



All About Pork: The Abuse of Earmarks and the Needed Reforms



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Citizens Against Government Waste

Citizens Against Government Waste (CAGW) is a private, nonprofit, nonpartisan organization dedicated to educating the American public about waste, mismanagement, and inefficiency in the federal government.

CAGW was founded in 1984 by J. Peter Grace and nationally-syndicated columnist Jack Anderson to build public support for implementation of the Grace Commission recommendations and other waste-cutting proposals. Since its inception, CAGW has been at the forefront of the fight for efficiency, economy, and accountability in government.

CAGW has more than 1.2 million members and supporters nationwide. Since 1986, CAGW and its members have helped save taxpayers more than \$825 billion. CAGW publishes special reports, its official newspaper *Government WasteWatch*, and the monthly newsletter *Wastewatcher* to scrutinize government waste and educate citizens on what they can do to stop it. CAGW's publications and experts are featured regularly in television, radio, print, and Internet media.

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HISTORY

Raiding the federal treasury to “bring home the bacon” is a long-practiced, but not ancient, Washington tradition. Year after year, lawmakers debase the political process by directing chunks of the federal budget back to their home districts and states to promote their own re-elections and reward special interests.

The U.S. Constitution grants to Congress the power to spend. Article I, Section 9, Clause 7 reads, “No money shall be drawn from the Treasury but by consequence of Appropriations made by Law.”

Washington insiders have espoused this “power of the purse” to validate Congress’s mushrooming appetite for pork. Sen. Larry Craig (R-Idaho) and Rep. Mike Simpson (R-Idaho) have argued that eliminating earmarks would equate to an unconstitutional delegation of spending discretion to the executive branch.¹ Sen. Harry Reid (D-Nev.) said that earmarking has been going on “since we were a country.”² A spokeswoman for lobbying firm Cassidy and Associates said, “Earmarking has been going on since the time of George Washington.”³

It would be hard to imagine a more convoluted, inaccurate, and self-serving interpretation of the Constitution and U.S. history. The Founding Fathers deemed that Congress could only spend money in pursuant to those powers specifically enumerated in the Constitution. The 10th Amendment leaves all other responsibilities to the states.

For much of the nation’s history, constitutional objections from members of Congress, the president, and state legislatures were effective in limiting parochial spending.

The First Congress rejected a bill to loan money to a glass manufacturer after several members challenged the constitutionality of the proposal. In a debate during the Second Congress over a bill to pay a bounty to New England cod fisherman, Rep. Hugh Williamson of South Carolina argued that it was unconstitutional “to gratify one part of the Union by oppressing the other . . . destroy this barrier; - and it is not a few fishermen that will enter, but all manner of persons; people of every trade and occupation may enter in at the breach, until they have eaten up the bread of our children.”⁴

Thomas Jefferson made a similar prediction in a letter to James Madison dated March 6, 1796, challenging Madison’s proposition for improvements to roads used in a system of national mail delivery. Jefferson wrote:

1 Senator Larry Craig and Representative Mike Simpson, “Earnest Earmarks,” February 1, 2006, <www.senate.gov/~craig/releases/ed020106a.htm>.

2 “Newsmaker: Senate Minority Leader Harry Reid,” a “Newshour with Jim Lehrer” Transcript, January 18, 2006, <http://www.pbs.org/newshour/bb/congress/jan-june06/reid_1-18.html>.

3 Janet Hook and Richard Simon, “Earmarking—A Win-Win for Lobbyists and Politicians,” *Los Angeles Times*, January 29, 2006.

4 John C. Eastman, “Eating Up the Bread of Our Children,” The Claremont Institute, February 7, 2006, <<http://www.claremont.org/projects/jurisprudence/060206eastman.html>>.

Have you considered all the consequences of your proposition respecting post roads? I view it as a source of boundless patronage to the executive, jobbing to members of Congress & their friends, and a bottomless abyss of public money. You will begin by only appropriating the surplus of the post office revenues; but the other revenues will soon be called into their aid, and it will be a scene of eternal scramble among the members, who can get the most money wasted in their State; and they will always get most who are meanest.⁵

In 1817, President Madison vetoed a public works bill that would have paid for the construction of roads and canals. To Madison, the “father of the Constitution,” the clause “to provide for common defense and general welfare” did not grant Congress additional powers not enumerated in Article I, Section 8.⁶

Alexander Hamilton interpreted the general welfare clause more broadly as a separate grant of power. Yet even he believed that it was limited to matters of national importance and did not cover spending of a local or regional benefit.⁷

In 1822, President James Monroe argued that federal money should be limited “to great national works only, since if it were unlimited it would be liable to abuse and might be productive of evil.”⁸

In 1825, the South Carolina legislature passed a resolution which condemned “the taxing of the citizens in one state ‘to make roads and canals for the citizens of another state.’” Virginia and Georgia adopted similar resolutions in 1827.⁹

In the late 1800s, Grover Cleveland became known as the “king of the veto” for rejecting hundreds of congressional spending bills during his two terms as President. He often wrote: “I can find no warrant for such an appropriation in the Constitution.”¹⁰

The term “pork-barreling” was coined in the late 19th century to compare the rush toward a pile of tax dollars to the way slaves would crowd around barrels of salted pork at meal times.

Even as federal power vastly expanded during the twentieth century, Congress did not earmark extensively until the 1980s. Instead, Congress would fund general grant programs and let federal and state agencies select individual recipients through a competitive process or formula. The House and Senate Appropriations Committees named specific projects only when they had been vetted and approved by authorizing committees. Members of Congress with local concerns would lobby the president and federal agencies for consideration. The process was aimed at preventing abuse and allocating resources on the basis of merit and

5 “Thomas Jefferson to James Madison, March 6, 1796,” The Thomas Jefferson Papers, The Library of Congress American Memory,

<[6 “Veto of federal public works bill,” Constitution Society,](http://memory.loc.gov/cgi-bin/query/r?ammem/mtj:@field(DOCID+@lit(tj080100))>.</p></div><div data-bbox=)

<http://www.constitution.org/jm/18170303_veto.htm>.

7 Eastman, “Eating Up the Bread of Our Children.”

8 Ken Silverstein, “The Great American Pork Barrel,” *Harper’s Magazine*, July 1, 2005.

9 Forrest McDonald, *States’ Rights and the Union: Imperium in Imperio, 1776-1876*, November 2002, University Press of Kansas, p. 93.

10 Walter E. Williams, “How Did We Get Here?”

<<http://www.gmu.edu/departments/economics/wew/articles/fee/here.html>>.

need.

Today, Appropriations Committee members arbitrarily pick winners and losers by earmarking funds for specific recipients. Rank and file members, backed by an army of lobbyists, bypass authorizing committees and lobby appropriators directly for pet projects.

DEFINITIONS

A pork-barrel project is a line-item in an appropriations or authorization bill that designates funds for a specific purpose in circumvention of the normal procedures for budget review. To qualify as pork, a project must meet one of seven criteria that were developed in 1991 by Citizens Against Government Waste (CAGW) and the Congressional Porkbusters Coalition:

- 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.

The pork label is not a subjective judgment of a project's merit. Rather, it refers to lapses in the procedures erected by Congress to review and consider the wise expenditure of taxpayer dollars.

Pork projects are usually slipped into large spending bills without debate, competition, or input from the relevant executive agencies. The provisions are often not subject to a separate vote in the House or the Senate and frequently appear in legislation only hours before Congress votes on appropriations bills. Furthermore, pork projects are not subject to performance standards. Until recently, there was no disclosure requirement for a project's recipient or its sponsor in Congress.

The terms "pork" and "earmarks" are often used interchangeably, but they are different. The term "earmark" generally means any expenditure for a specific purpose that is tucked into a larger bill. Only when the earmark is inappropriately added to the bill is it considered pork. Although there is no universal definition for "earmark," an analysis by the Congressional Research Service identified 15,268 earmarks in the non-emergency appropriations bills for fiscal 2005.¹¹ By comparison, CAGW's 2005 *Congressional Pig Book* identified 13,997 pork-barrel projects in the same bills.

Precise terminology is essential for holding Congress accountable for the reforms that are needed to fix the budget process.

Since 1991, CAGW's annual *Congressional Pig Book* has provided the authoritative list of pork in the federal budget. The 2006 *Pig Book* identified 9,963 projects in the 11 appropriations bills for fiscal 2006, costing taxpayers a record \$29 billion. The total cost of pork increased by 29 percent between fiscal years 2003 and 2006. In fiscal 2007, Congress

11. "Earmarks in Appropriations Acts: FY1994, FY1996, FY1998, FY2000, FY2002, FY2004, FY2005," Congressional Research Service Appropriations Team, Memorandum, Washington, D.C., January 26, 2006.

passed a joint resolution that excluded pork from every appropriations bill except Defense and Homeland Security. As a result, the *2007 Pig Book* identifies 2,658 projects costing \$13.2 billion – 73 percent and 55 percent drops, respectively.

