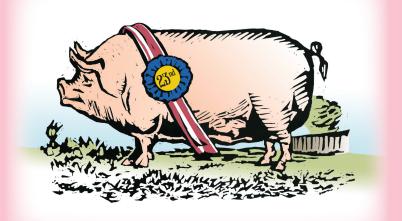
# CITIZENS AGAINST GOVERNMENT WASTE



# 2015 Congressional Pig Book® Summary

"The Book Washington Doesn't Want You to Read"

#### Praise for CAGW and the Pig Book

"Citizens Against Government Waste is Washington's leading opponent of pork-barrel spending. Its annual *Pig Book*, which lists the government's narrow giveaways, is used by news outlets worldwide to ridicule federal earmarks."

Jeff Birnbaum, The Washington Post, February 20, 2007

"Every taxpayer should read the *Pig Book.* ... Congress won't stop picking our pockets for wasteful pork projects in which the federal government has no business unless they are forced to by taxpayers. Read the *Pig Book* and weep. Then, get angry and do something."

Syndicated Columnist Cal Thomas, March 29, 2005

"Neither rain, nor sleet or snow, or war or a bumpy economy, it seems, can stop the pork train from pulling out of the congressional station. Citizens Against Government Waste has issued its annual *Congressional Pig Book Summary.* ... This year's budget may finally slay the myth that there is anyone who can credibly claim to be a fiscal conservative inside the Washington beltway."

Asheville Citizen Times, April 17, 2004

"Citizens Against Government Waste is a watchdog group that keeps track of which politicians squander the most federal money on 'pork' – those expenditures that are added after the normal budget process to help a particular group instead of the nation as a whole."

John Stossel, "20/20"

"I believe that this book should be read by every citizen in America. ... What is being done here by CAGW, in my view, is of the greatest importance. [M]y constituents ... need to have these concrete examples of the way that business is done here in Washington, D.C., unfortunately, and the only way it's going to stop is when it's exposed."

Sen. John McCain (R-Ariz.)

"I commend Citizens Against Government Waste for trying to shame Congress into fiscal responsibility, although one has to wonder if Congress has any shame. You certainly don't get that impression by flipping through the *Pig Book*."

Then-Rep. Jeff Flake (R-Ariz.)

"We can, with the assistance of an organization like CAGW, say in one year this [publication] is not needed."

Former Rep. David Minge (D-Minn.)

"Those peckerwoods don't know what they're doing. They don't. They're not being realistic."

The late "King of Pork" Sen. Robert C. Byrd (D-W.Va.)

National Public Radio, July 19, 2001

"All they are is a bunch of psychopaths."

The late CAGW "Oinker" Sen. Ted Stevens (R-Alaska) Associated Press, December 26, 1999

Citizens Against Government Waste (CAGW) is a private, nonprofit, nonpartisan organization representing more than one million members and supporters nationwide. CAGW's mission is to eliminate waste, mismanagement, and inefficiency at all levels of government.

## INTRODUCTION

For the third time since Congress enacted an earmark moratorium that began in fiscal year (FY) 2011, Citizens Against Government Waste (CAGW) has found earmarks in the 12 appropriations bills funding the federal government.

While the number of earmarks contained in H.R. 83, the Consolidated and Further Continuing Appropriations Act, 2015, and H.R. 240, the Department of Homeland Security (DHS) Appropriations Act, 2015, decreased by 3.7 percent from 109 in FY 2014 to 105 in FY 2015, their cost jumped by 55.6 percent, from \$2.7 billion in FY 2014 to \$4.2 billion in FY 2015. Even though a single earmark would violate the moratorium, it is particularly worrisome to see such a significant increase in the cost of earmarks.

The 2012 Pig Book noted that although there were fewer earmarks than in prior years, far more money was being spent on average for each earmark and no detailed information was being provided. This is also true in 2015. In a perfect demonstration of the new era of earmarking, the \$25 million earmark for the National Predisaster Mitigation Fund appearing in the FY 2015 DHS bill corresponds to 58 earmarks totaling \$24.6 million for the same program in FY 2010. In other words, the average dollar amount for the 58 earmarks in FY 2010 was \$424,138, while the cost for a single earmark for the same purpose in FY 2015 was \$25 million. The "Congressionally Directed Spending" section at the end of the FY 2010 bill contained the names of the members of Congress requesting each project and its location, as required by the pertinent transparency rules. In stark contrast, the single FY 2015 earmark, which is \$400,000 greater than the 58 FY 2010 earmarks, contained no such information and simply created a pool of money to be distributed at a later date without any specific information about the eventual recipients.



