire alarm system. Together, they cost a little more than $5 million. As Congressman Roger Wicker explained in a press release announcing the earmarks, *"We were fortunate to include a number of projects for Mississippi. Important defense-related activities are under way in our state in the private and public sectors."*

The question that Wicker did not address was whether these activities (Columbus is an Air Force training center) are more important than other activities of the Air Force here and around the world and how pressing these projects were to the overall mission of the Air Force relative to the thousands of unmet needs that the Air Force faces worldwide. That is a question that requires significantly more analysis than the limited staff resources of the Appropriations Committee can offer. It is clear that the Air Force's own judgment on this question was that these activities did not deserve that level of priority, and that is why the earmark was necessary.

There are multiple benefits to individual members for providing such earmarks. These include demonstration to the people back home that the member is playing an active role in resolving issues in his or her home district, creating jobs and possibly profits for local businesses through government contracts for repairs and services, and improving relationships with local base commanders. Members also work to prevent a future base closure commission from selecting a base in their district.

The rapid growth of Air force O&M earmarks would be less troubling if the same thing were not happing on a Department-wide basis. Overall, O&M earmarks across all the services grew from 33 in fiscal year 1995 to 232 in fiscal 2004.



Procurement

A somewhat larger number of earmarks have been carried in the twelve different procurement accounts of the defense bill. In fiscal year 1995 there were a total of 55 procurement earmarks.

The FY04 appropriation contains 285 procurement earmarks. Growth has been particularly dramatic in the area of aircraft procurement. The Navy's aircraft procurement program contained only two earmarks in fiscal 1995; today that has grown to 42 earmarks. Similarly, the Air Force aircraft procurement program has grown from 2 earmarks to 29.

It should be noted that the Committee has at times determined to slow down or accelerate aircraft or weapons procurement and to even point the Pentagon in an entirely different direction on procurement matters with strong policy justifications. There is a significant list of mission critical weapons and equipment that would not have been available during combat operations had the Committee not taken such actions and there are also systems that have been eliminated from the Pentagon wish list because of their inferior performance. It is never easy to determine the extent to which such decisions are driven by policy or by a desire to be helpful to a particular community or contractor.

What is plain, is that the number of occasions in which Appropriation bills alter the Pentagon's judgment on procurement matter is about five times greater now than eight years ago.

R&D

By far the most heavily earmarked accounts in DoD in fiscal 1995 were in the area of research. In that year, there were 219 earmarks involving $1.1billion in defense research expenditures out of a total R&D budget of $35.1 billion. This is also the area where there has been the largest numerical growth in the number of earmarks; an increase of 1080 earmarks bringing the total in the fiscal year 2004 Defense bill to 1299. Those earmarks absorbed $4.4 billion of the total Defense R&D budget of $65.2 billion.

Examples of research that the Congress directed Pentagon agencies to conduct include: $1 million from Army R&D for the Dean and Betty Gallo Center for Prostate Cancer Research, $3 million from Navy R&D for the Coastal Ocean Observation Program for the Southern Universities Research Association and $3 million from Army R&D for the Rugged Textile Garments for Combat Casualty Care.

The question that each of these earmarks raises is how did individual members of Congress know enough about the research they were selecting to know whether the institution or investigator they selected was capable of adding to current knowledge or merely replicating work that had already been performed elsewhere? How did these members know that the institutions and researchers that they selected were as capable or more capable than the researchers that would have been selected by the Pentagon in the absence of earmarks? In fact, how did these members know that the institutions or researchers were at all capable of performing such research?

Unfortunately, the answer in most instances was that their knowledge of such questions was based entirely on the assurances of those seeking the funds.

The problem with academic earmarking extends well beyond the Defense bill and not only raises questions about effective use of federal tax dollars but also about the integrity of the nation's scientific community. As the President of the University of Virginia, John Casteen pointed out in an article published last year:

"Academic earmarking (our sector's form of pork barreling), although once inconceivable among the top-tier universities, has become central to many universities' strategies for research and construction of research space. In academic earmarking, universities bypass peer review and apply directly to members of Congress for funds in appropriations bills. In this manner, science is funded through the largesse of individual members of Congress rather than through the educated judgment of scientists. Who performs scientific research (and where) is decided by a political process rather than by peer review. This mingling of the political and the scientific opens the prospect of questionable influence on science itself..."