Waste and abuse have grown along with the practice of pork-barrel spending. In recent years, the *Pig Book* has identified \$50 million for an indoor rainforest in Coralville, Iowa (2004) and \$1.4 million for various Halls of Fame (2005), including \$70,000 for the Paper Industry International Hall of Fame in Appleton, Wisconsin. Scandals have connected the practice of earmarking with corrupt lobbyists and questionable campaign fundraising tactics.

To reduce overall spending, curtail corruption, and hold elected officials accountable for wasteful spending, pork-barrel spending should be eliminated. Short of that achievement, Congress should make spending bills more transparent and amendable.

THE BUDGET PROCESS

On the first Monday in February, the president submits to Congress the administration's budget request, a detailed outline of policy and funding priorities for the coming fiscal year. While Congress is not bound to adhere to the president's budget, the request is a reflection of the agencies' priorities and the President's signature is ultimately required to implement all spending bills.

Congress passes a budget resolution in response to the president's budget request. The budget resolution sets spending and borrowing levels for the next five fiscal years. It allocates aggregate totals to the Appropriations Committees that are meant to act as an internal control on discretionary spending. Although the budget resolution is enforceable through points of order and other mechanisms, these rules are frequently waived, making the spending limits nonbinding. The budget resolution is not signed by the president and does not have the force of law. The Congressional Budget Act sets an April 15 deadline for final adoption of the budget resolution, but Congress frequently misses this deadline.

The Constitution does not dictate a specific budget process for Congress to follow. Over the years, an amalgamation of laws and rules has erected a twofold budget process that divides power between appropriations and authorizing committees.

Authorizing committees are responsible for passing legislation that authorizes spending in specific areas. The committees usually pass one- or multi-year authorization bills for programs and projects in their jurisdiction. An authorizing measure can establish, continue, or modify an agency or program. Most standing committees have authorizing responsibilities; two examples are the House Committee on Armed Services and the Senate Committee on Commerce, Science, and Transportation.

The importance of authorizing committees lies in their role as screeners of federal priorities. Authorizing committees are charged with exercising oversight, holding hearings, and measuring results for every aspect of the federal government.

Appropriations committees are responsible for writing the actual spending bills that fund federal agencies and programs. Appropriations bills give federal agencies the legal authority to spend money from the Treasury for specified purposes.

In short, authorizing committees *approve* spending and appropriations committees *enact*

spending.

Not all federal spending filters through this two-step process. So-called direct spending bypasses the appropriations process. For entitlement programs like Medicare, spending is mandated by authorization legislation and remains on “auto-pilot” unless changed by subsequent authorization measures. Some direct spending, such as Medicaid, is funded in appropriations bills, but the amount appropriated is controlled by authorizing legislation. Consequently, Appropriations Committees control only about one-third of the federal budget, broadly referred to as discretionary spending.

Second, about 30 percent of the discretionary budget, or \$170 billion in fiscal 2005, is unauthorized.¹² House and Senate rules prohibit appropriations for unauthorized programs and projects – a rule that is enforceable by points of order. However, the rules are usually waived by suspension, by unanimous consent, or, in the House, by a special rule.

Ideally, a member of Congress would have two avenues for getting funding for a favored project: encourage the beneficiary to submit a grant request to the relevant agency; or, go on the record and argue for funding before an authorizing committee. In this way, congressional hearings add transparency and accountability to the budget process.

As a result of the authorizing committees not doing their job and the breakdown of enforcement mechanisms, almost all earmarks are currently funded at the behest of individual members of the Appropriations Committees.

In May, the Appropriations Committees receive the concurrent budget resolution and divide the aggregate totals into sub-allocations for the appropriations subcommittees. Each subcommittee writes the spending bill for the area of government that it covers. The full Appropriations Committees may amend and must ultimately approve each of the bills. The subcommittees and the full committees often “mark up” the bills with pork projects. The bills then go to their respective chambers for a full vote.

Upon passage of an appropriations bill, the House and Senate appoint conferees to write a compromise version that can pass both the House and the Senate by majority vote. Every appropriations bill requires its own conference. The bills then go to the President for signature or veto.

Adding pork to conference reports is especially abusive because negotiations occur behind closed doors after each chamber has already passed its version of the bill. Conference reports that are more than a foot thick can include thousands of pork-barrel projects that have not been seen or voted on by either the House or the Senate. Currently, rank-and-file members cannot amend committee report language; they can only amend the actual text of a bill before it goes to conference. Essentially, members are faced with passing a bloated conference report or starting the entire process over from scratch. The fiscal 2005 Labor/HHS Appropriations Act contained 3,071 pork projects totaling \$1.69 billion; 98 percent were added in conference.¹³

For each appropriations bill, there are four separate documents – the legislation, the House

12 Congressional Budget Office, “Unauthorized Appropriations and Expiring Appropriations,” Washington, D.C., January 14, 2005.

13 2005 *Congressional Pig Book*, Citizens Against Government Waste.

and Senate Committee reports, and the conference report. The committee and conference reports are explanations of the legislative text.

Committee and conference reports do not have the force of law; in other words, federal agencies can legally ignore them. But if agencies ignore the committee reports, there are veiled and not-so-veiled threats from appropriations committee members regarding the agency's future budget. In other words, Congress spends hundreds of billions of our tax dollars through an extra-legal scheme. On January 25, 2007, the U.S. Court of Appeals for the 9th Circuit reaffirmed that earmarks in report language do not have the force of law when it invalidated an earmark authored by Sen. Larry Craig (R-Idaho) to eliminate the Bonneville Power Administration.

The potential for abuse is magnified by omnibus bills, multiple appropriations bills wrapped together in a single package. Congress often resorts to omnibus legislation after it fails to pass all of the appropriations bills before the start of the fiscal year. Omnibus packages are sometimes slapped together in the wee hours of the morning by congressional staffers. It is not uncommon for the resulting behemoth to contain varied fonts and hundreds of handwritten deletions and changes. Members of Congress barely have time to scratch the bill's surface before it comes to the floor for a vote. Although members can raise points of order against projects added in conference, this rule is also frequently waived. Congress resorted to an omnibus appropriations bill for six of the eight fiscal years from 1999 to 2006. The mangled and secretive appropriations process bestows on congressional staffers an enormous amount of discretion and leverage in the crafting of legislation. The first members of Congress worked without staffs, researching and drafting legislation on their own. Since the Senate first authorized members to hire clerks with public funds in 1884, congressional staffs have ballooned in size and expense. Some Senators have nearly 100 members on their staffs, who can earn taxpayer-funded salaries of up to \$160,000. Most of the "grunt work" of writing appropriations bills is delegated to staffers, who operate behind the same veil of secrecy as Appropriations Committee members.

Heavy reliance on staffers allows members of Congress to abdicate their responsibility to read and write the legislation they vote on, opening up new avenues for corruption and abuse. In 1997, Jason Alderman, a staffer for the late Rep. Sidney Yates (D-Ill.), had an altercation with a policeman after being stopped for walking his dog without a leash in Meridian Hill Park in Washington, D.C. Alderman later got language added to a House appropriations bill ordering

the National Park Service to build a dog run at the park “as expeditiously as possible.” Rep. Yates was unaware of the earmark until it appeared in a column by the late journalist (and CAGW co-founder) Jack Anderson.¹⁴

More recently, a staffer held up passage of the fiscal 2005 Omnibus Appropriations Act after he added an obscure line to the 3,000-page bill that would give the chairmen of the Appropriations Committees and their staff assistants the authority to access the income tax returns of any American. The language was discovered only hours before the original vote was scheduled and Republican leaders had to convene a special session to remove the provision.

In addition to secrecy, there is a lack of accountability in the budget process. No public records exist to reveal the member who was responsible for requesting or adding an earmark. Lawmakers submit earmark requests in writing to the relevant appropriations committee, but all congressional correspondence is exempt from the Freedom of Information Act. Appropriation Committees prohibit members from commenting on the authorship of specific provisions. It is difficult to establish a firm connection unless a member openly takes credit for a project.

Circumstantial evidence can point to the likely sponsor of a specific project. The most telling clue is the district or state where the project’s recipient is located. If a project is added to the House version but not the Senate version of a bill, and the recipient is based in the district of a House Appropriations Committee member, that member is most likely the culprit.

A specific recipient is not always named in the earmark language. Appropriators will even go to elaborate lengths to mask the intended recipient by stipulating conditions that restrict eligibility to a single entity without actually naming that entity.

Appropriations bills are the most attractive vehicle for pork because they are annually scheduled and are seen as “must-pass” bills. Their vast size effectively screens individual projects from close scrutiny.

Earmarks can also appear in authorization bills. Most of the federal government’s transportation spending is authorized by a highway bill that Congress passes every six years. Funded by the federal gas tax, the Highway Trust Fund has evolved from a temporary measure to construct a national highway system to an inexhaustible spigot for funding local projects. President Ronald Reagan vetoed the Surface Transportation and Uniform Relocation Assistance Act of 1987, saying “I haven’t seen this much lard since I handed out blue ribbons at the Iowa State Fair.” The bill contained 121 special “demonstration” projects.¹⁵ In comparison, Congress stuffed the 2005 Transportation Equity Act: A Legacy for Users with more than 6,300 earmarks, including funding for museums, bus stops, horse trails, and mass-transit boondoggles all over the country.

