

Waste Watch

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

Message from the President

Thomas A. Schatz

WHEN CAGW and our members speak out against wasteful spending, we get results.

Here's a great example: On May 23, shortly before the release of our *2019 Congressional Pig Book*, the Senate Republican Conference voted to replace its 2011 earmark moratorium with a permanent ban. This followed an announcement by House Appropriations Committee Chairwoman Nita Lowey (D-N.Y.) that the House of Representatives would forego earmarking in the fiscal year (FY) 2020 appropriations process because "the necessary bipartisan, bicameral agreement" to allow earmarks did not exist.

Why do even big spenders in Congress feel the need to distance themselves from earmarks? Because CAGW is relentless in exposing pork-barrel spending as unaffordable and unethical, and because lawmakers have heard opposition from their constituents as a result of CAGW's online Action Alerts. The work you sustain as a CAGW member is a big reason why there's no "bipartisan agreement" to waste more money.

This is good news, but Washington's spending addiction means that earmarks still taint the federal budget, regardless of any moratorium. As our *2019 Pig Book* illustrates, CAGW continues to expose the cost, corruption, and absurdity of earmarks.

We talk about the "Washington Swamp," but pork-barrel waste makes Capitol Hill seem more like a zoo. Egregious examples of earmarks in the FY 2019 spending bills included \$65 million for Pacific coastal salmon recovery; \$13.8 million for wild horse and burro management; \$7.9 million for fish passage and fish screens; and \$863,000 for a brown tree snake eradication program.

You can read more about this year's *Pig Book* throughout this issue of *Government Waste Watch* and dig deeper at pigbook.org. Thank you for making this work possible! •

CAGW Exposes Congressional Pig-Out PORK-BARREL FEVER



CAGW President Tom Schatz along with Sen. Rand Paul (R-Ky.) and Reps. Tom McClintock (R-Calif.), Ted Budd (R-N.C.), and Tim Burchett (R-Tenn.) at the 2019 Pig Book's unveiling.

“Washington has pork-barrel fever, and lawmakers' only prescription is more earmarks,” warned CAGW President Tom Schatz on July 18 as he released the *2019 Congressional Pig Book*.

The latest installment of CAGW's 27-year exposé of pork-barrel spending reveals that Congress for the seventh time circumvented the earmark

moratorium established in FY 2011 in order to waste vital taxpayer dollars on parochial and non-essential pet projects.

Earmarks occur behind closed doors, hidden from taxpayers, with no names of legislators attached to them and limited information on how

PORK-BARREL FEVER
continues on Pg. 2

CAGW Releases Prime Cuts 2019 A ROADMAP FOR SPENDING REDUCTIONS

America faces a fiscal reckoning, with the federal deficit coming in just shy of \$1 trillion in FY 2019 and the national debt at \$23 trillion — “an unsustainable course,” according to an August 21, 2019 report from the Congressional Budget Office.

To help policymakers chart a path out of this calamitous



budgetary hole, on October 2 CAGW released *Prime Cuts 2019*, its latest compendium of detailed waste-cutting recommendations that the Trump Administration and the waste-cutters in Congress can act upon to stave off the looming financial catastrophe.

Prime Cuts 2019 includes 620 specific recommendations

A ROADMAP FOR SPENDING REDUCTIONS
continues on Pg. 2

PORK-BARREL FEVER *continued from Pg. 1*

the money will be spent. It is only through CAGW's diligent research that Americans are alerted to this waste, and the latest figures are alarming. The number of earmarks in FY 2019 rose to 282, a 73 percent increase from two years ago, while their cost jumped to \$15.3 billion, up 125 percent over the last two years and the largest amount in almost a decade.

"I want to commend Citizens Against Government Waste for doing a good job with the *Pig Book* and pointing out the waste that goes on in our government," said Sen. Rand Paul (R-Ky.) who joined CAGW for the report's unveiling, along with CAGW mascots, "PigFoot" and "Pig Spender," and special guest Faye, a pot-bellied pig from Richmond, Va.