## **INTRODUCTION** (continued)

Members of Congress will argue that their standards differ from the earmark criteria used in the *Pig Book*, and that the appropriations bills are earmark-free according to their definition.

However, the difference in the definition of earmarks between CAGW and Congress has existed since the first *Pig Book* in 1991. The pork-free claim can also be challenged based on the inclusion of projects that have appeared in past appropriations bills as earmarks. In addition to meeting CAGW's long-standing seven-point criteria, to qualify for inclusion in the *2015 Pig Book* a project or program must have appeared in prior years as an earmark. The total number and cost of earmarks are, therefore, quite conservative.

The question for those in Congress who deny the existence of earmarks in the appropriations bills is: Why were these projects previously considered earmarks, but not in 2015?

Unfortunately, the earmark moratorium has not only failed to eliminate earmarks, but also made the process patently less transparent. There are no names of legislators, no list or chart of earmarks, and limited information on where and why the money will be spent. Earmarks were scattered throughout the legislative and report language, requiring substantial detective work to unearth each project. While the lower number and cost of earmarks are an improvement relative to many prior years, especially compared to the record of \$29 billion in earmarks set in FY 2006, transparency and accountability have regressed immeasurably.



## **INTRODUCTION** (continued)

The earmarks in the appropriations bills enacted since the initiation of the moratorium raise disturbing questions for the future, particularly since representatives and senators from both sides of the aisle continue to clamor for their revival. One of the most frequently used arguments in favor of earmarks is that they would help pass certain spending bills. In the past, however, members have voted for excessively expensive legislation because they have received a few earmarks, which means the moratorium has helped restrain spending. Should Congress get back on the pork-barrel track, there will be an increased risk of corruption, the potential for an explosion in earmarks, and the enactment of more costly legislation.

The latest installment of CAGW's 23-year exposé of pork-barrel spending includes \$120 million to upgrade the M1 Abrams tank, which is opposed by the Pentagon; \$15 million for the Pacific Coastal Salmon Recovery Fund, a pet project of Senate Appropriations Committee member Patty Murray (D-Wash.); \$5.9 million for the East-West Center, an earmark championed by Senate Appropriations Committee member Brian Schatz (D-Hawaii); and \$4,000,000 for the aquatic plant control program.

The projects in the 2015 Congressional Pig Book Summary symbolize the most blatant examples of pork. As in previous years, all of the items in the Congressional Pig Book meet at least one of CAGW's seven criteria, but most satisfy at least two:

- 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



#### I. AGRICULTURE

Members of Congress have long used the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act to feed at the trough. Nonetheless, the number of earmarks dropped by 60 percent, from 10 in FY 2014 to four in FY 2015, while the cost declined by 25.9 percent, from \$78 million in FY 2014 to \$57.8 million in FY 2015.

\$3,000,000 for the Delta Regional Authority (DRA). Established in 2000, the <u>DRA</u> is supposed to provide economic development assistance to support the creation of jobs and improve local conditions for the 10 million people who reside in 252 counties and parishes throughout the Mississippi Delta states of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee. According to the Republican Study Committee's FY 2015 <u>budget</u>, these efforts are duplicative of other federal programs and support mostly local projects. Since FY 2003, the DRA has received six earmarks totaling \$17.8 million.



## II. COMMERCE, JUSTICE, SCIENCE

The past two versions of the Commerce, Justice, Science, and Related Agencies Appropriations Act have contained one earmark worth \$15 million. Members of Congress should be congratulated for eliminating the plethora of earmarks that previously appeared in programs such as the Community Oriented Policing Services, but the lone earmark in the FY 2015 version of the bill is a stain on an otherwise pork-free piece of legislation.

**\$15,000,000** for the Pacific Coastal Salmon Recovery Fund (PCSRF), which was <u>established</u> by Congress in FY 2000 to "reverse the declines of Pacific salmon and steelhead, supporting conservation efforts in California, Oregon, Washington, Idaho, and Alaska."