14 James Bovard, *Freedom in Chains: The Rise of the State and the Demise of the Citizen*, St. Martin Press, May 19, 2000, p. 113.

15 “President Ronald Reagan and the Surface Transportation and Uniform Relocation Assistance Act of 1987.” U.S. Department of Transportation Federal Highway Administration. Modified May 7, 2005, <<http://www.fhwa.dot.gov/infrastructure/rw01e.htm>>.

Sometimes, earmarked money never gets spent or the projects never get done. The money ends up trapped in federal coffers because earmarked funds cannot be spent on other projects without permission from Congress. After Hurricane Katrina, the Transportation Department's inspector general examined accounts of the Federal Highway Administration and found "significant" amounts of unspent funds, some earmarked as far back as 1983.¹⁶

THE INCURSION OF LOBBYISTS

Pork-barrel spending has been reinforced by an army of lobbyists and firms that specialize in securing earmarks for clients, including private companies, government contractors, universities, cities, and state governments. The number of reports filed by firms lobbying Congress on budget and appropriations issues swelled from 1,447 in 1998 to 4,013 in 2005. Even that number is incomplete because lobbyists are exempt from filing disclosure forms for work done on behalf of state and local governments. Washington has nearly 35,000 registered lobbyists, more than twice as many as it had in 2000. Including the unregistered lobbyists, lawyers, and consultants involved in influencing policy in Washington, the number of individuals seeking federal tax dollars is about 200,000.

Many lobbyists are former members of Congress. According to a study by Public Citizen, 43 percent of eligible members of Congress who left office since 1998 have become lobbyists.¹⁷ The Founding Fathers envisioned a parliamentary system run by citizen-legislators. The modern ideal seems to be lobbyist-legislators, for whom public service is a stopover to a lucrative career in the influence-peddling industry.

These "public servants"-turned-lobbyists capitalize on their relationships with former colleagues to get earmarks slipped into appropriations bills. As ex-members, they also benefit from special perks. Some of the privileges, such as access to the congressional gym, have been eliminated by recent legislation and rules changes.

After an earmark is funded, the lobbyist or the lobbyist's client often returns the favor by donating to the reelection campaign of the member who secured the earmark. Some lobbyists serve a special role in campaign fund-raising by heading up members' political action committees (PACs).

Appropriations Committee staffers also face incentives to grease the wheels of the pork-barrel. Staffers know that helping a lobbyist secure an earmark can lead to a job offer from that lobbyist down the road. A former staffer with legislative savvy and personal connections can command a six-figure salary as an appropriations lobbyist. *The Los Angeles Times* offered a telling description of former appropriations staffers: "A clubby bipartisan fraternity, they even have an alumni club: the Googol Society (named for the word that means 10 to the hundredth power). They meet twice a year for drinks with current committee staffers."¹⁸

16 Brien Friel. "Transportation IG to identify pork available for Katrina relief," GovExec.com, December 9, 2005.

17 "Congressional Revolving Doors: The Journey from Congress to K Street," Public Citizen, July 2005.

18 Janet Hook and Richard Simon.

Many congressional relatives also earn a lucrative living by lobbying for earmarks, including the brother of House Defense Appropriations Subcommittee Ranking Member John Murtha (D-Pa.), the brother-in-law of former Senate Appropriations Committee Chairman Ted Stevens (R-Alaska), and the son of House Appropriations Committee Ranking Member David Obey (D-Wis.).¹⁹

Most congressional offices have appropriations-request forms for groups that crave a slice of “tax dollar pie.” The office then submits these forms to the Appropriations Committees. In fiscal 2005, the House Appropriations Committee received 34,687 project requests – nearly 80 per member.²⁰ The project’s success in getting funded seems to depend on the legislative pull of the sponsoring member and the presence of a lobbyist to help along the request.

The link between pork and campaign donations invites corruption and the revolving door between Congress and lobbying firms creates conflicts of interest. Recent scandals offer telling examples:

- *Copley News Service* reported that House Appropriations Committee Chairman Jerry Lewis (R-Calif.) steered hundreds of millions in federal funds to clients of lobbyist Bill Lowery, a former congressman and friend who served with Lewis on the Appropriations Committee until 1993. The friends have exchanged two key staff members, “making their offices so intermingled that they seem to be extensions of each other.” Lowery, the partners at his firm, and their clients have donated 37 percent of the \$1.3 million that Lewis’ political action committee received in the past six years. In 2003, Lowery’s firm hired Letitia White, an appropriations associate from Rep. Lewis’s office.²¹
- In November 2005, Rep. Randy “Duke” Cunningham (R-Calif.) resigned from Congress and pled guilty to conspiring to take \$2.4 million in bribes from two defense contractors who received earmarks through his legislative efforts. One of the defense companies was also a Lowery client. Federal investigators are also investigating whether the contractors supplied Cunningham, other members of Congress, or their staffs with prostitutes, as well as free limousine and hotel suites.²²
- Rep. John T. Doolittle (R-Calif.) told *The Washington Post* that he helped steer \$37 million in defense funding to PerfectWave Technologies LLC. The company helped raise at least \$85,000 for Doolittle and his leadership political action committee from 2002 to 2005. The director of the company, Brent Wilkes, is the top co-conspirator in criminal charges brought against former Rep. Cunningham.²³
- In December 2005, *Roll Call* detailed how Rep. Allan Mollohan (D-W.Va.) received campaign contributions from companies that won contracts based on earmarks he helped secure. One contributor was MZM, Inc. The company’s former owner, Mitchell Wade,

19 John Fund, “Marks for Sharks,” *Wall Street Journal*, January 9, 2006, < <http://www.opinionjournal.com/diary/?id=110007785>>.

20 Janet Hook and Richard Simon.

21 Jerry Kammer, “A Steady Flow of Financial Influence,” *The San Diego Tribune*, December 23, 2005.

22 “Another Watergate Scandal,” *The Hotline*, April 27, 2006.

23 Charles R. Babcock and Jonathan Weisman, “K Street’s New Ways Spawn More Pork,” *Washington Post*, January 27, 2006, p. A1.

pled guilty to bribing ex-Rep. Cunningham. Says Rep. Mollohan, "All I care about is supporting companies and [federal] programs that companies are doing in my Congressional district."²⁴

The *New York Times*, using figures from CAGW's *Pig Book*, reported how Rep. Mollohan directed \$250 million since 1995 to five nonprofit organizations that he set up. To run the "plush" organizations, Rep. Mollohan recruited friends and former aides who in turn contributed to his political campaigns and family foundation.²⁵ On April 21, Mollohan resigned from his post as senior Democrat on the House Ethics Committee following allegations that he fibbed on his financial disclosure forms. The FBI is investigating whether a spike in Rep. Mollohan's personal fortune had any connection to earmarks that he secured.

- Mitchell Wade also admitted giving Rep. Katherine Harris (R-Fla.) and Rep. Virgil Goode (R-Va.) illegal campaign money and asking them to request earmarks. Harris received \$50,000 from Wade, MZM employees, and their family members in 2004, including \$32,000 that was illegal. Harris unsuccessfully sought a \$10 million earmark for MZM. Wade gave Goode \$46,000 in illegal campaign donations. In 2003, Goode successfully secured a \$3.6 million earmark for MZM.²⁶
- In February 2006, *USA Today* revealed that Sen. Arlen Specter directed 13 earmarks worth \$48.7 million to clients of the husband of one of his top aides. The Department of Defense earmarks went to six clients represented by lobbyist Michael Herson and the firm he co-founded, American Defense International. The article noted:

Herson's wife, Vicki Siegel Herson, is Specter's legislative assistant for appropriations. She deals with Specter's work on the Senate Appropriations Committee and its defense subcommittee, where all the earmarks originated. Siegel, who uses her maiden name at work, is a former lobbyist for defense contractors who has worked for Specter since 1999.

The six clients paid Michael Herson's firm nearly \$1.5 million in fees since 2002.²⁷

- Disgraced lobbyist Jack Abramoff pled guilty in January 2006 to four felonies involving wire fraud, conspiracy to defraud his clients, schemes to corrupt public officials, and tax evasion. Abramoff once described the Appropriations Committees as "earmark favor factories." His associate, Tony Rudy, who pled guilty in March 2006 to conspiring to corrupt public officials and defraud clients, once e-mailed Abramoff asking if an Indian tribe client could pay for a hunting trip for Congressional staffers as a "thank you . . . for the approps we got."²⁸

24 John Bresnahan, "Mollohan to Donate MZM Funds," *Roll Call*, December 13, 2005.

25 Judi Rudoren, "Special Projects By Congressman Draw Complaints," *The New York Times*, April 8, 2006.

26 Peter Hardin, "Goode's Liability in Scandal Unclear," *Richmond Times-Dispatch*, February 26, 2006.

27 Matt Kelley, "Senate Aide's Spouse Gets a Windfall," *USA Today*, February 16, 2006, <http://www.usatoday.com/news/washington/2006-02-15-specter-earmarks_x.htm>.

