

Waste Watch

The official newsletter of Citizens Against Government Waste & the Council for Citizens Against Government Waste

Message from the President

Thomas A. Schatz

THE LATE Sen. John McCain was not just a war hero. He was a taxpayer hero.

His leadership in fighting wasteful spending, particularly earmarks, was unparalleled, and unwavering. In introducing the Earmark Elimination Act just this year, Sen. McCain said, "The practice of congressional earmarks breeds corruption, leads to egregious overspending, and places the needs of special interests before those of the American people."

During his time in the Senate, Sen. McCain was, without a doubt, the greatest congressional ally that CAGW has ever known. No other member of Congress has gone to the lengths he did to amplify our message against government waste, fraud, abuse, and mismanagement.

It is no exaggeration to say that without Sen. McCain's support and efforts, which brought hundreds of thousands of new members to our cause, CAGW would not be as strong and influential as it is today. He was unquestionably the most important individual in CAGW's history outside of our co-founders, J. Peter Grace and Jack Anderson.

Sen. McCain backed up his leadership with his votes. His CAGW lifetime congressional rating was 89 percent, including a perfect 100 percent in 2007, making him a "Taxpayer Hero" over the entirety of his 35-year career in Congress.

Sen. McCain was fond of saying, "Nothing in life is more liberating than to fight for a cause larger than yourself," and he truly lived by those words. Fighting for something greater than self is Sen. McCain's legacy. He put our country first and will inspire future generations to do the same.

It was a true honor to fight side by side with Sen. McCain. He will be remembered fondly and missed by all of us at CAGW. •

CAGW Fights Congressional Pig-Out THE RISING PRICE OF PORK

"Even in this 'Drain the Swamp' era, earmarks are alive and well in Washington, D.C.," warned CAGW President Tom Schatz on July 18 as he released the **2018 Congressional Pig Book**.

The latest installment of CAGW's 26-year exposé of pork-barrel spending reveals that Congress for the sixth time circumvented the earmark moratorium established in fiscal year (FY) 2011 in order to waste vital taxpayer dollars on parochial and non-essential pet projects. This year's figures are alarming:

- The number of earmarks in FY 2018 rose to 232 — a 42.3 percent increase over FY 2017; and,
- The cost of earmarks surged to \$14.7 billion, which is more than double last year's cost of \$6.8 billion and more than half the record of \$29 billion in earmarks set in FY 2006.

"I want to congratulate Citizens Against Government Waste for performing an invaluable public service and revealing some of the worst pork



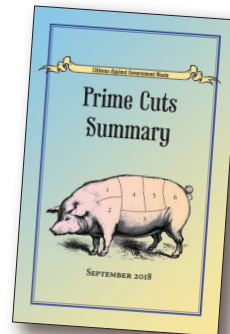
Sens. Ted Cruz (R-Texas) and Joni Ernst (R-Iowa) with CAGW's mascot, "PigFoot."

spending that occurs over and over and over again in the federal budget," said Sen. Ted Cruz (R-Texas), one of several members of Congress who helped CAGW unveil the *Pig Book*, along with CAGW's mascots, "PigFoot" and "Pig Spender," as well as special guest Faye, a pot-bellied pig from Richmond, Va.

THE RISING PRICE OF PORK
continues on Pg. 2

CAGW Releases Prime Cuts 2018 THE COURAGE TO CUT

As President Trump is now acutely aware, **curbing the runaway growth of government is the most difficult task in Washington.** But it's one of the most important tasks, as the fiscal carnage caused by decades of profligate spending has pushed the national debt beyond an unsustainable \$21 trillion, posing "substantial risks for the nation," according to a June 26, 2018 report from the Congressional Budget Office.



To help policymakers chart a path out of this calamitous budgetary hole, on September 26 CAGW released **Prime Cuts 2018**, our latest compendium of waste-cutting recommendations that the Trump Administration and the waste-cutters in Congress can act upon to rein in the nation's growing debt.

Prime Cuts 2018 details **636 specific recommendations** to cut the size of government and significantly

THE COURAGE TO CUT
continues on Pg. 2

THE RISING PRICE OF PORK *continued from Pg. 1*

Also standing with CAGW against pork-barrel earmarks were Sens. Jeff Flake (R-Ariz.) and Joni Ernst (R-Iowa); Republican Study Committee Chairman Mark Walker (R-N.C.); and Reps. Jim Banks (R-Ind.), Ted Budd (R-N.C.), and Bill Flores (R-Texas).