VA-HUD & Independent Agencies

The third most heavily earmarked appropriation in fiscal 1995 was the VA-HUD and Independent Agencies bill. This bill was frequently a target of the Republican "Pork Busters" and was repeatedly used as an example of the Democratic Party's abuse of power.

The most noted of the VA-HUD earmarks, the *HUD Special Purpose Grants* have had a much needed name change and are now known as *Economic Development Initiatives* (EDIs) and *Neighborhood Initiatives*. In fiscal year 1995, $290 million was earmarked for this category of grant. In fiscal year 2003 $303 million was earmarked for these grants but the number of earmarks has virtually exploded as the average size of grants has declined.

In fiscal year 1995 there were 265 of these earmarks. By fiscal year 2003 the number had reached 921.

There is very little information in either the Congress or in the Department of Housing and Urban Development as to precisely who is getting this money or what they are doing with it. The Department has essentially given up its efforts to evaluate or monitor the grants and their usefulness because there are no specific authorizations for them and therefore no standards to determine if funds are or are not being used appropriately. The fact that we now have such a large number of recipients compounds the problem of determining whether or not the public is receiving a reasonable benefit from the expenditure of these dollars.

For these reasons, it would be difficult to pick a representative example of recent EDI earmarks, but at least one recent example is worth mentioning. In fiscal year 2002, $750,000 was earmarked for a taxidermy museum in St. George, Utah. One of ten museums listed on the St. George City web site, the

Exhibit from the
Rosenbruch "Wildlife" Museum

Rosenbruch "Wildlife" Museum holds the personal collection of taxidermy pieces of a life-long resident of St. George, Utah.

The most dramatic growth of earmarking in the VA-HUD appropriations was with respect to the National Aeronautics and Space Administration. In fiscal year 1995 there were only two NASA earmarks controlling the agencies use of $48 million. By fiscal year 1997 the number of earmarks had grown to 6 and in the fiscal year 2003 bill the number of earmarks totaled 104. The funds subject to earmark had increased to $254 million.

While the public generally believes that money appropriated to NASA is somehow connected to the Hubble telescope pictures, the reengineering of safety systems on the Space Shuttle or selection of scientific experiments to be attempted on the Space Station, a careful examination of recent VA-HUD bills will also reveal activities such as the financing of local industrial parks, subsidizing museum exhibits, and building dormitories for boarding schools.

Michael Cabbage of the Orlando Sentinel published an analysis of NASA earmarks last year in which he stated,

> ***"Lawmakers intent on bringing home the bacon increasingly are squandering NASA's scarce resources on pet projects that are often, at best, only marginally related to space exploration and research... The explosion of these so-called earmarks...is happening at a time that NASA is scrounging for money...All totaled, lawmakers have carved $1.7 billion out of NASA's budget since 1998."***

The number of pages of the VA-HUD-Independent Agencies Conference Report dedicated to earmark instructions has also grown dramatically. In fiscal year 1995 the 26 pages were required; by fiscal year 2003 the number had grown to 89.

Agriculture and Commerce-State-Justice

The other two bills that have traditionally contained earmarks, Agriculture and Commerce-Justice-State, have over the years involved smaller and less consequential sums. Nonetheless, the number of earmarks in both bills has increased dramatically since the Republicans took control of the House.

The number earmarks in the Agriculture bill for instance is estimated to have increased more than 260% and now approaches half a billion dollars annually.

Preserved Privy at the Lawrence Welk Museum which received a widely noted earmark in the FY91 Agriculture bill

An even more dramatic story can be told concerning the earmarks in the Commerce-Justice-State Appropriations bill. In fiscal 1995, only 45 earmarks totaling $104 million were contained in the bill. By 2003 the number of earmarks had grown more than 20 times to 966. Total funds earmarked in the Commerce-State-Justice bill increased ten-fold from $104 million to $1.04 billion.