28 John Fund.

- In December 2003, an investigation by *The Los Angeles Times* revealed how then-Senate Appropriations Committee Chairman Ted Stevens (R-Alaska) made millions of dollars from investments with businessmen who received government contracts and other favors through his legislative efforts.²⁹ As documented in CAGW's *Pig Book*, Sen. Stevens has helped bring home more than \$3.3 billion in pork since 1999, and Alaska has ranked No. 1 in pork-per-capita since 2000.
- Before public outrage forced congressional leaders to strike the earmark, Sen. Lisa Murkowski (R-Alaska) was a vocal supporter of the \$223 million "Bridge to Nowhere." The bridge would have connected Ketchikan, Alaska to Gravina Island with a population of 50. The *Fairbanks Daily News-Miner* reported how Sen. Murkowski's family owned property on the island valued at \$224,600 – a number that will surely increase if the bridge ever gets built.³⁰ The cost estimate for the bridge was recently raised to \$395 million.
- In the fiscal 2004 Energy and Water Appropriations bill, Senate Finance Committee Chairman Charles Grassley (R-Iowa) added \$50 million in conference for an indoor rainforest in Coralville, Iowa. The project was the brainchild of Des Moines millionaire Ted Townsend (heir to the Townsend meat-packing fortune). To obtain federal funding for the project, Townsend's nonprofit group hired John W. Conrad III, an Iowa native and former "special assistant" to Sen. Grassley. Mr. Conrad received \$69,500 to lobby his former boss to earmark funds for the project. The Iowa rainforest has become one of the biggest pork boondoggles in recent memory. The nonprofit has failed to raise a dime of private funding to begin work on the estimated \$150 million project, which is now being shopped around to other cities in Iowa.³¹
- Before losing his 2006 re-election bid, former Rep. Curt Weldon (R-Pa.) used his position as the second-ranking Republican on the House Armed Services Committee to allocate close to \$1 million in consulting contracts to European energy companies represented by his daughter's lobbying firm. An investigation by the Justice Department led to the congressman's and his daughter's home and office being searched by federal agents. He also supported AugustaWestland, a subsidiary of Italian defense contractor Finmeccanica, in its successful bid to secure a \$1.7 billion contract to manufacture (in partnership with Lockheed Martin) the next presidential helicopter. The subsidiary subsequently hired another of the congressman's daughters, Kim Weldon. Oto Melara, a second Finmeccanica subsidiary, hired Cecelia Grimes, a self-proclaimed personal friend of Rep. Weldon, paying her a salary of \$60,000 despite her complete lack of experience.³² Employees of the American subsidiaries of Finmeccanica donated \$27,300 to the representative's 2006 re-election campaign.³³
- Despite the Pentagon wanting to abandon the project since 2001, House Appropriations

29 Richard T. Cooper and Chuck Neubauer, "Senator's Way to Wealth Was Paved With Favors," *Los Angeles Times*, December 17, 2003.

30 Jason Barnes, "Alaska Bridge to Nowhere Linked to Senator's Property," NewsMax.com, November 8, 2005, < <http://www.newsmax.com/archives/articles/2005/11/7/142633.shtml>>.

31 Michael Judge, "The Incredible Shrinking Rain Forest," *The Wall Street Journal*, March 9, 2006, <<http://www.opinionjournal.com/cc/?id=110008064>>.

32 Leslie Wayne, "Italian Arms Contractor and a Pennsylvania Congressman Share Close Ties," *The New York Times*, October 31, 2006.

33 Jeffrey Klein and Paulo Pontoniere, "Weldon Case Recalls Ike's Warning: Corrupting Power of Military-Industrial Complex," *New America Media*, October 31, 2006.

Committee member Jim Moran (D-Va.) used earmarks to keep “Project M” alive through fiscal 2005. Created by Vibration & Sound Solutions Ltd. (VSSL), a small defense contractor in Moran’s district, Project M’s purpose changed over the years but failed to deliver anything useful for the Navy. Rep. Moran said the company’s jobs were vital for his region. Yet, as reported by *The Washington Post*, VSSL employs only about 25 people. VSSL’s President and his wife have donated \$17,000 to Moran’s campaigns over the years.³⁴ On June 9, 2006 at the Arlington County Democratic Committee’s annual Jefferson-Jackson Day dinner, Rep. Moran proclaimed to the audience, “When I become chairman [of a House appropriations subcommittee], I’m going to earmark the s*it out of it.”³⁵ Thankfully, he did not become a subcommittee chairman in the 110th Congress.

- The Small Biz Tech Political Action Committee paid \$42,000 to Julia Willis-Leon, stepdaughter of Rep. Jerry Lewis. The PAC is led by Nicholas Karangelen, founder and president of Trident Systems Inc., a defense contractor that received at least \$11.7 million in earmarked funds in bills presided over by Lewis’ committee. Almost one-third of the \$115,350 the PAC has reported raising was given to Lewis’ stepdaughter.³⁶
- *The New York Sun* linked \$123 million worth of earmarks championed by Sens. Hillary Clinton and Charles Schumer (both D-N.Y.) to the senators’ campaign contributors.³⁷

WHY PORK IS BAD

Cases of out-and-out bribery are rare. But pork-barrel spending is a form of corruption, where tax dollars are dolled out on the basis of political favoritism and to advance the careers of Washington insiders rather than on the merit of individual projects. Waste and abuse have proliferated in the absence of transparency, accountability, and a competitive process.

Pork awards special interests at the expense of taxpayers.

Pork-barrel spending transfers wealth from everyday taxpayers to special interests who can afford access to power. Most of the projects have no real benefit for the vast majority of Americans.

Pork results in a biased redistribution of taxpayer dollars.

The mad dash for pork pits states and districts against each other at the expense of taxpayers nationwide. A disproportionate amount of the booty always goes to the states and districts of Appropriations Committee members. These politicians make off with a huge amount of the spoils simply because they are well-placed to do so, not because they are more deserving.

34 Charles R. Babcock, “The Project That Wouldn’t Die,” *The Washington Post*. June 19, 2006.

35 Scott McCaffrey, “Moran: Democratic Majority Means More Money for 8th District,” *Sun Gazette Newspapers*. June 10, 2006.

36 Jerry Kammer and Marcus Stern, “Lobbyists’ Money Flows to Rep. Lewis’ Stepdaughter,” Copley News Service. June 7, 2006.

37 Brian McGuire, “Schumer, Clinton Earmark Funds for Contributors,” *New York Sun*. December 27, 2005.

Serving the particular needs and wants of states and communities is not a core responsibility of the federal government.

The fiscal 2005 Agriculture Appropriations Act included \$100,000 for the Trees Forever Program in Iowa. A major component of the program is making sure that people are aware of the type of injuries trees can sustain during the winter from heavy loads of ice and snow. Projects like this are *local projects*. It makes no sense for a taxpayer in Arizona to pay for tree damage awareness in Iowa, or any other state.

The Founding Fathers understood that government is most accountable and effective where it is close to the people. The Constitution authorizes the federal government to exercise only a few specific powers *of national importance* and reserves the rest to the states. A city council or state government is much better suited to match spending priorities with local needs than a member of Congress or a federal bureaucrat. Local politicians have fewer constituents and are more accessible. With the sphere of government restricted, voters can keep a closer eye on how tax dollars are spent.

Furthermore, it is wasteful for taxpayers to send their money on a round trip to Washington to fund local projects. The federal government is like an expensive middleman, subtracting a hefty administrative cost from whatever it sends back to the states. It would make more sense for Congress to lower the federal tax burden and let local communities meet their own needs.

Local needs can be met by the private sector, nonprofit groups, or local and state governments. Federal money should be sought only as a last resort and only through the competitive system.

Pork is a burden to other agencies.

Earmarks are subject to political, budgetary and programmatic management before funds are allocated properly. In *The Administrative Costs of Congressional Earmarking: The Case of the Office of Naval Research*, James Savage details the added costs of managing earmarks in a particular government agency, the U.S Navy office of Naval Research (ONR).

Direct appropriations are often declared in a committee report without further information. Cited in the report was a \$3 million earmark entitled “Thermal management systems for high density electronics.” This earmark goes directly in the hands of the ONR which now has to fund the project, creating transaction costs. Transaction costs include, “the time, energy, and resources devoted to searching for and obtaining information, the costs of bargaining and coordinating agreements among actors and the costs of monitoring and achieving contractual compliance between principal and agent. As a result, ONR officials are consumed with the overwhelming burden of allocating earmarks properly rather than policy research, transparency, oversight, and other legislative tasks.

This is just one example of earmark spending habits that are having direct opportunity and transactions costs to other agencies. The \$3 million into Thermal management instead could have gone to the ONR’s already indentified priorities. Rather, these kinds of earmarks put additional costs, time, and energy into departments who are already burdened by the federal government’s spending. Without additional staffers, earmark appropriations can neither be allocated well nor transparent enough. This leads taxpayers to fund projects which in many cases are not necessary to that particular agency.

Pork is a currency of corruption.