Senate Appropriations Committee member Patty Murray (D-Wash.) has routinely fought for increased funding for the PCSRF. A January 14, 2014 <a href="mailto:press release">press release</a> from Sen. Murray stated that she secured \$65 million for the program in FY 2014, an increase of \$15 million over President Obama's budget request. In addition, her February 2, 2015 <a href="mailto:press release">press release</a> indicated that Sen. Murray pushed the Obama administration to increase its support for the PCSRF in its FY 2016 budget request. It seems likely that Sen. Murray is responsible for this earmark.

Since FY 2000, 20 earmarks costing taxpayers \$149.5 million have been added for the PCSRF. From FYs 2008-2010, the three years in which members of Congress were required to identify their earmark requests, Sen. Murray added 575 earmarks costing taxpayers \$779.5 million.



## III. DEFENSE

The Department of Defense (DOD) Appropriations Act usually contains the most earmarks at the highest cost to taxpayers each year, and the FY 2015 bill did not break this tradition. While the number of earmarks in the bill decreased slightly, from 58 in FY 2014 to 56 in FY 2015, the cost of these earmarks skyrocketed. The \$2.3 billion in FY 2015 represents a 43.8 percent increase from the \$1.6 billion in FY 2014, and constitutes 54.8 percent of the \$4.2 billion in earmarks contained in the 12 appropriations bills for FY 2015.

\$1,067,115,000 for 27 earmarks for health and disease research under the Defense Health Program, which is a 23.2 percent increase in cost over the 26 earmarks worth \$866.4 million in FY 2014. Former Sen. Tom Coburn's (R-Okla.) November 2012 report, *The Department of Everything*, pointed out that the DOD disease earmarks added by Congress mean that "fewer resources are available for DOD to address those specific health challenges facing members of the armed forces for which no other agencies are focused." According to the report, in 2010 the Pentagon "withheld" more than \$45 million for overhead related to earmarks, which means those funds were unavailable for national security needs or medical research specifically affecting those serving in the military.

A March 14, 2012 *Washington Post* article stated that DOD Comptroller Robert Hale proposed decreasing the DOD health budget in part by eliminating "one-time congressional adds," which totaled \$603.6 million in FY 2012 for the Congressionally Directed Medical Research Program.

Since FY 1996, members of Congress have added 612 earmarks for health and disease research, costing taxpayers \$8 billion.

## III. DEFENSE (continued)

**\$120,000,000** for the continued upgrade of the M1 Abrams tank to the M1A2SEP variant. Over the objections of senior DOD officials, members of Congress have for many years been earmarking funds for the M1 upgrade program. Although the tank plant is located in Lima, Ohio, its suppliers are spread across the country, which helps to explain the widespread support.

In testimony before the House Armed Services Committee on February 17, 2012, Army Chief of Staff General Raymond Odierno told Congress that the U.S. possesses more than enough tanks to meet the country's needs. In fact, the Army has so many M1 tanks that 2,000 of them are parked in a California desert.

The army intended to retrofit the remainder of the 2,384 M1 tanks it needs by the end of 2013, after which it would delay the program until 2017, saving taxpayers \$3 billion. During this timeframe, the DOD would focus on designing the next generation of tanks, which would be better equipped for the changing nature of warfare. Intended to take on other tanks, the M1 Abrams proved <a href="susceptible">susceptible</a> to asymmetric tactics, such as improvised explosive devices employed by insurgents in Iraq and Afghanistan. General Odierno <a href="stated">stated</a> that warfare has changed, since "we don't believe we will ever see a straight conventional conflict again in the future."

Legislators increased the earmark for this unwanted program by \$30 million from FY 2014, and hinted at a parochial incentive for its continuation: The funding would be used to "maintain [the] critical industrial base." There's nothing like a good old-fashioned jobs program disguised as national security.

Since FY 1994, there have been 38 earmarks for the M1 Abrams program, requested by at least 13 members of Congress, costing taxpayers \$908.6 million. As Congress continues to ignore the DOD, taxpayers will continue to foot the bill for upgrades to what Gen. Odierno described as "280 tanks that we simply do not need."