Rep. Banks, a freshman member of Congress, promised a no-holds-barred battle against special interest spending. “I represent a new generation of lawmakers on Capitol Hill who will continue this fight against earmarks,” he stated, “and I look forward to working with Citizens Against Government Waste.”

Turn to pages 4-5 of this issue of *Government WasteWatch* for an overview of CAGW’s porcine findings. View the *2018 Pig Book* in its entirety and watch a video of the press conference online at pigbook.org. To order your personal copy of the *2018 Congressional Pig Book Summary*, visit cagw.org/pigbookorders. •



CAGW President Tom Schatz introduces Rep. Ted Budd (R-N.C.) as “PigFoot” enjoys the festivities. Faye, a pot-bellied pig from Richmond, Va., is a popular guest at the Pig Book’s annual unveiling.



THE COURAGE TO CUT *continued from Pg. 1*

reduce wasteful deficit spending. The enactment of all these recommendations would save taxpayers **\$429.8 billion** in the first year and **\$3.1 trillion** over five years.

“As the U.S. budget hurdles toward trillion-dollar deficits and the national debt exceeds \$21 trillion, *Prime Cuts 2018* is needed now, more than ever,” declared CAGW President Tom Schatz in unveiling this year’s edition. “The only way to put our country on a path toward fiscal sanity is for leaders to make bold decisions to reduce waste, fraud, abuse, and mismanagement. *Prime Cuts* is an invaluable resource for them to achieve that objective.”

Prime Cuts 2018 addresses every area of government spending and includes both new and long-standing CAGW proposals, such as eliminating the federal sugar, dairy, and peanut programs, which would save more than \$7.4 billion over five years, and reducing Medicare improper payments by 50 percent, which would save \$18.1 billion over five years.

Not even the Department of Defense is spared the knife. *Prime Cuts 2018* details numerous defense cuts that could be made without jeopardizing national security, including eliminating congressional earmarks for the F-35 Joint Strike Fighter.

The F-35 program, the most expensive weapons system in history, is seven years behind schedule and \$170 billion over budget, and the entire fleet of F-35s had to be grounded on October 11, 2018 after an aircraft crashed.

Reports like *Prime Cuts 2018*, made possible by CAGW’s Charter Members, have directly impacted America’s bottom line. CAGW has documented that the enactment of our *Prime Cuts* recommendations saved \$30.4 billion in 2017. This brings the savings total since CAGW’s founding to more than \$1.8 trillion. To read the full report, visit cagw.org/primecuts. •

LET LIMITED GOVERNMENT BE YOUR LEGACY

Energized by the work you’re reading about in this issue of *Government WasteWatch*? You make it all possible through your support of CAGW — and you can make sound, honest, accountable government part of your legacy through the **J. Peter Grace Legacy Society**.

Named for the late Grace Commission chairman and CAGW co-founder, the society recognizes those who have made the decision to advance limited and efficient government through their wills and estate plans. By

including CAGW in your estate planning, you can reap tax benefits for you and your family and sustain CAGW’s efforts to ensure that Americans, unshackled from profligate, overreaching government, can enjoy prosperous, fruitful lives.

For more information about the J. Peter Grace Legacy Society, please contact **CAGW Director of Donor Relations Kyle Hanlin** at 1-800-872-3328 or e-mail us at jpgsociety@cagw.org. •

PORKERS OF THE MONTH

CAGW's **Porker of the Month** award is a dubious honor given to politicians and government officials from both parties who have shown a blatant disregard for the interests of taxpayers. Annually, CAGW

asks our members to vote on the worst of the worst to help determine the **Porker of the Year**.

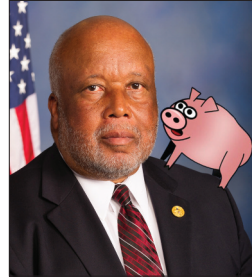
To find out which public officials are named the last two Porkers of the

Month for 2018, follow CAGW on Twitter ([@GovWaste](https://twitter.com/GovWaste)) and Facebook (facebook.com/CAGW). For the latest Porker of the Month videos, visit cagw.org/porker-of-the-month. •

CAGW EXPOSES THE WORST OF THE BIG SPENDERS — THE “HONOREES” SO FAR IN 2018



JANUARY: Rep. Tom Cole (R-Okla.) — for his leading role in the push to revive special interest, pork-barrel earmarks, which represent the worst of Washington's “swamp culture.”