The budget process is willfully rigged so that lawmakers and lobbyists can conceal their actions from taxpayers. In the absence of accountability, pork-for-cash and pork-for-votes trades become more appealing and less risky. As Sens. John McCain (R-Ariz.) and Jon Kyl (R-Ariz.) wrote, pork “can tempt even good people to do bad things.”³⁸

Additionally, pork sneaks its way to bypass legislative processes. For an earmark to clear it most go through lengthy bureaucratic processes at each stage. For example, the Department of Transportation (DOT) receives funds from the federal government and then allocates those funds to different departments such as FHWA, FTA, and the FAA (over 99% of all earmarks go towards these departments in the DOT). Then they must be reviewed in these departments. In FY 2006, 1,615 projects valued at more than \$3.8 billion were not subjected to review and projects based on merit. Furthermore, 6.109 of the earmarks valued around \$4.6 billion bypassed the states normal planning processes.

Both state and federal governments are wasting taxpayer dollars and adding more corruption into an already fraudulent system. Taxpayers should be outraged at the amount of projects being funded that are not being subjected to federal and state regulations.

Pork distorts the competitive marketplace.

Traditional lobbying focused on programs and policies affecting an entire industry or sector. The explosion of earmarking has created a subset of lobbying practices that solicit government handouts for specific entities. Pork gives these “beneficiaries” an advantage over competitors, making success less about excellence and more about political connections.

Furthermore, one company’s success in getting an earmark may spur its competitors to hire a lobbyist to even the playing field. This “copycat” trend has helped drive academic and municipal interest in earmarks. The end result is an ever-multiplying species of lobbyists spreading over Washington like locusts to feed off federal taxpayers. That helps explain why there are more lobbyists than congressional staff.

Pork corrupts academia and impedes scientific research.

Earmarking funds for facilities and research at academic institutions has always been a controversial practice. James Savage, a professor of politics at the University of Virginia, published *Funding Science in America: Congress, Universities, and the Politics of the Academic Pork Barrel* in 2000. He noted that since the 1950s, the federal government has relied primarily on the peer or merit review process for distributing research dollars. Peer review was mandated by legislation that created the research and facilities programs. Research agencies select panels of “peer” experts to evaluate applications and award grants on the basis of scientific and other criteria. Formal competition helps to insulate the process from politics and political favoritism.

Dr. Savage traced the beginning of academic earmarking to 1983, when the presidents of

³⁸ “We Must Be Strict on Bill ‘Earmarks’” *Arizona Republic*, January 29, 2006.
<<http://www.azcentral.com/arizonarepublic/viewpoints/articles/0129mccain-kyl29.html>>.

Columbia University and the Catholic University of America decided to use their institutions' political influence in Congress to win direct appropriations. The practice met with intense opposition from higher education lobbies, prestigious scientific societies, science journals, university presidents, and some elements of the mainstream media.³⁹

Members of Congress often decry the "faceless bureaucrats" that would make decisions in the absence of their wise intervention. But as Dr. Savage explained, peer review is "rooted in history, doctrine, law, as well as its practical effectiveness in promoting academic science." It "came to be regarded as a central factor in the American research university's almost astonishing ability to produce on a regular basis first-class, cutting-edge basic science."⁴⁰

Dr. Savage was quoted in *Harper's* magazine as follows:

Academic research is supposed to be peer-reviewed, with the idea being that the best science wins out. But with earmarks, quality has nothing to do with it. Schools get research funds simply because they are in a powerful member's district or have the money to hire a lobbyist.⁴¹

Academic earmarks are rarely screened for quality and their purpose and may have nothing to do with the mission of the federal agency whose budget is being earmarked. *Harper's* notes that some universities have received earmarks for advanced research even though they do not have graduate studies programs in the relevant fields.

Academic earmarks grew more than fourfold between 1996 and 2003, according to *The Chronicle of Higher Education*.⁴² The American Association for the Advancement of Science (AAAS) stated that the fiscal 2006 appropriations bills contained a record \$2.4 billion in earmarks for scientific research, up 63 percent from 2003.⁴³

Politicians love to posture as champions of science by pointing to earmarks they secured for research in their home states and districts. But those projects reduce the funding that is available for peer-reviewed research. The AAAS stated, "the dramatic explosions in R&D earmarks in 2005 and 2006 coincide with flattening and even declining R&D budgets, meaning that earmarks cut into competitive programs instead of adding to them."⁴⁴

CAGW's December 2005 Porker of the Month illustrates how earmarking weakens scientific research while giving the illusion of contributing to it. Senate Minority Leader Harry Reid (D-Nev.) earmarked about \$33 million in the fiscal 2006 Energy and Water Appropriations bill for 17 energy-related projects in his home state. As ranking member of the Appropriations Subcommittee on Energy and Water Development, Sen. Reid diverted about one-fifth of the National Renewable Energy Laboratory's budget to projects in his home state, including \$3.5 million to create a new National Renewable Energy Laboratory.

39 James D. Savage, [Funding Science in America: Congress Universities, and the Politics of the Academic Pork Barrel](#), Cambridge Press, 2000, p. 1.

40 Ibid., pp. 5-6.

41 Ken Silverstein, "The Great American Pork Barrel."
<<http://www.harpers.org/TheGreatAmericanPorkBarrel.html>>

42 "Congressional Earmarks for Higher Education, 1990-2003," *The Chronicle of Higher Education*, September 26, 2003, <http://chronicle.com/stats/pork/>.

43 "R&D Earmarks Hit New Record of \$2.4 Billion, Up 13 Percent," AAAS, Updated January 4, 2006, <<http://www.aaas.org/spp/rd/earm06c.htm>>.

44 Idem.

However, this maneuver simply steered money away from established labs. The National Renewable Energy Laboratory in Golden, Colorado faced a \$28 million budget cut and was forced to lay off 32 employees.⁴⁵

Defenders of academic pork often depict peer-review as an inherently biased process that concentrates funding in a small number of elite institutions. Emblematic of this view is Sen. Larry Craig (R-Idaho), who said at a fundraiser, “Can you see the University of Idaho and Boise State University getting grants in competition with Massachusetts Institute of Technology and other big-name eastern universities if some bureaucrat in Washington was making the decision?”⁴⁶

However, a number of evaluations from congressional committees, federal agencies, the Government Accountability Office, and the Congressional Research Service have found peer review to be generally fair and procedurally sound.⁴⁷ Furthermore, if Congress is dissatisfied with federal programs, it can pass legislation to revise the rules and formulas by which they operate.

Furthermore, if peer review critics are correct, one would expect the institutions that benefit from earmarks to become more competitive with established institutions over time. Dr. Savage’s examination of states’ and institutions’ federal research ranking shows mixed results.⁴⁸

While the peer review model is not perfect, it is the best possible means for distributing federal research dollars. The alternative is to allow members of Congress to earmark everything. Not only would members have to become experts in every field, but they would have to spend countless hours sifting through hundreds or thousands of grant applications. The vision of appropriators doling out \$135 billion for thousands of R&D projects in an expert, unbiased manner is utterly laughable. Members of Congress are probably the least qualified persons to make those judgments.

The whole purpose of government involvement in science is to advance policy goals, not to equalize wealth across the nation’s more than 7,000 institutions of higher learning. Federal research programs should support the best possible science at the lowest possible cost. Earmarking causes an inefficient allocation of resources, resulting in a net loss to science and taxpayers.

Pork leads lawmakers to neglect more important duties.

Pork is often described as a lubricant for the legislative process. Congressional leaders get bills passed by offering or withholding funds for pet projects. It was reported that such “carrot and stick” tactics were used to enforce voting discipline during passage of the Medicare prescription drug benefit, the 2005 highway authorization bill, and the Central America-Dominican Republic-United States Free Trade Agreement.

Make no mistake; this is a *bad* thing, not a *good* thing. Those three bills carried huge

45 “Sen. Harry Reid is December Porker of the Month,” Citizens Against Government Waste, press release, December 25, 2005.

46 David Trigueiro, “GOP candidates stump and dine in Weiser,” *Weiser Signal American*, February 13, 2006.

47 James D. Savage, p. 38.

48 James D. Savage, p. 158.

implications for health care, the deficit, trade, and future generations of taxpayers. The drug benefit upped Medicare's unfunded liabilities by 50 percent. Elected officials should base their votes on the merit of proposed bills and nothing else. Democracy is in a sorry state when elected officials are willing to sell their vote on an important bill for the prospect of a "streetscape improvement" back home.

The more time legislators spend wheeling and dealing for pet projects, the less time they have to spend on issues of national importance. Pork conditions lawmakers to believe projects are essential to getting reelected.

Pork disperses costs and concentrates benefits.

Pork exaggerates a problem inherent to all government spending. The recipient of government funding benefits while the cost is added to the national debt or spread across millions of taxpayers. The benefit is immediate and cost is abstract, removing the incentive for fiscal restraint.

For example, it is doubtful that taxpayers in Scranton, Pa. would tolerate their local officials spending \$350,000 on the Inner Harmony Foundation and Wellness Center. But if federal money can be appropriated for that same purpose, the project becomes virtually "free." Federal money gets spent on projects that local authorities could never afford or could never convince their constituents were truly necessary.

Pork contributes to the meltdown of spending restraint in Washington.