## III. DEFENSE (continued)

**\$86,000,000** for the National Guard Counter-Drug Program. Formerly earmarked to individual states and congressional districts, the program, which allows for the use of military personnel in domestic drug enforcement operations, is now funded in one bundle as a work-around to the earmark moratorium.

The Drug Enforcement Administration, with a budget of \$2 billion, is already responsible for these activities. Since FY 2001, there have been 64 earmarks costing taxpayers \$367.1 million for the National Guard Counter-Drug Program. Members of Congress who have inserted earmarks for this program in the past include perennial porkers such as Senate Majority Leader Mitch McConnell (R-Ky.), Senate Minority Leader Harry Reid (D-Nev.), House Appropriations Committee Chairman Harold Rogers (R-Ky.), and the late Sens. Daniel Inouye (D-Hawaii) and Ted Stevens (R-Alaska).

**\$25,000,000** for the Starbase Youth Program, which teaches science, technology, engineering, and math (STEM) to at-risk youth in multiple locations at or near military bases around the country. Since FY 2001, eight earmarks costing taxpayers \$69 million have been added for Starbase, including an earmark worth \$1.9 million in FY 2010 added by Sen. Amy Klobuchar (D-Minn.) and Rep. Keith Ellison (D-Minn.).

A March 2012 Government Accountability Office (GAO) annual <u>report</u> on program duplication, overlap, and fragmentation found that \$3 billion was spent in FY 2010 across 13 agencies for 209 STEM programs, 83 percent of which overlapped with at least one other program.

President Obama <u>proposed</u> the consolidation or elimination of 31 STEM programs in FY 2015, and a <u>further</u> 20 STEM programs in FY 2016. No funding was requested for Starbase in his FY 2015 budget.



## III. DEFENSE (continued)

**\$20,000,000** for alternative energy research. Since FY 2004, Congress has used the defense appropriations bill as a vehicle to insert 25 earmarks worth \$254.9 million for this purpose, despite the fact that the Energy and Water Development Appropriations Act supplies billions of dollars for alternative energy research every year.

At a March 13, 2012 Senate Armed Services Committee hearing, then-Ranking Member John McCain (R-Ariz.) <u>asserted</u> that the Navy's efforts to develop biofuels to power its planes and ships could turn into another "Solyndra situation," citing the solar panel manufacturer that received a \$535 million loan guarantee through the Department of Energy before filing for bankruptcy in September 2011.

According to Sen. McCain, the Navy spent in excess of \$400 per gallon for approximately 20,000 gallons of algae-based biofuel. In a February 2011 hearing, House Armed Services Committee member Randy Forbes (R-Va.) fired a shot across the Navy's bow, telling Navy Secretary Ray Mabus, "You're not the secretary of Energy. You're the secretary of the Navy." While members of Congress took a positive step by reducing the amount earmarked for alternative energy research in the FY 2015 DOD bill by 66.7 percent from \$60 million in FY 2014, this funding should be zeroed out in FY 2016.



## IV. ENERGY

The Energy and Water Development and Related Agencies Appropriations Act is more flooded with pork than it was in FY 2014. The number of earmarks increased by 33.3 percent, from 15 in FY 2014 to 20 in FY 2015, while the cost surged by 74.4 percent, from \$346.7 million in FY 2014 to \$604.8 million in FY 2015. The number of Army Corps of Engineers earmarks reflects this wider trend in the legislation, increasing by 18.2 percent, from 11 in FY 2014 to 13 in FY 2015, while the cost of these earmarks swelled by 23 percent, from \$295.8 million in FY 2014 to \$363.9 million in FY 2015.

**\$21,800,000** for the Appalachian Regional Commission (ARC), which is a 38.9 percent increase over the \$15.7 million earmark in FY 2014. ARC was <u>created</u> by Congress in 1965 to "bring the 13 Appalachian states into the mainstream of the American economy." The commission represents a partnership of federal, state, and local governments and covers all of West

Virginia along with portions of Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. The ARC provides funding for several hundred highways and development projects throughout the Appalachian region. The commission is <u>duplicative</u> of dozens of other programs that exist at the federal, state, and local levels, and unfairly focuses on a region of the country that is no more deserving than other impoverished areas.

Since FY 1995, the ARC has received seven earmarks totaling \$170.5 million for projects in Alabama, Kentucky, and West Virginia.