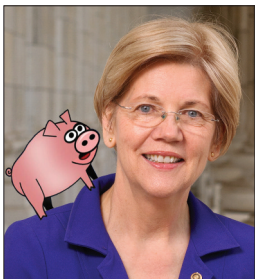
JUNE: Rep. Bennie Thompson (D-Miss.) — for attempting to create taxpayer-funded dorms for lawmakers, claiming that members of Congress who make \$174,000 per year need “affordable” housing.



FEBRUARY: Gov. Steve Bullock (D-Mont.) — for issuing a short-sighted executive order echoing the Left's calls for “net neutrality” that would harm economic growth and restrict internet access for Montanans.



JULY: Rep. Mike Conaway (R-Texas) — for crafting an expensive and wasteful Farm Bill that failed to reform corporate welfare subsidy programs.



MARCH: Sen. Elizabeth Warren (D-Mass.) — for spreading false prophesies about the 2017 tax reform law. Her claims that workers would not benefit from corporate tax cuts were quickly debunked after companies announced wage and benefit increases.



AUGUST: Sen. Kamala Harris (D-Calif.) — for introducing a bill that would create a new taxpayer-funded rent subsidy, to the tune of at least \$76 billion annually.



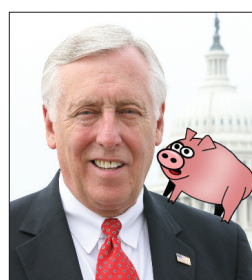
APRIL: Washington, D.C. Mayor Muriel Bowser (D) — for attempting to bail out the failing Washington Metrorail system by hiking taxes on users of the innovative rideshare services Uber and Lyft.



SEPTEMBER: New York City Mayor Bill de Blasio (D) — for signing a bill into law that would harshly restrict ridesharing services in New York City to the benefit of the city's taxicab industry, which has donated more than \$100,000 to his mayoral campaigns.



MAY: Sen. Kirsten Gillibrand (D-N.Y.) — for her proposal to force the fiscally-imperiled United States Postal Service to expand into banking. This idea should be returned to sender.



OCTOBER: House Minority Whip Steny Hoyer (D-Md.) — for expressing his support for bringing back wasteful and corruptive earmarks if his party retook control of the House of Representatives.

2018 Congressional Pig Book PORK-BARREL SPENDING

Earmarks represent the worst of Washington — the pork that feeds the swamp creatures in our nation's capital. Earmarks create a few winners (politicians, special interests, lobbyists) and many losers (taxpayers). They add to the \$21.7 trillion national debt. And they corrupt the legislative process.



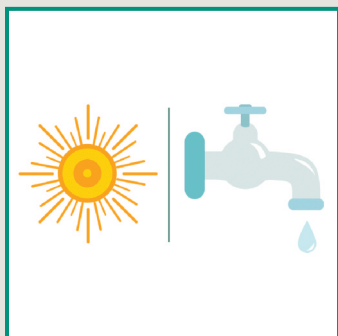
AGRICULTURE

The number of earmarks in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act increased by 116.7 percent, and their **cost climbed by 206.8 percent**, from \$35.2 million in FY 2017 to \$108 million in FY 2018. This includes \$6,000,000 for the Appalachian Regional Commission and the Delta Regional Authority, which also received earmarks of \$128,340,000 and \$22,500,000, respectively, in the Energy and Water Development and Related Agencies Appropriations Act. The combined total of \$156,840,000 is an increase of 233.2 percent from FY 2017, and the largest amount ever earmarked for these programs.



DEFENSE

The Department of Defense has received the most earmarks at the highest cost to taxpayers in each year since FY 1994, a trend that continued in FY 2018. The number of earmarks rose by 13.1 percent, from 107 in FY 2017 to 121 in FY 2018. The **cost of these earmarks jumped by 73.1 percent**, from \$5.2 billion in FY 2017 to \$9 billion in FY 2018. This total constitutes 61.2 percent of the \$14.7 billion in earmarks contained in the 12 appropriations bills for FY 2018.