Pork-barrel spending involves deliberate action taken by members of Congress. In this way it epitomizes the congressional mentality of looking out for one's own re-election at the expense of the nation's deteriorating fiscal health. Even if pork accounts for a small part of the budget deficit, it is a perfect illustration of *why there is* a budget deficit.

Earmarks have a cultural effect that is greater than the projects' dollar cost. If members of Congress get accustomed to spending money to impress constituents, the resulting mentality will spill over into other areas. Furthermore, local pork crowds out consideration of larger

Pork is Unnecessary

In the *Review of Congressional Earmarks Within the Department of Transportation Program*, earmarks under DOT were found to be largely unnecessary or of low priority value. The report concluded that of the 7,760 earmark projects valued over \$8 billion 99% "either were not subject to the agencies review and selection processes or bypassed the states' normal planning and programming processes," for FY 2006. For example, 53 out of 125 projects totaling \$68.5 million "would have not been considered for funding if they had not received earmarks."

Many projects with high priority were given less funding due to high number of earmark spending for lower priority projects. Adding additional low priority projects adds to the already overwhelming administrative needs for regular projects. As a result, the FOT has substantial backlog which caused planning for higher priority programs "by at least 3 years." The federal government is wasting more taxpayer money on needless projects rather than projects which are better allocated.

issues in the minds of voters, conditioning them to judge elected officials only based on their muscle at the federal trough. On both sides of the equation, earmarks are a gateway drug to the government spending addiction.

Pork can have negative consequences much larger than their dollar cost.

Sen. John McCain (R-Ariz.) pointed to language inserted into appropriations legislation nearly a decade ago that has blocked the auctioning of analog broadcast spectrum: “So, tens of billions of dollars of spectrum was not turned back to the federal government for auction. . . . It is language that is put in that has a profound effect on policy, which always has fiscal impacts.”⁴⁹

Pork is potentially limitless.

The wants and purposes served by pork projects – from health centers, to economic development projects, to tourist attractions – are infinite in their number and variety. In the early days of the *Pig Book*, congressional “Oinkers” would at least try justify their project in terms of the national interest. Now, members will simply shrug off criticism with a statement like, “It’s a good project.” Pork-barrel spending lowers the bar for what justifies an allocation of federal tax dollars.

Pork allows members of Congress to indulge their narcissistic vices.

The fiscal 2007 Labor/HHS/Education Appropriations Act renamed two buildings at the Centers for Disease Control and Prevention (CDC) after Sens. Arlen Specter (R-Pa.) and Tom Harkin (D-Iowa), who are the chairman and ranking member of the subcommittee that control the CDC’s budget. Traditionally, government structures were named only for members of Congress upon their departure from office or post mortem. That is no longer the case. CAGW’s “Byrd Droppings” has chronicled more than 30 roads and facilities in West Virginia named after sitting Sen. Robert C. Byrd (D-W.Va.), including the Robert C. Byrd Green Bank Telescope, the Robert C. Byrd Highway, and the Robert C. Byrd Hardwood Technologies Center.

What, exactly, are these appropriators doing to earn such reverence? Sens. Specter and Harkin are not toiling away in the CDC labs searching for the cure; nor are they donating their own money to fund medical research. They are simply taking money from one group and giving it to another. The renaming of the buildings was proposed by Sen. Daniel Inouye (D-Hawaii), another one of Congress’s biggest porkers. Egos have reached the level where politicians are honoring each other for spending the most of taxpayers’ money.

Off the record, congressional staffers mocked the deed as “the latest example of egos completely out of control.”⁵⁰ Sen. Coburn called the practice a violation of federal campaign finance laws because it is “the equivalent of a government payment for a campaign billboard.”⁵¹

49 Finlay Lewis, “Pork Spending is Threatened in Ethics Push,” *Copley News Service*, January 22, 2006.

50 Matt Drudge, “Senators Fail to Get Buildings Named After Selves,” *Drudge Report*, November 17, 2005, <<http://www.drudgereport.com/flashch.htm>>.

51 Jane Norman, “. . .and over here we have,” *The Des Moines Register*, November 24, 2005.

Pork helps to fortify an entrenched political class.

More than 96 percent of incumbents are reelected to Congress.⁵² Voters consistently reelect their own representatives while giving negative marks to Congress as an institution. It is not a stretch to speculate that pork is at the root of this paradox. There are many reasons for widespread frustration with Congress: High taxes, the national debt, and the impending collapse of entitlement programs. The local spoils of pork blind voters from their members' participation in a parasitic class that has mortgaged the country's future. As the nation accelerates toward a fiscal crisis, pork helps make it nearly impossible to dislodge the rascals driving the bus.

Pork can override the priorities of local authorities.

In the 2005 highway authorization bill, Rep. John Salazar (D-Colo.) secured \$6.2 million for a bridge in Glenwood Springs. But other state projects were slated ahead of the bridge, which has been dubbed locally as a "bridge to nowhere" because it did not have a connecting road at the time of the bill's passage. According to *The Hill*, "Mick Ireland, chairman of a Colorado committee that evaluates transportation projects, reportedly said he tried in vain to convince Salazar that the earmark was unnecessary."⁵³

Similarly, many Alaskans opposed the "Bridge to Nowhere" on the grounds that it was unnecessary and took away from more important priorities. That earmark in the 2005 highway authorization bill would have forced Alaska to spend a significant chunk of its highway allotment on the bridge. Now that Congress has removed the earmark instructions, the bridge must compete with other projects in the state legislature and the Alaska Transportation Department, as it should.

Members of Congress are not as knowledgeable about their earmarks as they often claim to be.

Lawmakers often defend earmarking with statements like, "I know better than some bureaucrat or authorizing committee about the needs of my district." The scandal surrounding a nonprofit in Iowa shows that is not always the case.

As extensively reported by *The Des Moines Register*, the Central Iowa Employment and Training Consortium (CIETC) is a nonprofit organization that provides job-training services. The group's top three executives were recently fired after a state audit found that they collected a combined \$1.8 million in salaries over 30 months. From 2003 to 2005, the group received \$2 million from three earmarks in the Department of Labor's budget thanks to Sen. Tom Harkin (Iowa), ranking Democrat on the Labor, Health and Human Services, Education, and Related Agencies Appropriations Subcommittee.

Sen. Harkin claims to not remember the settings of his meetings with the group's chief executive officer, Romona Cunningham. Yet CIETC's web site shows Harkin and

52 David Steward, "The Bacon We Push Our Congressmen to Bring Home is Hurting Us in the Long Run," *Asheville Citizen-Times*, February 28, 2006.

53 Bob Cusack, "Bipartisanship a Likely Casualty of Earmark Reform," *The Hill*, February 16, 2006.

Cunningham together in about seven photos at the dedication of the “Sen. Harkin Learning Center.” Harkin said of Cunningham, “How can people live with themselves who do something like this?”⁵⁴

Sen. Harkin was apparently oblivious to the excessive salaries, Cunningham’s record of fraud, and her lack of a high school education. Sen. Harkin partakes in the earmarking free-for-all and acts shocked when the result is waste and abuse.

The situation was accurately summed up by Linn Hayden of Ankeny, Iowa in a letter to the *The Des Moines Register*:

So are we to understand if we have a cause and want \$1.4 million, and we are willing to name it after Sen. Harkin, we just need to contact him (doesn’t matter where or how, as he won’t remember) and he will go to Congress and get the money for us? No checks, no balances. Wow.⁵⁵

Pork Hampers Federal Agencies

Members of Congress often defend their earmarks with the claim that they know their districts better than federal agencies. A September 2007, Department of Transportation Inspector General (IG) report disputed that.

The IG looked at earmarks funded through the Federal Highway Administration (FHWA), Federal Transit Administration (FTA) and the Federal Aviation Administration (FAA) for fiscal year 2006. In particular, the IG stated that, “our review of 7,760 earmarked projects valued at \$8.05 billion within FHWA, FTA, and FAA programs disclosed that 7,724 of the 7,760 projects (99 percent) either were not subject to the agencies’ review and selection processes or bypassed the states’ normal planning and programming processes. For example, 125 AIP projects, totaling almost \$201 million, were earmarked for FY 2006. Of the 125 earmarked projects, 72 (about 58 percent), 56 totaling \$132.4 million, were on FAA’s list of candidates to receive AIP funds for critical airport planning and development projects—the remaining 53 projects were not. These 53 projects, totaling about \$68.5 million, would not have been considered for funding in FY 2006 if they had not received earmarks.”

The report noted five conclusions:

- First, earmarks can reduce funding for the states’ core transportation programs.
- Second, earmarks do not always coincide with DOT strategic research goals.
- Third, many low priority, earmarked projects are being funded over higher priority, non-earmarked projects.
- Fourth, earmarks provide funds for projects that would otherwise be ineligible.

54 Jane Norman, “Harkin: CIETC Chief Begged for Money,” *The Des Moines Register*, April 7, 2006.

55 Linn Hayden, “Harkin sure did his part,” Letters to the Editor, *The Des Moines Register*, April 16, 2006.

56 Although these projects were on FAA’s AIP list of candidates, there is no guarantee that these projects would have been funded had they not been earmarked.