Also standing with CAGW against pork-barrel earmarks were Reps. Ted Budd (R-N.C.), Tim Burchett (R-Tenn.), and Tom McClintock (R-Calif.), who noted the gravity of America's fiscal crisis. "History is screaming a warning at us," he stated. "Countries that bankrupt themselves simply aren't around very long."

Turn to pages 4-5 of this issue of *Government WasteWatch* for an overview of CAGW's porcine findings. View the 2019 *Pig Book* in its entirety and watch a video of the press conference online at pigbook.org. To order your personal copy of the 2019 *Congressional Pig Book Summary*, visit cagw.org/pigbookorders. •



CAGW's Tom Schatz (above) celebrates the 2019 *Pig Book* with mascots PigFoot and Pig Spender. Faye (left), a pot-bellied pig from Richmond, Va., also joined the festivities.

A ROADMAP FOR SPENDING REDUCTIONS *continued from Pg. 1*

to cut the size of government and significantly reduce wasteful deficit spending. The enactment of all these recommendations would save taxpayers \$433.8 billion in the first year and \$3.9 trillion over five years.

"The fiscal status of the United States is shameful and chilling, and the only way to rein in excessive and inefficient government spending is for elected officials to reduce waste, fraud, abuse, and mismanagement," declared CAGW President Tom Schatz in unveiling this year's edition. "*Prime Cuts 2019* is required reading for taxpayers, the media, and legislators, and a roadmap for the bold action needed to restore

fiscal sanity and help prevent a financial disaster."

The report addresses every area of government spending and includes long-standing CAGW proposals, such as eliminating the Market Access Program (MAP), one of the federal government's most blatant examples of corporate welfare that funnels millions of tax dollars to large, profitable U.S. corporations and trade associations. Eliminating MAP would save taxpayers \$870 million over five years.

Prime Cuts 2019 also details numerous defense cuts that would actually strengthen 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 eight years behind schedule, \$195 billion over budget, and plagued with performance issues.

Reports like *Prime Cuts 2019*, made possible by CAGW's Charter Members, have directly impacted America's bottom line. Since CAGW's inception in 1984, implementation of the organization's cost-cutting recommendations has helped to **save taxpayers \$1.9 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 Development Martin Rundle** at 1-800-872-3328 or e-mail us at jpgsociety@cagw.org. •

CAGW Spotlights the Biggest Spenders

PORKERS OF THE MONTH

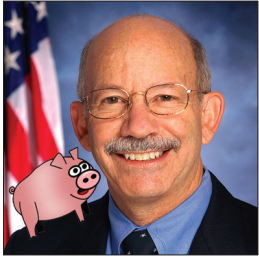
CAGW's **Porker of the Month** award is a dubious honor given to politicians who show a blatant disregard for the interests of taxpayers. CAGW's videos announcing each month's Porker are a big hit, garnering 862,634 views so far

this year — a 125 percent increase over all of 2018. You can find the latest Porker of the Month videos at cagw.org/porker-of-the-month.

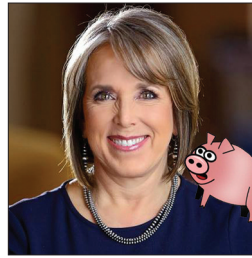
Annually, CAGW asks its members to vote on the worst of the

worst to help determine the **Porker of the Year**. To find out who earns this unsavory distinction in 2019, follow CAGW on Twitter (@GovWaste) and Facebook ([facebook.com/CAGW](https://www.facebook.com/CAGW)). •

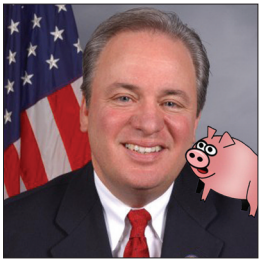
THE 2019 PORKERS OF THE MONTH INCLUDE:



JANUARY: Rep. Peter DeFazio (D-Ore.) — for making ill-advised and irresponsible comments in support of pork-barrel spending, calling the current moratorium on earmarks “nonsensical.”