ENERGY & WATER

In FY 2018, the Energy and Water Development and Related Agencies Appropriations Act was even more larded with pork than in FY 2017. The number of earmarks increased by 33.3 percent, from 24 in FY 2017 to 32 in FY 2018, while their **cost surged by 162.4 percent**, from \$991 million in FY 2017 to \$2.6 billion in FY 2018. A huge portion of this spending was 14 earmarks totaling \$859,182,000 for the Army Corps of Engineers, which legislators have long treated as a prime repository of pork — making it among the most heavily earmarked areas of the federal budget.

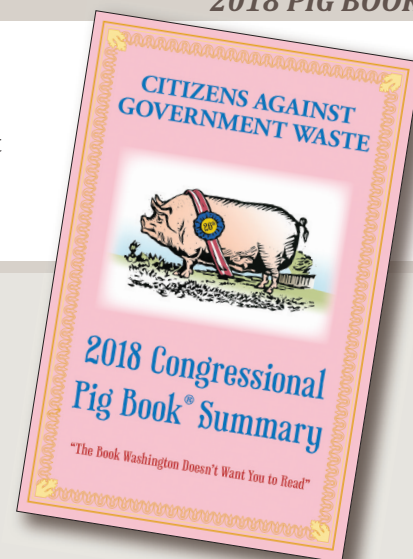


FINANCIAL SERVICES

The Financial Services and General Government Appropriations Act was the only piece of legislation in FY 2018 to see a reduction in earmarks. The lone earmark in the bill for entrepreneurial development programs within the Small Business Administration cost \$54.7 million, a **6.7 percent decline** from the two earmarks costing \$58.6 million in FY 2017.

IS ALIVE AND WELL IN WASHINGTON

Below is a breakdown of how earmarked spending is wasting taxpayer dollars throughout the federal government. A more detailed review is available at pigbook.org. Thank you for being part of our fight to eliminate this waste! •



HOMELAND SECURITY

After posting a 57 percent decrease in the cost of earmarks last year, the FY 2018 Department of Homeland Security Appropriations Act saw the number and cost of earmarks rise in FY 2018. The number surged by 42.9 percent, from seven in FY 2017 to 10 in FY 2018, while their **cost ballooned by a whopping 307 percent**, from \$141.6 million in FY 2017 to \$576.3 million in FY 2018.



INTERIOR

Like the trend elsewhere in the federal budget, the number of earmarks in the FY 2018 Department of the Interior, Environment, and Related Agencies Appropriations Act increased by 150 percent, from eight in FY 2017 to 20 in FY 2018, while their **cost exploded by 740.8 percent**, from \$40 million in FY 2017 to \$336.3 million in FY 2018.



LABOR/HHS

After two consecutive years of decline, the FY 2018 Labor/Health and Human Services (HHS) Appropriations Act brought earmarks back in a big way. The number of projects in the bill increased by 475 percent, from four in FY 2017 to 23 in FY 2018, while their **cost erupted by 2,391.1 percent**, from \$56.2 million in FY 2017 to \$1.4 billion in FY 2018. This was the highest percentage increase in cost for earmarks in the 12 appropriations bills for FY 2018.



STATE & FOREIGN OPERATIONS

The number of earmarks in the FY 2018 State and Foreign Operations Appropriations Act increased by 50 percent, from four in FY 2017 to six in FY 2018. The **cost of the earmarks also rose by 26.1 percent**, from \$222.8 million in FY 2017 to \$281 million in FY 2018. This includes \$16,700,000 for the East-West Center in Hawaii, a 183.1 percent increase over the \$5.9 million earmarked in FY 2017, and the largest earmark ever for the center, which is a pet project of home state Sen. Brian Schatz (D), a powerful Senate appropriator.

CAGW in the News

MAKING HEADLINES

CAGW continues to reach tens of millions of Americans with our message of fiscal responsibility through the national news media.

A top achievement this year is the placement of a record number of op-ed pieces in periodicals nationwide. Through October 2018, **CAGW's Media Team placed 37 op-eds, compared to 29 over the same period in 2017 — an increase of 28 percent.**

In 2018, CAGW officials have also made numerous national television and radio appearances, including on CNBC's "Worldwide Exchange," C-SPAN's "Washington Journal," FOX Business Network's "After the Bell" and "Varney & Co.," and FOX News Channel's "The Daily Briefing with Dana Perino." Sinclair Broadcast Group and Nexstar Media Group, two of the nation's largest television station operators with more than 300 local affiliates combined, ran

CAGW President Tom Schatz appears on C-SPAN's "Washington Journal" to talk about the findings of the 2018 Congressional Pig Book.



stories on the *2018 Pig Book*, as did FOX News Radio, which broadcasts to hundreds of affiliates nationwide.