- Fifth, earmarks can disrupt the agency's ability to fund programs as designated when authorized funding amounts are exceeded by overearmarking.

In April, 2009, James Savage (Professor in the Department of Politics at the University of Virginia and a visiting professor at the Naval Post Graduate School) outlined the problem with earmarks at the Department of Defense.

Earmark Reform

Pork is a manifestation of the nation's most debilitating fiscal and political pathologies. The practice amounts to legalized bribe-taking, where politicians use their constituents' tax dollars to support their reelection. It's a game of hide-and-seek that harms representative democracy and threatens fiscal stability.

Congress has faced little motivation for reforming a system that protects incumbents. However, the publicity surrounding Jack Abramoff and other scandals, as well as Alaska's bridges to nowhere, has focused public scrutiny on earmarks and pork-barrel spending. Two senators and four House members who served on the appropriations committees lost their seats in the 2006 election, showing the pork no longer guarantees re-election.

Upon taking over Congress after the 2006 elections, Democrats prioritized earmark reform. During his campaign, President Barack Obama pushed for a more open and transparent government, claiming, "When I'm president, I will go line by line to make sure that we are not spending money unwisely." Since this time, reform has been stagnant. Despite the lack of total reform, there have been significant steps towards improving transparency in the earmarking process. In 2007, Senator Jim DeMint (R-S.C.) introduced an earmark reform bill (S.1) that unanimously passed in the Senate, 98-0. Unfortunately, it was a part of an amendment to the ethics bill that also required House approval. Instead of voting on the amendment, Senate Majority Leader Harry Reid (D-Nev.) and Speaker of the House Nancy Pelosi (D-Calif.) decided to write a new bill, behind closed doors, in order for both chambers to pass the same bill. The DeMint amendment was eventually watered down, and the resulting bill was a shadow of the originally intended form.

The original amendment prohibited Senators from trading earmarks for votes, prohibited Senators and staff from promoting earmarks for family benefits, allowed the Senate Parliamentarian (not the Majority Leader) to determine if a bill complies with earmark disclosure rules, and required all earmark certifications from Senators to be posted on the internet within 48 hours. The new bill eviscerated all of these measures and left DeMint's amendment nearly unrecognizable. It did, however, require that members disclose their names for each earmark they request. Despite this new requirement, Citizens Against Government Waste (CAGW) still found anonymous earmarks in the appropriations bills for the past three fiscal years. Since 2008, CAGW has identified 302 anonymous earmarks totaling \$14.3 billion.

An increased amount of legislation has been introduced from both chambers during the 111 Congress regarding earmark reform. One example is H.R. 3268, the Earmark Transparency and Accountability Reform Act, introduced by Rep. Dave Reichert (R-Wash.). The bill proposes the following revisions: disclosing earmarks to the public at

least 72 hours before they are brought to the House floor, enabling line item veto power for earmarked bills, establishing a regular audit process for federally funded projects, and prohibiting earmarks from being slipped into bills after passage.

In May 2010, Senators John McCain (R-Ariz.) and Tom Coburn (R-Okla.) introduced S. 3335, the Earmark Transparency Act of 2010. This bill would create an online searchable database that would be open to the public in one convenient area. The database will provide details on projects including the amount requested, the amount approved, the sponsor's name, and the location of the earmark.

Promising steps for the future of earmark reform are currently being taken by House Democrats and Republicans. In March 2010, House Republicans announced a moratorium on all earmarks. House Minority Leader John Boehner (R-Ohio) stated that "for millions of Americans, the earmark process in Congress has become a symbol of a broken Washington." The moratorium comes after House Democrats announced a restriction of all earmarks directed to for-profit institutions.

Legislative action for earmark reform is still required, but these first few steps will hopefully launch such a process in Congress. Earmarks continue to waste taxpayer dollars and contribute to corruption in our nation's capital; earmark reform should be Congress' highest priority.

Below is analysis of how well the House, Senate, and Administration actions measure up to the reforms long favored by CAGW (in bold) to reduce or eliminate pork-barrel spending.

Define "earmark" comprehensively and without loopholes.

S. 1: S. Amdt. 11 to S. Amdt. 3 to S. 1 amends rule XLIV to read: "(a) the term 'congressional earmark' means a provision or report language included primarily at the request of a Member, Delegate, Resident Commissioner, or Senator providing, authorizing or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other

expenditure with or to an entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula-driven or competitive award process.”

H. Res. 6: Title IV, Section 404(d) amends Rule XXI as follows: “For the purpose of this clause, the term ‘congressional earmark’ means a provision or report language included primarily at the request of a Member, Delegate, Resident Commissioner, or Senator providing, authorizing or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula driven or competitive award process.”

President: The White House announced that by March 12, it will post all congressional earmarks from appropriations and authorization bills on the Internet. The January 25 memo also directs departments to measure a clear baseline to total by which to measure the President’s goal of cutting the number of earmarks in half by 2008. The Office of Management and Budget describes earmarks as funds from Congress that specifically direct how and where the money should be spent, while minimizing the administration’s control over them.

CAGW comment: Both the House and Senate definitions are comprehensive except in one respect: It is unclear whether the definitions cover projects earmarked for more than one state. For example, the fiscal 2006 Agriculture Appropriations Bill includes \$6,435,000 for wood utilization research in Alaska, Idaho, Maine, Mich., Minn., Miss., N.C., Ore., Tenn., Wash., and W.Va. Taxpayers will have to wait for the fiscal 2008 appropriations process to see whether such projects are subject to disclosure requirements. The President’s definition covers multi-state projects.

The Senate’s original definition of earmark covered only projects listed in a bill’s text and not those listed in report language. That definition would have exempted approximately 95 percent of all earmarks from the disclosure requirements. But on January 17, the Senate passed an amendment by Sen. Jim DeMint (R-S.C.) that remedies this shortcoming.

Require full and timely public disclosure of all requests for earmarks. Congressional committees should publish all earmark requests regardless of whether or not the projects receive funding.

S. 1: S. Amdt. 44 to S. Amdt. 11 to S. Amdt. 3 to S. Amdt. 1 amends rule XLIV to require that committees publish earmark requests on the Internet no later than 48 hours after receipt of such information. However, this requirement applies only to earmarks included in measures reported by the committee. The earmark request must include the name of the member, the name and address of the intended recipient or the intended location of the activity, the purpose, and certification that the member or spouse has no financial interest.

H. Res. 6: The rules improve on existing procedures but do not provide full public disclosure of all requests prior to consideration of legislation; such disclosure occurs after the legislation has passed and only on a limited basis. Title IV, Section 402(b) amends Rule XXIII by requiring members to submit written requests for earmarks to the chairman and ranking minority member of the relevant committee that includes the members’ name; name and address of the intended recipient or location of the earmark; the purpose of the earmark; and a

certification that the member or spouse has no financial interest in the earmark. The committee will keep all such requests but will only make “open for public inspection” the written disclosures for earmarks that are included in any measure reported by the committee or included in the conference report.

President: Not applicable because this action could only be undertaken by congressional committees.

Require public disclosure of the sponsor, cost, recipient, and justification of earmarks.

In addition to publication of all earmark requests, the bill itself should include a list of approved earmarks with the relevant information for each project.

S. 1: Section 103 requires disclosure of sponsors and explanations for earmarks on the Internet 48 hours prior to consideration of any bill or amendment.

H. Res. 6: Requires committees of jurisdiction and conference committees to publish lists of earmarks contained in all reported bills, unreported bills, manager’s amendments, and conference reports that come to the House floor.

President: The recent directive from the OMB requires departments to compile for each project the recipient information, cost, and description.

Prohibit House and Senate conferees from adding projects to bills during conference negotiations. After the House and Senate pass their respective versions of legislation, conference negotiators often “air drop” into the final version new projects that have not been seen or voted on by either the House or Senate membership.

S. 1: Section 102 prohibits consideration of a conference report that includes any matter not included in the House or Senate versions of a bill. Furthermore, this section can only be waived or suspended by a supermajority (3/5) vote of the Senate. Although this provision would appear to prohibit “air dropping,” Sen. Dianne Feinstein (D-Calif.) has said that it will not apply to earmarks so long as they are not “out of scope” with regard to the underlying bill.

H. Res. 6: Not included. This is the most glaring deficiency in the House-passed rules package. As it stands, members cannot propose amendments or raise points of order to challenge projects added to conference reports.

President: Not included.

Limit the number and cost of projects in legislation. Of all the budget reforms now being debated in Congress, the line-item veto is the only proposal that has the potential to actually reduce the number and cost of earmarks.

S.1: Not included. However, Sen. Judd Gregg’s (R-N.H.) proposed an amendment, called “A Second Look at Wasteful Spending,” that would give the President a modified form of the line-item veto. According to press reports, it was Senate Appropriations Committee Chairman Robert Byrd (D-W.Va.) that blocked an agreement between Senator Mitch McConnell (R-Key.) and Harry Reid (D-Nev.) to allow a vote on lobbying reform to go forward in return for a vote on Sen. Gregg’s amendment. However, Sen. Gregg reached

an agreement with Sen. Reid to have his amendment voted on with minimum wage legislation. The amendment lost a vote to invoke cloture, or end debate, 49-48 with 60 votes needed.