JUNE: New Mexico Governor Michelle Lujan Grisham (D) — for collaborating with green energy firms to enact a “Mini-Green New Deal.”



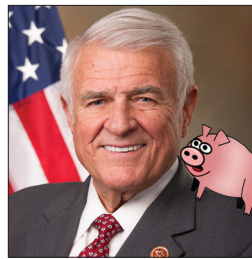
FEBRUARY: Rep. Mike Doyle (D-Pa.) — for spouting wild inaccuracies about Obama Administration regulations of the Internet, known as “net neutrality.”



JULY: Rep. Marcy Kaptur (D-Ohio) — for encouraging the financially-challenged United States Postal Service to expand into banking.



MARCH: Rep. Alexandria Ocasio-Cortez (D-N.Y.) — for taking the lead in proposing a “Green New Deal” that would bankrupt America.



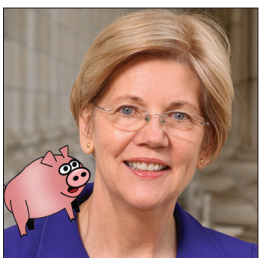
AUGUST: Rep. John Carter (R-Texas) — for voting for the fiscally reckless Bipartisan Budget Act of 2019, which saddles taxpayers with more spending and debt.



APRIL: Rep. Mike Turner (R-Ohio) — 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.



SEPTEMBER: Illinois Governor J.B. Pritzker (D) — for signing a \$40.1 billion budget that lacked spending restraints and included \$1.4 billion in pork-barrel projects.



MAY: Sen. Elizabeth Warren (D-Mass.) — for proposing a taxpayer-funded student loan bailout and universal “free” college.



OCTOBER: House Speaker Nancy Pelosi (D-Calif.) — for pushing a partisan plan to implement innovation-killing price controls on pharmaceuticals.

2019 Congressional Pig Book PORK-BARREL FEVER...

Earmarks represent what's wrong with Washington. They reward the powerful — politicians, special interests, and lobbyists — at taxpayers' expense. Earmarks add to the \$23 trillion national debt and open the door to waste and corruption in government.



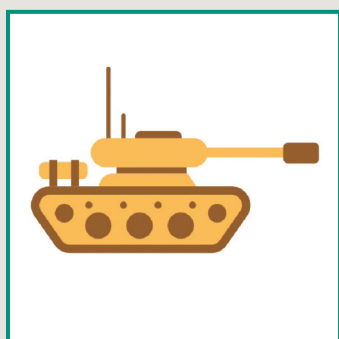
AGRICULTURE

The number of earmarks in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act increased by 7.7 percent, and their **cost climbed by 37.7 percent**, from \$108 million in FY 2018 to \$148.7 million in FY 2019. This included the first earmark in 10 years for a fruit fly quarantine program. After this decade-long furlough, members of Congress returned to the trenches in the war against fruit flies, allocating \$9 million, the third-largest amount ever, for this purpose.



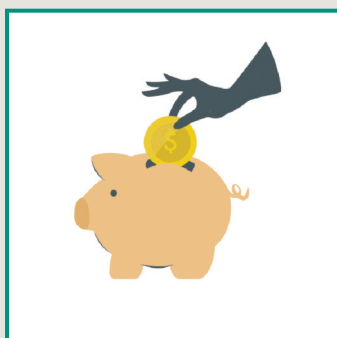
COMMERCE, JUSTICE, & SCIENCE

The cost of earmarks in the Commerce, Justice, Science, and Related Agencies Appropriations Act has increased rapidly in recent years. The \$780 million earmarked in FY 2019 was an **increase of 178.6 percent** from the \$280 million in FY 2018, and an astounding 1,200 percent increase from FY 2016. One of the six earmarks in the bill allocated \$65 million to Pacific coastal salmon recovery, tied for the largest amount ever for this pet project of Senate appropriator Patty Murray (D-Wash.).