In addition, **CAGW has seen a 24 percent increase in media citations in the first 10 months of 2018 compared to last year.** Citations in print and online include: *The Atlanta Journal-Constitution*, *The Christian Science Monitor*, *The Daily Caller*, *The Dallas Morning News*, *The Hill*, *Houston Chronicle*, *Las Vegas Review-Journal*, *The New Orleans Times-Picayune*, *The New York Times*, *Politico*, *Roll Call*,

USA Today, *The Washington Post*, and *The Washington Times*.

From WSB-2 in Atlanta to ABC 5 in St. Paul, Minn. to KABC Radio in Los Angeles, CAGW has made wasteful deficit spending in Washington a coast-to-coast news story.

This coverage helps generate public scrutiny of how Washington manages our tax dollars in order to hold policymakers accountable and pressure them to adopt sound fiscal policies. Thank you for helping CAGW make a difference through the media! •

CAGW hosts Facebook Live Events

SPREADING THE MESSAGE ON SOCIAL MEDIA

CAGW has launched a new series of **Facebook Live** events to inform even more taxpayers about government waste and mismanagement.

The first Facebook Live interview took place in December 2017 with Sen. James Lankford (R-Okla.), who discussed his annual report on government waste. Since this inaugural broadcast, CAGW's Facebook Live guests in 2018 have included:



Rep. Mac Thornberry (R-Texas) talks with CAGW President Tom Schatz on Facebook Live.

- Federal Communications Commission (FCC) Chairman Ajit Pai, who discussed several topics, including the FCC's efforts to close America's digital divide.
 - Rep. Mac Thornberry (R-Texas), chairman of the House Armed Services Committee, who shared his proposals to ensure that critical defense dollars are spent more effectively.
 - Rep. Mark Sanford (R-S.C.), who presented his One Percent Spending Reduction Act of 2018, or the "Penny Plan," which would reduce federal spending by 1 percent each year from 2019 through 2024 to achieve a balanced budget in just five years.
 - Reps. Dave Brat (R-Va.) and Ralph Norman (R-S.C.), leaders of the new Congressional Waste-Cutters Caucus.
 - FCC Commissioner Brendan Carr, who discussed the FCC's efforts to reduce burdensome regulations that are slowing the implementation of the next generation of wireless broadband technology.
- Combined, these six interviews have been viewed more than 49,000 times.
- Other Facebook Live events this year have featured the unveiling of the *2018 Congressional Pig Book* and a Capitol Hill press conference featuring pro-taxpayer lawmakers and watchdog groups standing against the return of pork-barrel earmarks.
- With your support, you help CAGW use new media technology to spread our waste-cutting message! To find out about upcoming Facebook Live events, sign up for our e-mail list at cagw.org or follow us on Facebook at facebook.com/CAGW. •

CCAGW Action Alerts Get Americans Involved A VOICE FOR TAXPAYERS

CCAGW's Action Alerts are empowering taxpayers to make their voices heard about how tax dollars should be spent. CCAGW's Action Alert campaigns have generated **more than 115,000 e-mails** from CCAGW members and supporters to the 115th Congress demanding legislative action that will rid the federal budget of waste, fraud, abuse, and mismanagement.

As a result of 2018 Action Alert campaigns, members of the U.S. House of Representatives and Senate have received:

- More than **12,500** e-mails in support of President Trump's nearly \$15 billion waste-cutting rescissions proposal.

- More than **5,300** e-mails in support of legislation that would roll back some of the restrictions the Obama Administration placed on Health Savings Accounts (HSAs).
- More than **5,200** e-mails opposing the return of earmarks.

Make sure you don't miss a single Action Alert by signing up for our regular e-mail blasts at ccagw.org — and thank you for helping CCAGW keep taxpayers informed and engaged on issues that directly affect America's financial security! •

IMPACT:

CCAGW-BACKED TAX CUTS ARE GETTING RESULTS!

CCAGW led the fight to get President Trump's **Tax Cuts and Jobs Act** passed by Congress and enacted into law in 2017, and now U.S. businesses and hardworking Americans are reaping the benefits of the hard-fought battle for lower taxes.