H. Res. 6: Not included. But on January 24, 2007, Reps. Paul Ryan (R-Wis.), Mark Udall (D-Colo.), and Jim Matheson (D-Utah) introduced the Legislative Line-Item Veto of 2007 with a total of 80 bipartisan cosponsors.

President: Calls for cutting the number of earmarks in half and has urged Congress to pass line-item veto legislation.

Require recipients of earmarks to disclose the amount of money that they spent on lobbyists to obtain the earmark and to identify their lobbyists. This would make it less attractive to game the system by making interactions between lobbyists and public officials more transparent.

S.1: Not included.

H. Res. 6: Not included.

President: Not included.

Enforce the 15-minute House voting rule and stop endless roll-call votes so promises of earmarks can not be used to bait members' votes on legislation.

S.1: Does not address voting time limits or the use of earmarks to influence votes.

H. Res. 6: Democrats appear to address this matter in two provisions. Title III, Section 302 amends Rule XX by stating that votes "...shall not be held open for the sole purpose of reversing the outcome of such vote." Title IV, Section 404(b) amends Rule XXIII by stating that members "may not condition the inclusion of ... a congressional earmark ... on any vote cast by another Member..."

President: Not included.

Require that conference reports be made available 48 hours prior to floor consideration.

S. 1: Section 104 says that, "It shall not be in order to consider a conference report unless such report is available to all Members and made available to the general public by means of Internet for at least 48 hours before its consideration."

H. Res. 6: Not included.

President: Not included.

Limit the amount of tax dollars that states, local governments, and Indian tribes can spend to lobby the federal government for federal earmarks and subject them to the same registration requirements as non-government lobbyists.

S.1: Not included.

H. Res. 6: Not included.

President: Not included.

Prohibit funding for earmarks that have not been the subject of a congressional hearing.

S.1: Not included.

H. Res. 6: Not included.

President: Not included.

Prohibit federal agencies from obligating funds for appropriations earmarks included only in report language. Committee reports are not law; only projects included in the text of legislation should be funded.

S.1: Not included.

H. Res. 6: Not included.

President: On February 15, 2007, OMB Director Rob Portman released a memorandum instructing federal departments to ignore earmarks that are not “specifically identified in statutory text.”

The above analysis is based on legislative language. Because the effectiveness of budget rules depends on how Congress interprets and applies them, the final verdict on earmark reforms will unfold along with the fiscal 2008 budget cycle.

CAGW’s favored reforms would bring desperately-needed accountability to the appropriations process by allowing members of Congress to more easily eliminate wasteful or unnecessary projects before approving appropriations bills. Ultimately, it should be easier to remove egregious projects from spending bills than it is to insert them.

Earmark Moratorium: Break From the Past or Brief Anomaly?

By the end of the 109th Congress, only the Defense and Homeland Security Appropriations bills were passed for fiscal 2007. Sens. Tom Coburn (R-Okla.), Jim DeMint (R-S.C.), and Jeff Sessions (R-Ala.) were instrumental in blocking a pork-laden omnibus package containing the remaining appropriations bills. Before assuming the majority in January 2007, House and Senate Appropriations Committee Chairmen David Obey (D-Wis.) and Robert Byrd (D-W.Va.) announced a joint resolution for the remainder of fiscal 2007. The resolution keeps most agencies running at fiscal 2006 funding levels and staves off an estimated 10,000 earmarks costing approximately \$17 billion. The duo also announced a moratorium on earmarks until reforms were passed.

Soon after this news broke, an explosion of dramatic, over-the-top predictions spilled across the nation’s newspapers. People equated the loss of earmarks with increases of youth violence, pedophile coaches, illiteracy, and even mass dehydration.⁵⁷

The likely result of the earmark moratorium is that state and local governments will re-prioritize their budgets to fund the most essential projects. Nonprofit groups will have to raise

57 Alexa Moutevelis, “Earmark Moratorium: The End of Civilization?” *Wastewatcher*, January 24, 2007.

more funding from private sources or compete for federal grants through established channels. When all is said and done, the moratorium will be useful in showing that the country can indeed survive without earmarks.

However, there are signs that Congress is bent on returning to its piggish ways. Members responded to the moratorium by calling federal agencies directly and pressuring them to fund particular projects. To its credit, the Bush Administration has signaled its resistance to that pressure. On February 28, the Senate Energy and Water Development Appropriations Subcommittee circulated a project request form to Senate offices, due by March 30, though the form does advise members to “carefully consider” requests in light of the “substantial reduction” in the number of projects. Finally, Congress may fatten the fiscal 2007 war supplemental bill with up to \$15 billion worth of unrelated domestic spending.⁵⁸

Conclusion

Pork in its recent form – its explosive growth, the absurdity of the projects, and the attendant lobbying industry – is a modern extravagance, not an ancient tradition.

The Constitution does not give Congress a blank check to spend tax dollars on anything it wants in whatever way it wants. Spending \$500,000 on the Sparta Teapot Museum is not an appropriate exercise of Congress’s power of the purse. Nor would the Founding Fathers have approved of legislators using federal tax dollars to reward special interests that donate to their re-election campaigns.

The need to earmark in rare cases does not excuse a feeding frenzy that is devoid of oversight, discipline, and accountability. The pork-barrel creates a few winners (incumbents, special interests, and lobbyists) and a great many losers (taxpayers).

Pork-barrel spending contributes to the deficit directly and indirectly. It corrupts democracy by eclipsing more important matters in the minds of legislators and voters. The congressional tug-of-war over agencies’ budgets dilutes the effectiveness of federal programs and impedes progress toward national policy goals.

In recent years, pork-barrel spending has been characterized by a loss of shame. More and more municipalities, universities, and nonprofits see lobbying for earmarks as a legitimate means of raising funds. For many members of Congress, earmarks are not a last resort in special circumstances but the primary means to re-election.

A healthy dose of stigma would help reduce abuse of the system. Appropriators, earmark recipients, and lobbyists are not engaging in a philanthropic exercise but are exploiting a broken system and hurting the national interest. Taxpayers should view them not as public servants making an honest living but as parasites on the productive classes. Obtaining federal dollars solely by means of political influence is an ethically dubious enterprise, especially when competitive grant programs are bypassed.

Conversely, institutions that do not seek earmarks – such as the University of California – should be commended for resisting pressure to jump on the pork bandwagon.

58 Brian Riedl, “Congress Should Not Lard Up the War Supplemental Bill,” WebMemo #1376, The Heritage Foundation, March 1, 2007.

There are signs that stigma is returning to pork. In the aftermath of recent lobbying scandals, more members of Congress, such as Rep. Paul Ryan (R-Wis.) have decided to abstain from making requests for local projects.⁵⁹

In February 2006, Florida's Sumter County rejected a proposal to seek federal funds for a sports complex. The *Daily Sun* reported the debate between Commissioners Dick Hoffman and Randy Mask:

(Mask) told the board that federal funding requests were not uncommon. Hoffman quipped that they were all too common.

'In 2005, \$27 billion were allocated by our Congress for over 15,000 projects similar to this. So you're right, Mr. Mask. This is very common,' Hoffman said. 'But it is not according to our Constitution. And just because it's common does not justify in my mind accepting money which I term pork.'

Hoffman told the board that the extraneous requests come out of all taxpayers' pockets, not just from the residents in Sumter County, and that they contribute to the budget deficit. He said ending pork projects was a provincial responsibility.

He admitted, 'I know in a way this is whistling in the wind, but at some point, the citizens in this country need to make a stand (and say,) "It's enough already, don't waste our money this way." When it comes back to our county here, whether we do this or not, I think, is a local decision.'⁶⁰

People like Dick Hoffman are modern day Patrick Henrys, taking a principled stand against pork and helping turn back the tidal wave of federal dependency and deficit spending.

Jack Abramoff was quoted in *Vanity Fair*:

The exposure of my lobbying practice, the absurd amount of media coverage, and the focus for the first time on this sausage-making factory that we call Washington will ultimately help reform the system, or at least so I hope.⁶¹

A Wall Street Journal/NBC News poll found that "among all Americans, a 39 percent plurality say the single most important thing for Congress to accomplish this year is curtailing budgetary 'earmarks' benefiting only certain constituents."⁶²

Congress has responded to public disapproval by passing earmark reforms. But in their heart of hearts, most politicians will always love to bring home the bacon. The best check on congressional waste and excess will always be public vigilance.

59 Brian Tumulty, "Wisconsin Lawmakers Split on Pork-Barrel Spending," *Green Bay Press-Gazette*, March 11, 2006.

60 Christine Giordano, "Grant Money for Sports Complex Will Not be Sought," *The Villages Daily Sun*, February 22, 2006.

61 "Lobbyist Tells Magazine that Top Republicans Who Deny Knowing Him Aren't Being Truthful," Reuters and Associated Press, March 9, 2006.

62 John Harwood, "Republicans Sag in New Poll," *The Wall Street Journal*, April 27, 2006.