The number of earmarks at the Department of Justice has grown by more than 4200%. At the Department of Commerce, the number of earmarks has increased by 620%.

BREAKING NEW GROUND, EARMARKS IN NEW PLACES

As the preceding section documents, House Republicans used earmarks as a primary example of how House Democrats had allegedly abused their authority and the public trust, but there are few, if any, examples of programs where Republicans abandoned Democratic earmarking practices. In fact, the overall level of earmarking grew dramatically following the Republican takeover. But the story does not end with the Republican expansion of the earmarking practices that they had so vociferously criticized prior to their takeover in 1995

In many respects the most remarkable consequence of Republican stewardship of the public purse was the initiation of earmarking in programs and in entire appropriations bills that had previously been free of such Congressional directives over the use of public funds.

All four of the bills that had been previously free of earmarks now contain them. The Foreign Ops conference is currently struggling over money which the Senate wants awarded to a specific foundation despite the fact that the foundation will not submit a plan for the use of the money to the Agency for International Development. There is also a $2.3 million earmark for an International Fertilizer Center and $17.5 for development initiatives in Far Eastern Russia, some of which is to be spent by the University of Alaska.

The Library of Congress is now providing internet assistance to specific school districts across the country based on directives in the Legislative Appropriations bill, and even the District of Columbia appropriation now has money flowing to specific organizations and individuals based on Congress' knowledge of how best to help the District.

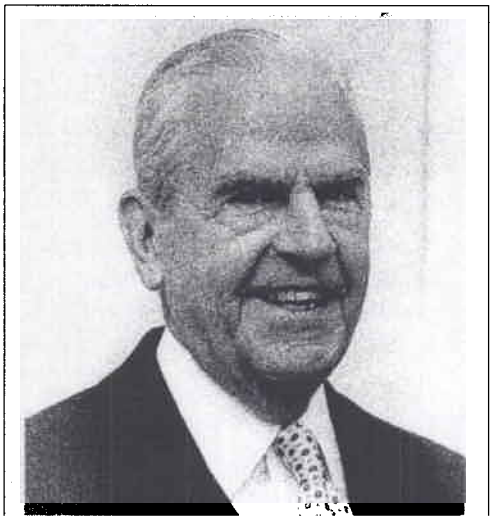
Labor-HHS-Education

William Natcher chaired the Labor-HHS-Education subcommittee from 1978 until his death in 1994. He was widely known for having a perfect House attendance record and for his for strong opposition to earmarks. It should be noted, however, that the no-earmark policy did not begin with Natcher and was generally the doctrine of Natcher's predecessor, Dan Flood and his predecessor, John Fogarty. It should also be noted that Natcher's record in preventing earmarks was not as perfect as his attendance record.

The very few conference earmarks that were funded during the Natcher years typically originated in the Senate and totaled about a dozen or so over his 15 years as subcommittee chair.

There were no earmarks in the fiscal year 1995 appropriation and the Republicans agreed to $33 million in earmarks in fiscal year 1996, the year

that the struggle over funding levels in that bill resulted in a government shutdown. The following year the number of earmarks jumped to $46 million. The following year the amount earmarked more than doubled to $97 million and in fiscal year 1999 it tripled to $300 million. By fiscal year 2001 the number of earmarks in the Labor-HHS-Education bill exceeded 1200 and the amount of money subject to earmarks hit $911 million. The fiscal 2002 bill was the first in which the sums earmarked exceeded $1 billion.



Congressman William Natcher

About 40% of all Labor-HHS-Education earmarks have been in the Health Resources and Services Administration an agency of the Department of Health and Human Services responsible for improving the American people's access to quality medical care—an objective that ranks consistently as a top priority in national opinion surveys.

The specific program within the Health Resources and Services Administration (HRSA) in which most of these earmarks are included is called "Health Care Facilities Construction and Equipment." The fact is, however, Congress has never enacted legislation authorizing such a program and no program exists except to the extent that it disburses earmarked construction funds. It is also unclear as to whether the funds distributed from this account must contribute to improving the nation's access to quality health care or even whether the funds earmarked under this account have to have anything at all to do with health care.