## IV. ENERGY (continued)

**\$4,000,000** for the aquatic plant control program. Since 1994, there have been 21 earmarks worth a total of \$30.1 million for aquatic plant control projects, including three by Sen. Chuck Schumer (D-N.Y.) and one each by Sens. Patrick Leahy (D-Vt.) and Jeff Sessions (R-Ala.).



## IV. ENERGY (continued)

**\$2,604,000** for the Denali Commission, which was created in 1998 to build infrastructure in rural Alaska. President Obama targeted the commission's federal funding for elimination in his FY 2012 budget. The administration argued that Denali projects are not funded through a competitive or merit-based system. The White House also pointed out that at least 29 other federal programs could fulfill the commission's mandate. Denali Commission Inspector General Mike Marsh stated in September 2013, "I have concluded that [my agency] is a congressional experiment that hasn't worked out in practice. ... I recommend that Congress put its money elsewhere."

A September 2014 GAO report found that the Denali Commission Office of Inspector General (OIG) had provided extremely limited oversight of the commission's major programs. According to the report, an "analysis of the 12 inspections completed by the OIG found that the OIG provided oversight for \$150,000 of the \$167 million in grant funds disbursed during fiscal years 2011 through 2013." The amount of funding inspected by the OIG added up to less than 1 percent of grants awarded by the Denali Commission over this period.

Regular readers of CAGW's *Congressional Pig Book* know that funds for the program have been heavily earmarked over the years. Since FY 2000, 26 projects worth \$295.8 million have been earmarked for the Denali Commission, including requests by Senate Energy and Water Appropriations Subcommittee member Lisa Murkowski (R-Alaska), Sen. Mark Begich (D-Alaska), Rep. Don Young (R-Alaska), and the late Sen. Ted Stevens (R-Alaska).

The commission's statutory authorization expired on October 1, 2009. It is time for the federal appropriation to disappear as well.



## V. FINANCIAL SERVICES

The number of earmarks in the Financial Services and General Government Appropriations Act decreased by 66.7 percent, from three in FY 2014 to one in FY 2015. However, the cost increased by 10.3 percent, from \$46.8 million in FY 2014 to \$51.6 million in FY 2015. Members of Congress should be congratulated for eliminating the numerous earmarks for the Small Business Administration that have plagued previous bills, but an earmark-free bill would have been a better result.

\$51,600,000 for the High Intensity Drug Trafficking Areas program (HIDTA) at the Office of National Drug Control Policy, which is a 14.4 percent increase over the \$45.1 million earmarked in FY 2014. Originally intended for border states, members of Congress have used earmarks to expand HIDTA to non-border states. Since FY 1997, 29 earmarks costing taxpayers \$213.2 million have been provided for HIDTA programs; 16 of the earmarks were directed to programs in 10 states, only two of which, Arizona and New Mexico, are border states. The other eight states that received HIDTA earmarks were Alabama, Hawaii, Iowa, Louisiana, Missouri, New Jersey, Tennessee, and Wisconsin.

The President's FY 2016 <u>version</u> of *Cuts, Consolidations, and Savings* recommended trimming the HIDTA program by \$52 million, or 21.2 percent, from the \$245 million spent in FY 2015. The proposed reduction is nearly identical to the \$51.6 million earmarked by Congress in FY 2015.

#### VI. HOMELAND SECURITY

The cost of the earmarks in the FY 2015 Department of Homeland Security (DHS) Appropriations Act remained relatively consistent, increasing by 0.4 percent, from \$317.8 million in FY 2014 to \$319.1 million in FY 2015. Both versions of the bill contained six earmarks. None of the earmarks appearing below received a budget request from the President.

\$100,000,000 for the Port Security Grant Program (PSGP), which has received five earmarks totaling \$689 million since FY 2005. A June 2014 GAO report found that, despite distributing nearly \$2.9 billion in funding to the PSGP since 2002, the Federal Emergency Management Agency "stated that it is unable – due to resource constraints – to annually measure reduced vulnerability attributed to enhanced PSGP-funded security measures."

**\$98,000,000** for the National Domestic Preparedness Consortium (NDPC), which strives to increase the preparedness of first responders to the threats of terrorism. Since FY 2005, the NDPC has received five earmarks worth \$359.6 million, including a \$10.1 million earmark in FY 2010 by Senate appropriator Tom Udall (D-N.M.) and former Sen. Jeff Bingaman (D-N.M.).