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 2019. The number of earmarks jumped by 28.1 percent, from 121 in FY 2018 to 155 in FY 2019. The **cost of these earmarks increased by 4.4 percent**, from \$9 billion in FY 2018 to \$9.4 billion in FY 2019. This total constituted 61.4 percent of the \$15.3 billion in earmarks contained in the 12 appropriations bills for FY 2019.

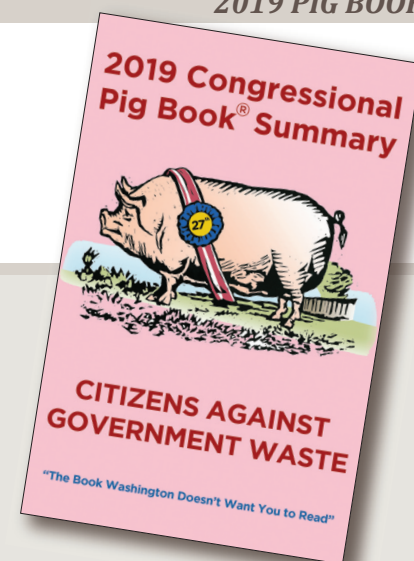


FINANCIAL SERVICES

The cost of earmarks in the FY 2019 Financial Services and General Government Appropriations Act posted the second-largest percentage increase in any appropriations bill in FY 2019. The \$167.7 million earmarked for just three projects in FY 2019 represented a **206.6 percent increase** from the \$54.7 million earmarked for one project in FY 2018.

...IS RUNNING HIGH IN CONGRESS

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



HOMELAND SECURITY

In the wake of a sharp rise in FY 2018, the cost of earmarks declined slightly in the FY 2019 Department of Homeland Security Appropriations Act. The number of earmarks increased by one, from 10 in FY 2018 to 11 in FY 2019, while their **cost shrank by 2.7 percent**, from \$576.3 million in FY 2018 to \$560.9 million in FY 2019.



INTERIOR

The number of earmarks in the FY 2019 Department of the Interior, Environment, and Related Agencies Appropriations Act increased by 10 percent, while their **cost grew by 9.4 percent**, from \$336.3 million in FY 2018 to \$367.8 million in FY 2019. This included \$13.8 million for wild horse and burro management, the most ever earmarked for this purpose.



STATE & FOREIGN OPERATIONS

The number of earmarks in the FY 2019 State and Foreign Operations Appropriations Act increased by 16.7 percent, and their **cost climbed by 31.6 percent**, from \$281 million in FY 2018 to \$369.9 million in FY 2019. This included yet another \$16.7 million for the East-West Center in Hawaii, the same amount as in FY 2018, which was the largest earmark ever for the center, a pet project of home state Sen. Brian Schatz (D), a powerful appropriator.



TRANSPORTATION, HOUSING, & URBAN DEVELOPMENT

The number of earmarks in the FY 2019 Transportation, Housing, and Urban Development and Related Agencies Appropriations Act increased by 350 percent, from two in FY 2018 to nine in FY 2019. The **cost increased by 401.4 percent**, from \$36.2 million in FY 2018 to \$181.5 million in FY 2019 – the largest percentage cost increase in the 12 FY 2019 appropriations bills.

CAGW In Action

TIMELY TESTIMONY

CAGW continues to use its influence and expertise to educate policymakers about key issues impacting taxpayers and consumers.

On October 17, CAGW President Tom Schatz testified before the Senate Appropriations Subcommittee on Financial Services and General Government on the second panel of a hearing entitled, "Oversight of the Federal Communications Commission (FCC): Spectrum Auctions Program." His remarks followed testimony by FCC Chairman Ajit Pai during the first panel.

Schatz spoke on ensuring the best use of mid-band spectrum, an important topic as wireless providers work to build out next-generation 5G networks. In particular, his testimony addressed the need for the FCC to oversee a fully transparent, public auction to ensure taxpayers, instead of foreign-based satellite companies, reap the benefits of the sale of sought-after C-band spectrum. FCC spectrum auctions have generated \$121.7 billion for taxpayers since 1994, proving the value of this public asset, and a private sale of C-band spectrum, as proposed

CAGW
President
Tom Schatz
testifies on
Capitol Hill.



by the satellite companies, would cost taxpayers \$11-\$60 billion.

