

Waste Watch

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

CRITICAL WASTE ISSUES FOR THE 116TH CONGRESS

New CAGW Report Provides a Blueprint for Limited Government

Message from the President Thomas A. Schatz

In February, the national debt reached a new milestone, topping \$22 trillion for the first time. But rather than dealing with this fiscal crisis, since the beginning of the year, the new Democratic majority in the House of Representatives and Democratic presidential hopefuls in the Senate have unveiled a laundry list of costly, big-government proposals that would sink America even deeper into debt.

Most notably, liberals in Congress, led by socialist standard-bearer Rep. Alexandria Ocasio-Cortez (D-N.Y.), are pushing a “Green New Deal” that would drastically remake the U. S. economy, at a projected cost of \$93 trillion over 10 years.

To put that figure in perspective, it is more than quadruple the \$22 trillion national debt that has accumulated over the last 240 years.

The costliest proposals include a federal job guarantee for all Americans estimated at \$44.6 trillion; single-payer healthcare with a price tag of up to \$36 trillion; and rebuilding the energy grid to the tune of \$5.4 trillion.

Rep. Ocasio-Cortez has expressed disdain for concerns about cost, declaring, “The world is gonna end in 12 years if we don’t address climate change, and your biggest issue is how are we gonna pay for it?” In discussing how to fund the Green New Deal, she has also asserted, “We’ll pay for it just as we pay for all else: Congress will authorize necessary spending, and Treasury will spend.” In her vision of an eco-socialist utopia, taxpayer dollars apparently grow on trees.

As far-fetched as it seems, the Green New Deal represents a calculated attack on free market capitalism and the principles that make America an exceptional nation. While the Senate defeated the measure by a vote of 57-0, with 43 Democrats voting “present,” on March 26, many of its most outlandish and unaffordable provisions continue to percolate in Washington. CAGW is taking this threat to limited government seriously and working to ensure that the Green New Deal’s costly proposals don’t take root. Thank you for being a vital part of our work! •

On February 19, CAGW released *Critical Waste Issues for the 116th Congress* — a comprehensive report that outlines CAGW’s top policy proposals for smaller and more efficient government.

With the federal deficit hitting \$779 billion in fiscal year (FY) 2018 and expected to top \$1 trillion in FY 2020 and beyond, policymakers must correct America’s perilous fiscal course, and with this new report, CAGW is showing them the way forward.

“Our fiscally conservative allies on Capitol Hill often ask for specifics on how to identify and eliminate wasteful government spending, and they can find answers in *Critical Waste Issues*,” says CAGW President Tom Schatz. “It should be required reading for every member of Congress and serve as a blueprint for reining in out-of-control federal spending.”

From civil service and regulatory reform to healthcare and defense spending, *Critical Waste Issues for the 116th Congress* details 18 policy areas that require immediate attention, including a chapter on the need for greater accountability, oversight, and transparency. As Schatz points out, “Now is the time to act on proposals that will begin to relieve America’s fiscal distress.”

Turn to pages 4-5 for a look at five key takeaways from *Critical Waste Issues for the 116th Congress*. To review the report in full, visit cagw.org. •



CAGW Stands against Pelosi’s Internet Takeover

The Internet today is faster and easier to use than ever before, and it has flourished for 30 years because Washington has mostly left it alone. But the Left is crusading for so-called “net neutrality” — and it’s a threat to the Internet as a source of innovation, engine of economic and job growth, and tool facilitating Americans in their daily lives.

STANDING AGAINST PELOSI’S INTERNET TAKEOVER
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STANDING AGAINST PELOSI'S INTERNET TAKEOVER *continued from Page 1*

CAGW is working hard to keep the Internet free from government overreach. Here's what you need to know ...

What is Net Neutrality?

The term net neutrality simply means that Americans should be able to access lawful content and services of their choosing on the Internet. On this principle, there is widespread bipartisan agreement. However, Leftist activists have co-opted the term, and under their interpretation, net neutrality has come to mean that the government must regulate the Internet and the companies that provide access to it, known as Internet Service Providers (ISPs), in order to ensure free and open access to the Internet for all users.

In 2015, the Obama Administration's Federal Communications Commission (FCC) approved the Open Internet Order, which imposed Title II of the Communications Act of 1934 on ISPs under the guise of enforcing net neutrality principles.

