

WebMemo



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The House Democrats' \$23 Billion Pork Slush Fund and Spending Spree

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In response to voter outrage over earmark scandals, the House Democratic leadership pledged to bring transparency to the earmark process. Specifically, the House rewrote its rules to require that earmarks be included in the reports that accompany spending bills so that lawmakers can debate earmarks before passing each spending bill. Now, in a remarkable reversal, House Appropriations Committee Chairman David Obey (D-WI) has announced that all earmarks will be kept secret from the American people until *after* the spending bills have cleared the House of Representatives. Not until soon before spending bills return from the conference committee would the list be released, leaving lawmakers without the chance to debate or amend any earmarks, only to vote up-or-down on entire conference reports. The House Democratic majority should stick to its pledge of transparency and abandon this scheme.

\$23 Billion in Added Pork? Because earmarks are set to remain secret for two more months, taxpayers are left guessing about how much pork-barrel spending Congress plans to enact. Representative Obey claims to have received 32,000 earmark requests, an average of 74 from each of the 435 House members.¹ Representative Obey has also stated that earmarks account for less than 2 percent of discretionary spending, which would place earmarked spending at just under \$19 billion.

There is another way to estimate the amount of pork coming down the pike. During last year's pork "moratorium," spending on pork projects, while down from \$29 billion, still totaled \$13.2 billion.²

President Bush has since called on Congress to cut pork-barrel spending in half, which translates to \$6.6 billion.³

When Congress received the President's budget, it added \$23 billion in new non-defense discretionary spending.⁴ This additional \$23 billion nearly matches the amount of new spending needed to restore pork-barrel spending to its 2006 peak of \$29 billion without any offsets within the programs.

It is possible that Congress has increased President Bush's non-defense discretionary budget proposal by \$23 billion in order to reverse the President's proposed \$23 billion reduction in pork-barrel spending.⁵ By refusing to release the list of pork projects, the House Appropriations Committee denies Members of Congress and taxpayers the chance to debate committee's plans on pork-barrel spending.

The Problem with Pork. In the past, Congress created grant programs and either distributed the money to state and local governments by formula or instructed federal agencies to distribute the grants through a merit-based application process. Today, Congress actually determines, within legislation, who will receive government grants by "earmark-

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ing” grant money to specific recipients. Earmarks are also known as pork projects.

Earmarking is a corrupting process. Many of these pork projects are shepherded through Congress by lobbyists, who, for a generous commission, ensure that a client gets a government grant without having to go through the regular process of justifying a project to a federal agency. Perhaps coincidentally, lawmakers often receive hefty campaign donations from earmark recipients. Former Representative Randy “Duke” Cunningham (R-CA), for example, is currently serving an eight-year prison term for accepting bribes in return for pork projects.

While pork projects are often carved out of a program’s budget, they put upward pressure on program budgets by reducing the amount of money available for distribution by merit or formula. In this year’s budget, it appears lawmakers intend to fund new pork projects in a two-step process: significantly increasing program budgets and then carving earmarks from those budgets. In this way, Congress can enact new pork projects without reducing agencies’ unearmarked budgets.

Conclusion: The Long-Term Cost.