CAGW Technology and Telecommunications Director Deborah Collier echoed Schatz's arguments in favor of a public C-band auction in her own testimony before the House Energy and Commerce Subcommittee on Communications and Technology on October 29.

CAGW has been active throughout 2019 broadcasting its message to the

nation's decision-makers. On May 9, Schatz and CAGW Director of Government Affairs Allen Johnson briefed the House Republican Study Committee's Government Efficiency Task Force on the waste-cutting recommendations contained in CAGW's *Critical Waste Issues* report.

To stay tuned to what CAGW's experts are talking about, check "**The WasteWatcher**," CAGW's staff blog, available at cagw.org/thewastewatcher. •

In addition to educating Congress, CAGW is also advancing its policy proposals at the state level:

- On April 1, CAGW Technology and Telecommunications Director Deborah Collier provided testimony about communications rights-of-way before the Texas House Committee on State Affairs.
- Also in April, CAGW Health and Science Director Elizabeth Wright travelled to Tallahassee, Fla. to urge state legislators to scrap a plan to impose pharmaceutical price controls through a misguided drug importation program.

CAGW @ Work

DRIVING THE CONVERSATION

CAGW's experts are taking part in unique dialogues on topics that will affect everything from technology in Americans' cars to the cost of medicines.

- On September 11, CAGW Director of Technology and Telecommunications Policy Deborah Collier hosted a panel discussion at the National Press Club on the future of vehicle-to-vehicle communications (V2V) and the wireless spectrum.

In 1999, the automotive industry promised that dedicated short-range communications would be a game-changer in V2V communications if the FCC granted exclusive access to the 5.9

GHz frequency spectrum band for its development. Twenty years later, this spectrum band has gone largely unused, while the connected-car environment has evolved beyond the original technology. Entitled "Steering Clear: Setting the Record Straight on AVs, 5G, and the 5.9 GHz Band," the event highlighted the need for a second look at how this spectrum is utilized and featured experts in technology, policy, and law.

- On September 25, CAGW Health and Science Director Elizabeth Wright joined a panel discussion hosted by the American Consumer Institute Center for Consumer Research entitled, "Drug Pricing

Policy Prescriptions for 2020: The Good, The Bad, and The Ugly."

Rising drug prices continue to be a top concern for all Americans, and in response, Congress and Trump Administration officials have proposed imposing price controls on U.S. drug manufacturers, using the price that foreign countries pay for pharmaceuticals as a benchmark for what drugmakers can charge here. Wright was one of several experts on hand to discuss where this plan goes wrong and recommendations for a better path forward.

For CAGW's take on a host of issues, visit cagw.org/media/commentary. •

The Taxpayer First Act of 2019

PRESIDENT TRUMP SIGNS CCAGW PRIORITY INTO LAW

On July 1, President Trump signed into law H.R. 3151, the Taxpayer First Act of 2019 — legislation supported by CCAGW that will curtail onerous Internal Revenue Service (IRS) rules and regulations that have made taxpayers' lives miserable for many years.

Throughout 2018 and 2019, CCAGW signed several letters with other taxpayer groups in support of these IRS reforms, while also shaping this debate as a member of the Coalition for Effective & Efficient Tax Administration. Laying this groundwork helped the bill draw strong bipartisan support in Congress and set the stage for President Trump to sign the bill.

The Taxpayer First Act establishes an independent office to allow taxpayers to appeal tax issues without going to court; requires improvements in customer service and personnel training; and

increases protections for whistleblowers. It also improves efforts to detect stolen identity refund fraud, which occurs when someone steals a taxpayer's Social Security number and files a false return, costing billions of dollars annually and forcing taxpayers to wait months for the tax refund they were supposed to receive.