- The Trump tax cuts have turbocharged the economy, leading to the creation of new jobs and increased take-home pay for 90 percent of wage earners.
- This year a family of four with annual income of \$73,000 will see its tax burden fall by more than \$2,058 — a 58 percent

reduction in federal income taxes.

- A single parent with one child with annual income of \$41,000 will enjoy a tax cut of \$1,304 — a 73 percent decrease in federal income taxes.

By supporting legislation that empowers individual Americans and strengthens the economy, CCAGW is helping advance President Trump's agenda to end business as usual in Washington and make government work for the people, rather than the other way around. Thank you for making our lobbying and grassroots efforts possible! •

ACTION TAKEN!

More than 15,700 CCAGW members and supporters responded to CCAGW's latest Action Alert for tax relief by sending e-mails to their U.S. Representatives and Senators demanding passage of "Tax Reform 2.0." This package of three bills would make permanent the Trump tax cuts for individuals and small businesses, as well as the higher standard deduction and child tax credit. Tax Reform 2.0 also makes additional improvements to the tax code that will help families save for education and retirement and small businesses invest and grow. House members listened and passed the legislation on September 28. The Senate is now expected to take up portions of Tax Reform 2.0 before year-end. **You can add your voice to the grassroots outcry for further tax relief at ccagw.org!** •

Visit the Action Center at ccagw.org to >>> Tell Your Senators: *Pass Tax Reform 2.0!*
>>> Tell Congress: *Fix the Farm Bill!* >>> Tell the Senate: *Take up the House's HSA Reforms!*
>>> Sign the Taxpayer Petition to Permanently Ban Earmarks! ...

GOVERNMENT Waste Watch

FALL 2018 – Contents

- 1 President's Message;
The Rising Price of Pork;
The Courage to Cut
- 2 More from page 1; Let Limited
Government Be Your Legacy
- 3 2018 Porkers of the Month
- 4-5 Highlights from the
2018 Congressional Pig Book
- 6 Making Headlines; Spreading
the Message on Social Media
- 7 News from CCAGW
- 8 Senator John McCain; Results
of Annual Independent Audit

SENATOR JOHN MCCAIN (1936-2018)

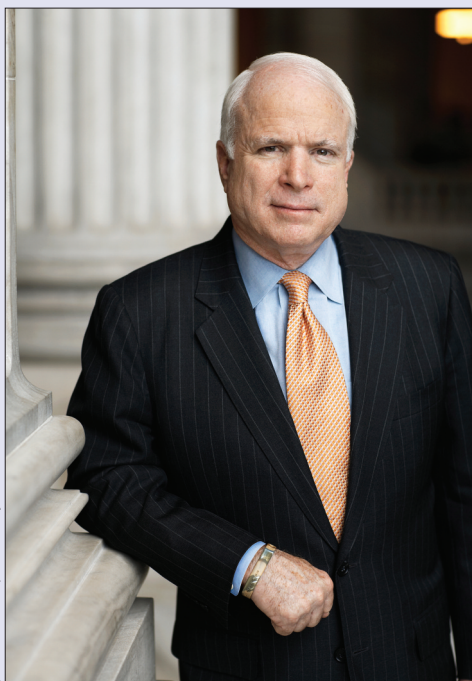


photo courtesy of www.johnmccain.com

CAGW joins the rest of the nation in mourning the death of Sen. John McCain (R-Ariz.).

“Sen. McCain was, simply put, an American legend. He was a war hero over the skies of Vietnam and during the hell of captivity. In Congress, he led a tireless, and often lonely, fight to expose and eliminate wasteful spending, particularly earmarks,” says CAGW President Tom Schatz. “America has lost a giant, and taxpayers have lost a dear friend.”

The entire board and staff of CAGW would like to express our deep condolences and sympathies to Cindy McCain and the entire McCain family for their loss.

To learn more about Sen. McCain's dedication to CAGW's war on waste, read “Message from the President” on page 1. •

CAGW Announces ... **RESULTS OF ANNUAL INDEPENDENT AUDIT**

CAGW and CCAGW operate on a combined budget of approximately \$4 million and are audited on an annual basis by an independent accounting firm. The FY 2017 audit confirmed individual contributors provided 83 percent of the organizations' revenue, with foundation and corporate support accounting for 17 percent. CAGW's and CCAGW's program expenses on public education, research, and lobbying absorbed 69 percent of expenditures in 2017. Fundraising accounted for 21 percent of expenses, and management 10 percent.

For more financial information, visit cagw.org. •