One clear example of how far Congressional earmarks can venture from the stated objective of the agency that is the conduit for the funding is a $10 million earmark to Aurora University in Aurora Illinois. These funds were added in the omnibus appropriations bill passed last February that funded the Departments of Labor, Health and Human Services, Education and most of the rest of the federal government.

To understand this earmark, it is important to understand that there has been a firm and long-standing national policy against using federal education funds for construction purposes. House Republicans have held the line on this even when it came to providing simple repairs to schools that Democrats argued had become so dilapidated that they posed health and safety risks to the students and faculty.

The Aurora University earmark seems to be a clear circumvention of that policy. The funds provided by the Health Resources and Services Administration will apparently be used to construct a building on the campus of Aurora University that will contain classrooms for elementary school students enrolled in the Aurora public schools. The

University web site contains the following Press Release:

> *AURORA, Ill. February 24, 2003 - United States House of Representatives Speaker J. Dennis Hastert and Aurora University officials announced today that the school has secured a $10 million grant from the federal government to fund a school and community improvement initiative....The Institute will support the goals recently established by Congress and President Bush in the No Child Left Behind Act designed to improve public elementary and secondary education.*
>
> *"Improving public education is not just about more computers, better curriculum design, and student testing, as important as they all are," said Hastert. "As a public school teacher for 16 years, I learned that the key to a good education for our kids was a skilled and enthusiastic teacher in every classroom backed up by supportive principals and administrators. We need to attract the best and the brightest into teaching, and keep them there. Aurora University's partnership with School District #129 is designed to put students interested in teaching careers under the caring hands of master teachers early in their college careers, not just during student teaching in their senior year."*
>
> *...The centerpiece of the Institute will be an expanded partnership school that will build upon current programs at Freeman and Fearn elementary schools.*

This earmark clearly raises the question; if this can be funded as a HRSA *"Health Care Facilities Construction and Equipment"* grant, what can't be? And that raises separate questions:

> *(1) Exactly what other kinds of projects are we funding under this account?*
> *(2) Who is evaluating them?*
> *(3) What is the basis for evaluation?*
> *(4) If it is possible to do virtually anything with such an earmark, what is inappropriate?*
> *(5) Whose job is it to determine when the use of such grant money becomes inappropriate?*

Those are questions to which it would be difficult to find answers even from the insiders on the Appropriations Committee or within the Department of Health and Human Services.

Two quite similar programs within the Department of Education made up another 40% of the total Labor-HHS earmarks in fiscal year 2003. These were the Fund for the Improvement of Education (FIE) and the Fund for the Improvement of Post Secondary Education (FIPSE).

The FIE authorization provides that the program is *"to support nationally significant programs to improve the quality of elementary and secondary education at the State and local levels and help all children meet challenging State academic content and student academic achievement standards."*

That, however, is not exactly what all of the 446 FIE earmarks were spent on, based on a review of the projects listed in the fiscal year 2003 Labor-HHS-Education conference report. For example, one earmark required the Department of Education to provide $1 million to ***"The First Tee"*** a program of the World Golf Foundation aimed at teaching young people **to play golf.**

Participant in "The First Tee" Golf Program that Received $1 million Education Earmark

If the sponsor of the earmark, Congressman Tom DeLay, provided any justification for why funds authorized to ***"help children meet challenging State academic content and student academic achievement standards,"*** could be appropriately used for a golf program, it can be found nowhere in the official record.

The ongoing failure of the federal government to meet expected levels of support for the No Child Left Behind Act and to assist local schools in reaching specified achievement goals makes the use of FIE funds for a golf program all the more extraordinary.

Statistics available through the Texas Department of Education indicate that 1000 schools in DeLay's home state failed last year to meet the "Adequate Yearly Progress" requirements of the No Child Left Behind Act. A total of 31 of those schools are in DeLay's congressional district.