These Depression-era regulations, which were originally intended for rotary dial telephones, significantly hampered broadband investment, slowed access to faster and better Internet service, and curbed innovation.

Where Do We Stand Right Now?

In December 2017, President Trump's FCC passed the Restoring Internet Freedom Order, overturning the Obama-era regulations. Subsequently, Internet speeds increased by nearly 40 percent; the number of Americans with broadband access has expanded dramatically; and the U.S. now has the world's largest private-sector deployment of next-generation 5G networks.

Reversing this progress, however, is a top priority for House Speaker Nancy Pelosi (D-Calif.) and other Democrats in Congress, who introduced the "Save the Internet Act," which would once again give Washington greater regulatory control over the Internet.

How Does This Issue Affect the American People?

Overregulation is a slippery slope toward the Internet becoming a government-run public utility. The unprecedented economic growth and innovation generated by the Internet is a true testament to capitalism and free market policies, and government restrictions on this progress threaten to cost America hundreds of thousands of jobs and tens of billions of dollars in economic productivity.

From rural families counting on improved Internet access, to urban millennials who thrive on innovation and entrepreneurship, to small businesses that use the Internet to become more competitive and productive, ALL Americans stand to suffer if online freedom is stifled by the heavy hand of government.

How is CAGW Fighting for Internet Freedom?

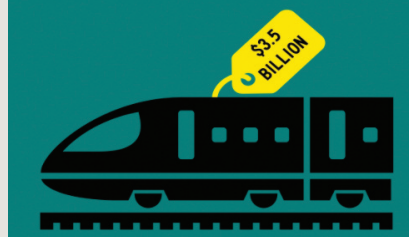
CAGW is leading a national effort to educate Americans about the economic and social costs of overregulation of the Internet, as proposed by Speaker Pelosi and her allies in Congress. In the weeks leading up to the House of Representatives' April 10 vote on the Save the Internet Act, CCAGW ran a digital advertising campaign inside the Washington Beltway urging House Republicans to vote against this Democratic legislative initiative. While the bill ultimately passed the Democratic-controlled House by a vote of 232 to 190, all but one Republican, Rep. Bill Posey (R-Fla.), voted against the measure, and Senate Majority Leader Mitch McConnell (R-Ky.) has now declared that the bill is "dead on arrival" in the Senate. •

THE TRAIN TO NOWHERE**California's Big-Government Fantasy Railroded Taxpayers**

After more than 10 years and billions of tax dollars wasted, high-speed rail has slowed to a stop in California. The state's Democratic Governor, Gavin Newsom, announced the project's overdue demise in his February State of the State Address, proclaiming: "Let's be real. The current project, as planned, would cost too much and respectfully take too long. There's been too little oversight and not enough transparency."

This is a victory for both California and federal taxpayers, who were picking up the growing tab, which had risen from a projected \$35 billion to as much as \$98.5 billion. It is also a cautionary tale for the big spenders in Congress who refuse to let facts or fiscal reality stand in the way of their tax-and-spend visions.

CALIFORNIA'S HIGH SPEED RAIL PROJECT WAS A BOONDOGGLE FOR TAXPAYERS



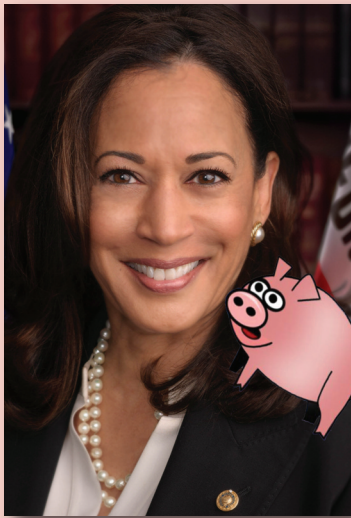
"California's high-speed rail fantasy quickly became a train to nowhere at taxpayer expense," says CAGW President Tom Schatz. "This failed boondoggle should be a giant stop sign for any politician who supports the 'Green New Deal' and its equally farcical promise of ending air travel by forcing taxpayers to pay for a California-style rail system across the entire nation."

CAGW has chronicled the folly of California's train to nowhere since 2008 and continues to back efforts by the Trump Administration to claw back the \$3.5 billion in federal tax dollars wasted on the project. You can watch a short video highlighting California high-speed rail's costly

history at cagw.org/highspeedrailvideo. Thank you for your steadfast support, which helped CAGW play a role in this victory for taxpayers! •

HALL OF SHAME: CAGW'S TOP PORKER OF 2018

Sen. Harris Wins Top Honors



After an online poll of CAGW members and supporters, **Sen. Kamala Harris (D-Calif.)** won the dubious honor of **2018 Porker of the Year** by a double-digit margin, with 38 percent of the vote going to last year's August Porker of the Month.