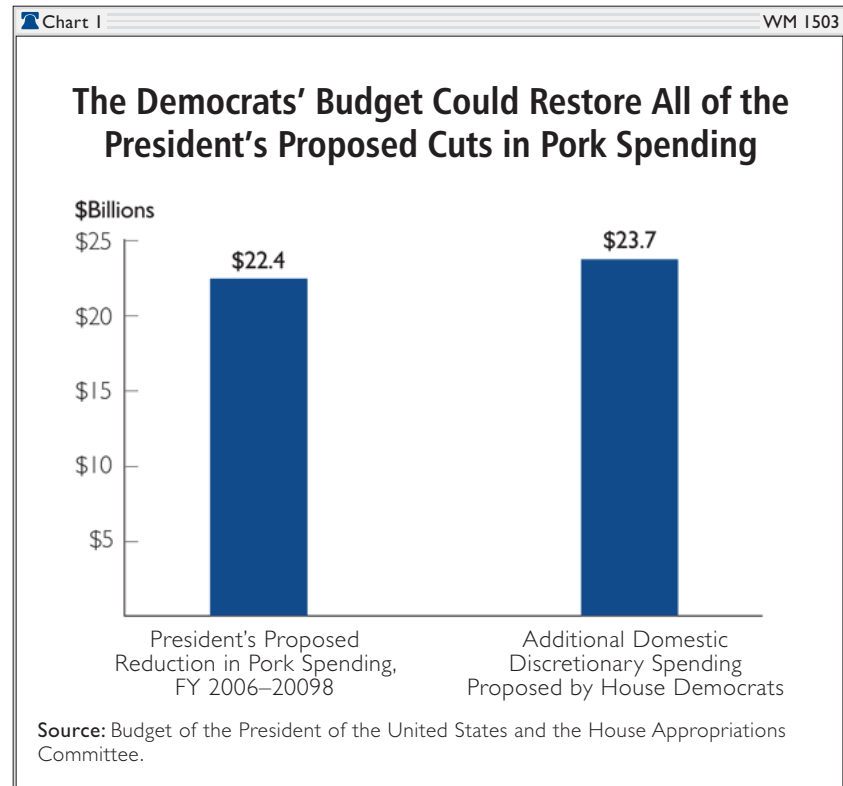
The \$23 billion that the House has added to the budget is set to become part of the permanent discretionary spending baseline. Over ten years, this addition could cost American taxpayers \$276 billion, or \$2,400 per household. The House Democrats’ reversal on earmark transparency suggests that most, if not all, of this new spending will go towards replenishing the reductions in pork-barrel spending that began last year and were set to continue this year. The

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Earmark Opportunities in Non-Defense Appropriations Bills

Appropriations Bill	President’s Request	House Budget	Added Amount Available for Earmarking
Agriculture	\$17,835	\$18,825	\$990
Commerce-Justice-State	51,241	53,550	2,309
Energy-Water	30,473	31,603	1,130
Financial Services	21,678	21,028	0
Homeland Security	34,191	36,254	2,063
Interior-Environment	25,650	27,598	1,948
Labor-HHS-Education	140,920	151,112	10,192
Leg. Branch	4,331	4,024	0
Mil Con-VA	60,745	64,745	4,000
State-Foreign Ops	34,943	34,243	0
Transportation-HUD	47,963	50,738	2,775
Total Non-Defense Discretionary BA	469,970	493,720	25,407

Note: Three of the appropriations bills come in below the President’s request, reducing the total increase above the President’s request to \$23 billion.
Source: Budget of the President of the United States and the House Appropriations Committee.



House Democratic majority should honor its pledge to bring transparency to budgeting by releasing the names of and allocations for pork projects while appropriations bills are being debated on the House floor. Otherwise, President Bush should ready his veto pen to fulfill his pledge to strike down these

bloated appropriations bills negotiated in Congress' back rooms.

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1. Mike Soraghan & Jackie Kucinich, "Obey Shines Light on Earmarking Process, but GOP Labels Move a Hollow Gesture," *The Hill*, June 12, 2007.
 2. For pork project spending totals, see Citizens Against Government Waste, "Pork Barrel Report," 2007, at www.cagw.org/site/PageServer?pagename=reports_porkbarrelreport#trends.
 3. President George W. Bush, 2007 State of the Union Address, January 23, 2007, at www.whitehouse.gov/news/releases/2007/01/20070123-2.html.
 4. The House budget adds \$20 billion to the President's \$933 billion discretionary spending request. However, the House's blueprint reduces the President's defense proposal by \$3 billion, thereby increasing non-defense spending by \$23 billion above the President's request.
 5. The President did not propose specific pork projects but did announce that he would accept congressional earmarks totaling half of last year's sum.