H.R. 3151 also strengthens protection from wrongful IRS asset seizures for innocent small businesses that conduct certain cash transactions and increases taxpayers' rights to appeal by limiting the circumstances under which the IRS can deny access to appeals.

Enactment of this legislation shows what CCAGW can accomplish with your support, even in a time of divided government. Thank you for helping CCAGW lead the fight to put taxpayers first! •

Prognosis: Negative

CAGW STANDS AGAINST SOCIALIZED MEDICINE

On June 6, CAGW joined other high-profile conservative organizations in launching the “**Coalition Against Socialized Medicine**,” dedicated to educating the public about the dangers of adopting Medicare for All.

Driving home the need for this initiative is the fact that almost one-third of the Democrats in the Senate, including four presidential contenders, are cosponsoring Sen. Bernie Sanders' (I-Vt.) Medicare for All bill, while approximately one-half of Democrats in the House are cosponsoring Rep. Pramila Jayapal's (D-Calif.) companion legislation.

To provide a voice of reason, the coalition is working to make sure Americans understand that:

- Medicare for All would in fact destroy the current Medicare program;
- The proposal would completely eliminate private insurance, including

that provided by employers;

- For taxpayers, the cost of this government expansion is estimated at \$32 trillion over 10 years;
- For patients, socialized medicine would mean increased waiting times for procedures and outright denials for some treatments;
- The end result would be a single-payer, singularly ineffective healthcare system.

Another coalition priority is showing a better way forward — specifically, how market-oriented policies can bring about greater competition, transparency, and innovation to help lower the cost of healthcare for all Americans.

You can speak out against socialized medicine through CCAGW's Medicare for All Action Alert at ccagw.org/get-involved/action-center. •

ACTION ALERTS

CCAGW's Action Alerts continue to empower taxpayers to speak out against runaway wasteful spending and in favor of legislation that would restrain our politicians' worst fiscal impulses.

In 2019, CCAGW's members and supporters have sent more than 100,000 e-mails to Capitol Hill — more than twice as many as in 2018. CCAGW is on pace to generate a quarter of a million e-mails to Congress during the Trump Administration's first three years.

Current Action Alerts at ccagw.org that you can use to make your voice heard include:

- TELL THE SENATE:
No Perks for Past Presidents!
- TELL CONGRESS:
No Student Loan Bailout!
- TELL YOUR U.S. REPRESENTATIVE:
No Congressional Pay Raise!
- TELL YOUR U.S. SENATORS:
No Medicare for All!
- TELL YOUR U.S. REPRESENTATIVE:
No Green New Deal!
- TELL CONGRESS:
Reinstate Medicare's Best Fraud-Fighting Program!

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



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You can make a tax-deductible contribution at
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GOVERNMENT Waste Watch

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Transparency

CAGW ANNOUNCES AUDIT RESULTS

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 2018 audit confirmed individual contributors provided 72 percent of the organizations' revenue, with foundation and corporate support accounting for 28 percent. CAGW's and CCAGW's program expenses on public education, research, and lobbying absorbed 70 percent of expenditures in 2018. Fundraising accounted for 20 percent of expenses, and management 10 percent. For more financial information, visit cagw.org.

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and Twitter (@GovWaste)



Look for New and Improved cagw.org

CAGW PLANS ONLINE UPDATE

CAGW is working on a top-to-bottom overhaul of its website for the new year. The site will be updated with the latest technology and designs to make it more accessible and useful for all the organization's allies in the fight to upend business as usual in Washington.

The redesigned website will provide quicker access to the research, reports,

and updates that you make possible. Whether you want to find the latest edition of *Prime Cuts* or the newest Porker of the Month video, the information you want will be at your fingertips. And members of the media and policymakers will be able to bring up the facts and figures CAGW has documented about the cost of big government more quickly.

CAGW expects to achieve substantial growth in online traffic through the website redesign, while also expanding its social media reach and media impact, and at the same time bringing in new recruits to support its waste-cutting efforts. Look for the official launch of the new improved cagw.org in early January!