Sen. Harris earned this infamous distinction for introducing a bill that would create a new taxpayer-funded rent subsidy. The senator's proposed refundable tax credit for rent payments greater than 30 percent of an individual's gross income of \$100,000 or less perversely would drive up the cost of housing by incentivizing tenants to rent the most expensive allowable properties, while allowing landlords to spike rents without

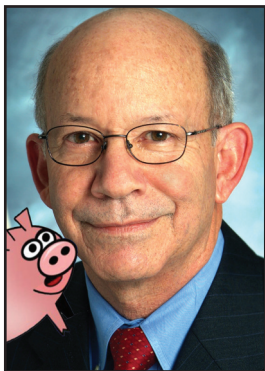
facing a financial downside because taxpayers would foot the increased bill. Conservative estimates put the price of the subsidy at \$76 billion per year.

Since taking home CAGW's gold medal, Sen. Harris has announced her candidacy for President and further revealed her Left-leaning tendencies by endorsing the Green New Deal and declaring that under the Democrats' widely-touted Medicare for All plan, private health insurance would be abolished.

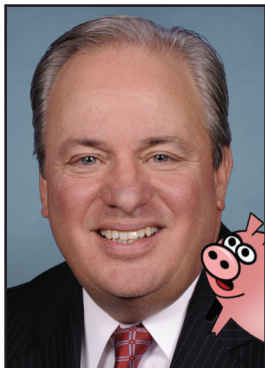
Congratulations, Sen. Harris — your advocacy of fiscally-irresponsible policies has earned you permanent recognition as CAGW's 2018 Porker of the Year! •

NEW YEAR, NEW PORKERS

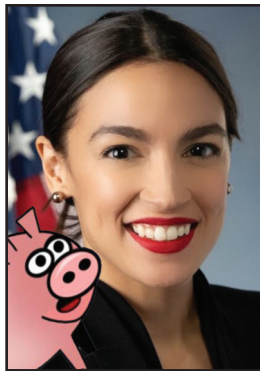
2019 Starts with Reckless Proposals, Rhetoric



CAGW named **House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-Ore.)** its **January 2019** Porker of the Month for making ill-advised and irresponsible comments about the congressional moratorium on pork-barrel earmarks, which he describes as "nonsensical."



The **February 2019** Porker of the Month was **Rep. Mike Doyle (D-Pa.)** for spouting wild inaccuracies about the repeal of Obama Administration regulations on the Internet, which he incorrectly claims, "has been a disaster for consumers."



March 2019 Porker of the Month honors went to **Rep. Alexandria Ocasio-Cortez (D-N.Y.)** for taking the lead in proposing the unaffordable and un-American Green New Deal that would cost an estimated \$93 trillion over 10 years and dramatically remake the U.S. economy.



CAGW chose **Rep. Mike Turner (R-Ohio)** as the **April 2019** Porker of the Month for leading the effort to spend more taxpayer dollars on the most expensive weapons system in U.S. history, the F-35 Joint Strike Fighter — which has been in development for 17 years, is seven years behind schedule, and nearly \$200 billion over budget.

To learn more about this year's Porkers and view **CAGW's 2019 Porker of the Month** videos, visit cagw.org/porker-of-the-month.



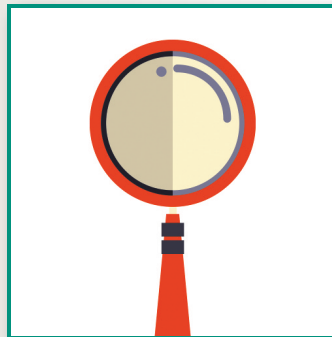
IN THE SPOTLIGHT

Five Takeaways from CAGW's Critical Waste Issues for the 116th Congress

In February, the national debt surged past \$22 trillion, and the Congressional Budget Office predicted "significant negative consequences, both for the economy and for the federal budget," if Congress doesn't restrain chronic overspending and prioritize budget reforms to help resolve America's fiscal woes.