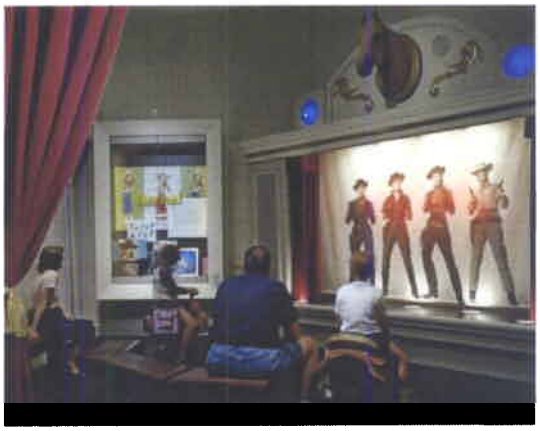
Last year, HRSA, FIE and FIPSE accounted for about 80% of the Labor-HHS-Education earmarks. The other 20% were scattered across more than 17 different programs. One of these was the Institute for Museum and Library Services. This Institute is charged with improving the quality of the nation's museums and libraries and making them more effective tools for the education of school children and the general public.

One of the activities of the Institute is to award grants to museums that have critical needs that cannot be met through local revenues or private donations. Competition for these grants is extremely intense and the Institute appoints a board of outside experts to carefully sift through the applications and determine how much of available funds should be awarded to each applicant.

Last year, only 273 museums received grants out of a total of 1,272 applications. But some times it is better to be well-connected than well-qualified.

Individual members of Congress made awards to 120 museums and libraries last year spending $35.4 million—nearly as much as the Institute spent ($46 million) on competitive awards.

One lucky winner was the *Cowgirl Hall of Fame* in Fort Worth, Texas. They got a $90,000 earmark for equipment for



The Cowgirl Museum and Hall of Fame

audio tours of the permanent exhibition and didn't have to compete at all. If you are in Fort Worth, admission is $6.00.

What is Really Wrong With Earmarks?

There is nothing that is inherently evil or wasteful about earmarks. Specific problems often demand specific solutions. Ultimately, decisions about the specific use of federal funds will occur at some point in the process of providing and distributing those funds, whether it is in the President's budget request, the legislation produced by Congress, the administrative judgments of the program managers in the departments and agencies or by the state or local recipients of federal money.

It is the job of the Congress to challenge the decision-making that occurs throughout that process and ensure that pressing national problems are being addressed, that federal funds are being used in an appropriate manner and applied to the problems which have the highest priority. There is nothing wrong with the Congress taking these judgments into their own hands on occasion and making the judgments directly when it is apparent that the bureaucracy or the formulaic distribution of funds will not solve pressing problems facing a significant segment of the public.

The problem is that such action by the Congress takes a great deal of judgment and discipline. The power that such decisions transfer to the Congress is enormous and it is addictive. The more power that individual members receive through the earmarking process, the more they become addicted and the more foolish the decision making becomes. As this paper demonstrates, the level of foolishness can get quickly out of control.

There are several specific things that tend to occur when larger and larger amounts of money are set aside in appropriation bills for individual members to address specific localized policy concerns.

First, the Congress loses any real capability to prioritize or ensure that public funds are being used in an appropriate manner. The volume of requests becomes so great that the staffs of the committees can barely process and record them, much less understand what is actually intended. This leaves the decision about the use of hundreds of thousands, or in many instances millions or tens of millions, of dollars in the hands of individual members or individual staffers with no real opportunity to probe or challenge the legitimacy of a particular proposal.

This lack of oversight and transparency is true not only with respect to the decision to include an earmark within an appropriation, but can extend to the administrative responsibilities of the agency used by the Congress to actually turn the money over to the local recipient. The agency often has no capacity to determine who the recipient is (i.e. Who sits on the board of this foundation? Are the board members or officers of this organization relatives or campaign committee members of the Congressman that added the earmark? Does this organization really exist?)

It is doubtful in many instances whether the agency with nominal administrative authority can determine whether the entity to which the funds are being transferred will actually perform any of the services specified or implied in the

earmark. Since the earmarks are often provided in contravention of the underlying legal authority under which they are appropriated or without any legal authority at all, there is no basis for an agency to review or audit the use of funds by the recipient. There simply is no standard by which recipient performance can be judged.