Through *Critical Waste Issues for the 116th Congress*, CAGW has provided lawmakers with a comprehensive list of specific policy proposals that can curb Washington's runaway wasteful spending and make the federal government more financially sound.

Here are five takeaways from this new report that highlight the issues of greatest concern to supporters of CAGW.



ACCOUNTABILITY, OVERSIGHT, AND TRANSPARENCY

It's a critical issue

because ... The American public's trust in government and confidence in their elected officials are at record lows, and have been for a number of years. Moreover, Congress has failed to exercise the kind of rigorous oversight necessary to ensure the efficient management of federal programs. **WHAT**

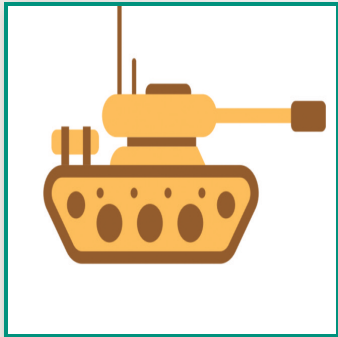
CAN BE DONE? One way to regain the public's trust is for members of Congress to recommit themselves to scrutinizing every corner of the federal budget and working to open the government's books to all Americans. Lawmakers must also reinvigorate some of the government's most powerful waste-fighting tools, including revitalizing the Freedom of Information Act, bolstering the Inspectors General who scrutinize each federal agency, and putting the Recovery Audit Contractor program back to work rooting out Medicare improper payments and fraud.



BUDGET REFORM

It's a critical issue

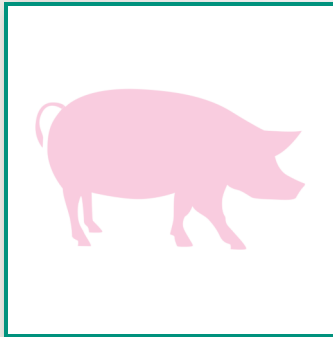
because ... For two decades now, Congress has failed to pass appropriations bills that fund the federal government on time. Instead, lawmakers have used stop-gap measures, called continuing resolutions, which keep government programs running on autopilot and circumvent a thorough review of spending priorities. Congress is also notorious for bunching bills together in last-minute omnibus packages, which can't be adequately scrutinized by the public, or even by lawmakers themselves. **WHAT CAN BE DONE?** Biennial budgets that cover two years would add stability and predictability to the budgeting process, and ending the "Gephardt Rule," which makes it easier to raise the federal borrowing limit, would prevent Congress from having a free pass to increase the national debt.



DEFENSE

It's a critical issue because

... The \$717 billion approved for the Department of Defense (DOD) for FY 2019 is one of the highest amounts in U.S. history, accounting for approximately one-sixth of all federal spending. However, after failing its first-ever departmentwide audit in November 2018, DOD remains the sole federal agency that has not passed a clean audit under the Chief Financial Officers Act of 1990. **WHAT CAN BE DONE?** The audit revealed "significant information technology systems security issues" and 20 "material weaknesses" in internal controls, which must be addressed. The audit also showed that the Pentagon does not adequately track the various payments it makes, bringing into question the veracity of financial statements. Moreover, defense acquisition is chaotic, with infamous procurement disasters such as the F-35 Joint Strike Fighter and the Littoral Combat Ship reflecting systemic problems. Because the nation's security is at stake, Congress must hold DOD to the highest standard of effectiveness and efficiency in how it spends taxpayer dollars.



EARMARKS

It's a critical issue because

... Since fiscal year 1991, CAGW has identified 110,861 earmarks costing taxpayers \$344.5 billion. Earmarks are corrupt, inequitable, and squander vital taxpayer dollars on self-serving, special interest projects, while "greasing the skids" for costly legislation that might not otherwise pass Congress. After retaking the U.S. House of Representatives in 2018, Democrats declared their intention to revoke the 2011 moratorium on earmarks, and they have the support of some House Republicans. However, a public outcry — including strong grassroots opposition mobilized by CCAGW — has temporarily halted those plans. Nonetheless, House Appropriations Committee Chairwoman Nita Lowey (D-N.Y.) has declared that bipartisan discussions about how to bring back earmarks will continue during the 116th Congress. **WHAT CAN BE DONE?** House Republicans must stand united in maintaining the earmark moratorium, and both chambers of Congress should adopt a permanent ban.



REGULATIONS

It's a critical issue because ...

One of President Donald Trump's most significant successes during his first two years in office was the whirlwind pace at which his administration slashed federal regulations. But the rate of deregulation is slowing, as agencies focus on larger, more complicated regulations, and the House Democratic majority uses its votes and oversight authority to hinder the regulatory rollback. **WHAT CAN BE DONE?** The Regulations from the Executive in Need of Scrutiny (REINS) Act would require Congress to approve every major rule proposed by the executive branch (defined as having an economic impact of at least \$100 million) before it can be imposed on Americans. This will proactively help safeguard individuals and businesses from burdensome regulations and ensure that federal agencies do not overstep their bounds, while serving as a long-lasting check on the regulatory state.

HIGH-RISK, HIGH STAKES

GAO Report Reflects CAGW Priorities

In March, the nonpartisan Government Accountability Office (GAO) released its biennial “High-Risk List,” a report that identifies “government operations with vulnerabilities to fraud, waste, abuse, and mismanagement.”

This year’s report endorses and confirms many long-standing CAGW waste findings and features numerous wasteful, mismanaged, and inefficient programs that CAGW has researched and fought to eliminate or reform for years in order to slash deficit spending and the bloated federal bureaucracy. Here are examples of CAGW-identified waste that are targeted in this newest GAO report:

- **Medicare Fraud:** Among GAO’s recommendations to curb the estimated \$48 billion in overpayments and erroneous payments by Medicare in FY 2018 is expanding the Recovery Audit Contractor program, which has its biggest champion in CAGW.
- **Defense Waste:** The GAO report targets “Department of Defense Weapons Systems Acquisition” as a high-risk area of the federal budget, echoing CAGW’s criticism of



CAGW President Tom Schatz with President Trump at a White House briefing.

programs like the F-35 Joint Strike Fighter, the most expensive weapons system in U.S. history, which is seven years behind schedule and \$200 billion over budget.

- **USPS:** Also on GAO’s “High-Risk List” is “United States Postal Service (USPS) Financial Viability,” a topic CAGW has covered consistently for many years in commentary and reporting, including in *Critical Waste Issues for the 116th Congress*

and the most recent edition of *Prime Cuts*.

CAGW has helped win the implementation of more than \$350 billion worth of the recommendations on GAO’s “High-Risk List” over the past 13 years. This new update, which has received bipartisan praise in Congress, provides an opportunity to keep reforming the most wasteful and inefficient federal programs to save billions more for taxpayers. •

MAKING THE CUT

White House Budget Adopts CAGW Recommendations

Released on March 11, President Trump’s FY 2020 budget proposal provides concrete evidence of how your support for CAGW makes a direct impact on public policy in Washington.

The “Major Savings and Reforms” section of the budget draws heavily on the waste-cutting recommendations CAGW submitted to 16 federal departments and agencies last November in response to President Trump’s “Nickel Plan” to reduce agency budgets by 5 percent across the board for FY 2020. In fact, a top White House

official reached out to CAGW President Tom Schatz directly and asked for the recommendations, saying, “CAGW is perfectly positioned” to show the agencies how to eliminate waste and bloat.

As a result, **CAGW’s recommendations comprise 74 percent of the President’s proposed cuts to wasteful, duplicative, and inefficient programs** in those 16 agencies. And there are additional recommendations in the budget from CAGW’s *Prime Cuts* and *Congressional Pig Book*.

“Cutting government waste, fraud, abuse, and mismanagement has proven to be the most difficult task in Washington, because every line item has a powerful constituency that will vehemently oppose any fiscally-focused reform,” CAGW President Tom Schatz noted upon the release of the administration’s budget. “We encourage President Trump to continue his efforts to cut wasteful spending and implement private-sector principles to make the federal government more efficient and effective.” •

THE 116TH CONGRESS: THE GOOD & THE BAD

CCAGW Fights for Taxpayers



With Rep. Pelosi holding the Speaker's gavel and self-proclaimed socialists wielding outsized power in the Democratic caucus, CCAGW's lobbying team is fighting numerous bills in the 116th Congress that would let Washington waste more of your money. At the same time, CCAGW continues to work alongside fiscally-responsible lawmakers to advance legislation

that would rein in spending and curb the power of the federal government. Here is some of the BEST and WORST legislation that CCAGW is weighing in on right now:

THE GOOD

- **H.J. Res. 22, Balanced Budget Amendment:** This joint resolution proposes an amendment to the Constitution prohibiting total outlays for a fiscal year from exceeding total receipts for that fiscal year unless Congress authorizes the excess by a three-fifths roll call vote of each chamber.
- **H.R. 1957, The Taxpayer First Act:** This commonsense, bipartisan bill improves safeguards for taxpayers when dealing with the IRS, upgrades management and customer service at the tax agency, and creates a pathway for modernizing the administration of tax laws. It passed the House by a voice vote on April 9 and now awaits action in the Senate.