In short, the Congress in many instances might just as well transfer cash to individual member offices and allow them to hand out the funds to those individuals or entities that they deem worthy. The level of oversight would not be significantly diminished.

Second, earmarks cause federal money to be distributed in a manner that is geographically unfair and unreflective of public needs. While members of Congress are highly focused on the specific items that they wish to see for their districts, they appear to be largely unaware of how skewed the distribution of earmarked funds typically is. Last year's Labor-HHS-Education bill targeted more than 20% of Senate earmarked funds to only two states—and one was not a large state. There are very few Congressional Districts across the country that are winners in this process and would not be significantly better off if earmarked funds were distributed on a formula basis instead.

Earmarking also often undercuts the underlying purpose of the programs that are being earmarked. Military operation and maintenance spending is supposed to improve readiness, and to do that the military must be very disciplined in choosing which systems and facilities will be most critical in the event of a deployment. When Congress dictates that O&M funds be diverted to perform repairs at a particular installation, so that a Congressman can block Pentagon efforts to close the facility, the public and our level of readiness suffers.

We have a similar problem with respect to federal efforts to target education and health care funds to those who most need it. The federal role in both education and health care has been largely based on the fact that access to quality services is extremely uneven across the United States. Poor rural and inner city schools simply do not have the tax base to offer the same kinds of opportunities to the children in their jurisdictions that are offered in the wealthier suburban districts. Yet the problems that children in lower- income districts face are often greater. A major reason for the federal role has been to help in a modest way to level the playing field.

But the earmarking of funds in the Labor-HHS bill has not simply spread funds across congressional districts without regard to income disparities, but actually targets funds on more well to do districts. The Speaker's HRSA elementary school is a good example.

Census data indicates that Aurora, Illinois, the site of this school, has a population of 142,000 people. That means that Aurora has 0.05% of the nation's population. If the Congress were to distribute health access and education access funds across the country without regard to income levels or poverty, Aurora would get about $150,000 of the $297 million that Congress appropriated for the HRSA buildings and facilities program. Instead, they got $10 million or 67 times more than the population would justify. Census data also indicates that the percentage of people living in poverty in

Aurora is 6.2% or about half of the national average.

Third, earmarking is corrosive to the process of legislation and the ability of the Congress to meet its responsibilities. This is for several reasons. First the work effort required to inject earmarks into appropriations bills in the numbers that are currently taking place is enormous. It overwhelms all- other work activities and seriously undercuts the capacity of either members or staff to engage in serious oversight or understand the programs or problems for which funds are being appropriated. Despite the fact that Congressional earmarks remain a relatively small percentage of overall Congressional spending they have become an all consuming focus of Congressional activity to the exclusion of concerns about how the vast majority (over 95%) of federal funds is being spent.

It is also corrosive because it creates conflicts of interest within the policy debate. Should a member vote for multi-billion dollar spending proposals that affect the future of our national security, our economy or the progress we hope to make in fields such as space science or medicine simply because they contain an item worth a few hundred thousand or a few million dollars affecting a particular activity in a particular congressional district. These are the decisions that are now being made in Congress, and the overall public well-being is often not coming out the winner when those choices are weighed.

Finally, earmarks are corrosive to the political system generally because the decentralized and unsupervised decisions about how public funds should be spent will ultimately lead to serious abuse, if not outright fraud. When the public becomes aware of those abuses, it will loose confidence, not only in the earmarking process, but in the ability of government to meet public needs. While there are some practitioners of the art of earmarking who may welcome that, there are many problems that this society needs government to address if we are to remain secure, free and prosperous.

"Now, why does the arrogance of power matter? It matters because when one party has been in charge for 40 years, as the Democrats have been, their leadership begins to think they can get away with anything, that they can do anything they want to, that it does not matter whether or not they break the rules or whether or not they, in fact, simply design for themselves the rule they want without any regard to what people think... What we have seen happening is a decay of the process, that over time, year by year, month after month, the system has just gotten worse and worse."

***Newt Gingrich**, August 8th, 1994*