THE BAD

- **H. Res. 109, The Green New Deal:** Rep. Ocasio-Cortez's signature legislative initiative includes every liberal fantasy aimed at destroying America's system of free enterprise and personal freedom, including single-payer healthcare, costly energy mandates, and a whole host of "free" government handouts, all at an estimated cost of \$93 trillion over 10 years.
- **H.R. 1384, Medicare for All Act:** This bill would require that all private and employer health insurance, as well as Medicare and Medicaid recipients, be funneled into a one-size-fits-all federal insurance plan within two years and would outlaw private health insurance — giving Washington bureaucrats massive power over Americans' medical care.

For the latest on these and other bills that CCAGW is targeting in its lobbying efforts, visit ccagw.org.

Action Alerts Impact Congress

CCAGW continues to give taxpayers a voice in Washington, mobilizing them to speak out against runaway wasteful spending and in favor of legislation that would restrain our politicians' worst fiscal impulses. After generating more than 112,000 grassroots communiqués during the 115th Congress, CCAGW members and supporters have already sent more than 38,000 e-mails to members of the 116th Congress, including nearly 18,000 missives opposing the Green New Deal — which helped defeat the measure in the Senate.

To make sure you never miss an Action Alert regarding legislation that affects your own and the nation's financial security, sign up for e-mail updates at ccagw.org.

**TELL CONGRESS:
NO GREEN NEW DEAL**

CCAGW PAC-Endorsed Candidates Score Victories

In the 2018 election cycle, the Council for Citizens Against Government Waste Political Action Committee (CCAGW PAC) once again demonstrated that its endorsement is a "Good Housekeeping Seal of Approval," telling voters which candidates are friends of the taxpayer and which are foes. A whopping 82 percent, or 78, of the 95 congressional candidates CCAGW PAC endorsed for office emerged victorious. To view a list of CCAGW PAC-endorsed candidates, visit ccagwpac.org.

CCAGW Releases 2018 Congressional Ratings

On April 3, CCAGW released its *2018 Congressional Ratings*, highlighting lawmakers' voting records for the second session of the 115th Congress. Issued since 1989, CCAGW's *Ratings* identify those members of Congress who vote to protect and save taxpayer dollars, as well as those who consistently vote against the interests of taxpayers.

In 2018, four senators earned the coveted title of "Taxpayer Super Hero" with a perfect score of 100 percent: Jeff Flake (R-Ariz.), Mike Lee (R-Utah), Rand Paul (R-Ky.), and Pat Toomey (R-Pa.). In the House, five representatives achieved perfect scores: Ken Buck (R-Colo.), Ted Budd (R-N.C.), Ron DeSantis (R-Fla.), Raul Labrador (R-Idaho), and Tom McClintock (R-Calif.). At the other end of the spectrum, 24 senators and 7 representatives scored a perfectly abysmal rating of zero.

To view the *2018 Congressional Ratings* online and find out how your congressional delegation stacks up, visit ccagwratings.org.



GOVERNMENT Waste Watch

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ONLINE IMPACT: SOCIAL MEDIA

CAGW continues to ramp up its social media presence, and the impact is already clear in 2019. Facebook is a particularly good example: In the first quarter of 2019, CAGW's waste-cutting message reached 889,238 people, compared to 547,486 in the first quarter of 2018. CAGW's Facebook videos on the Porker of the Month and other topics reached 422,086 people in the first three months of this year, also topping last year's first quarter number. You can follow CAGW on Facebook at [facebook.com/CAGW](https://www.facebook.com/CAGW) and on Twitter at [@GovWaste](https://twitter.com/GovWaste) to get a daily look at how your support makes a difference! •



CAGW's Facebook page features the latest news, numbers, and updates from the fight against Washington's wasteful spending.

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 work that, in the words of President Ronald Reagan, is "vital to the strength and resiliency of the democratic system and public confidence in our government."

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