**\$25,000,000** for the National Predisaster Mitigation Fund (NPMF). The Obama administration first <u>proposed</u> eliminating the NPMF in its FY 2013 budget, yet Congress continues to earmark funding. Since FY 2008, there have been 206 NPMF earmarks requested by more than 100 members of Congress, costing taxpayers \$150.6 million.

**\$21,094,000** for the National Exercise Program, which aims to assess and improve the country's preparedness and resiliency. Since FY 2004, this program has received three earmarks costing \$92.2 million.



#### VII. INTERIOR

Following the larger trend in FY 2015, the cost of earmarks exploded in the Department of the Interior, Environment, and Related Agencies Appropriations Act. The number of earmarks increased by 100 percent, from three in FY 2014 to six in FY 2015, and the dollar amount went up by an astounding 387 percent, from \$17.7 million in FY 2014 to \$86.2 million in FY 2015.

\$11,119,000 for the Heritage Partnership Program (HPP) through the National Park Service (NPS), which is a 19.4 percent increase over the \$9.3 million earmark in FY 2014. Since 2001, HPP, which supports the 49 National Heritage Areas (NHAs) created by Congress, has received 49 earmarks worth a total of \$56.3 million for projects that include "park improvements, sports complexes, health centers, water quality monitoring, bike paths, sustainable agriculture, and agricultural tourism."

President Obama's FY 2015 budget recommended cutting funding for NHAs from \$18 million to \$9 million. Members of Congress rejected this recommendation, instead adding \$11.1 million to the budget request. The text of the FY 2015 Interior appropriations bill claimed the administration's proposed reduction would "have a particularly acute impact since the [NPS] is in the process of approving management plans for newer areas which allow them access to additional funding to implement their restoration and recreation programs."

A 2009 ExpectMore.gov <u>assessment</u> of the HPP found that the program "lacks a systematic process to identify and designate NHAs." Funding for individual areas is not allocated through a competitive process, and there are no national performance measures to hold the NHAs accountable for the use of federal funds.

## VII. INTERIOR (continued)

\$3,364,000 for the Valles Caldera National Preserve, an 89,000-acre ranch located in New Mexico's Jemez Mountains that the federal government purchased in 2000 for \$101 million. It was scheduled to drink no longer from the federal trough by 2015, and the Forest Service was supposed to take over operations from the Valles Caldera Trust in 2020 if the facility could not meet the self-funding directive. After the Senate passed a measure transferring control of the preserve to the NPS, the trust reiterated its "commitment" to a "smooth" six-month transition, which is scheduled to occur on June 19, 2015. Senate Interior Appropriations Subcommittee Ranking Member Tom Udall (D-N.M.) and former Sen. Jeff Bingaman (D-N.M.) were responsible for two earmarks for Valles Caldera in FYs 2008 and 2009 worth a total of \$6.9 million. Since FY 2001, the preserve has received eight earmarks worth a total of \$20.5 million.

## VIII. LABOR, HEALTH & HUMAN SERVICES, & EDUCATION (LABOR/HHS)

While the number of earmarks in the FY 2015 Labor/HHS Appropriations Act decreased by 25 percent, from eight in FY 2014 to six in FY 2015, their total cost ballooned by 337.7 percent, from \$128.5 million in FY 2014 to \$562.5 million in FY 2015.

**\$298,724,000** for the Fund for the Improvement of Education (FIE), which provides grants to state and local education agencies, nonprofit organizations, for-profit organizations, and other public and private entities "to improve the quality of elementary and secondary education at the state and local levels." The cost of the earmark increased by a massive 1,315.6 percent over the \$21.1 million in FY 2014, which is the largest percentage increase of any earmark in FY 2015. Since FY 2001, FIE has received 2,571 earmarks costing taxpayers \$1.6 billion. In his FY 2011 and FY 2012 budgets, President Obama did not request funding for FIE.

**\$214,776,000** for the Centers for Medicare and Medicaid Services (CMS) Health Care Fraud and Abuse Control Account. CMS administers Medicare, which has the highest reported amount of improper payments of any federal program. According to the CMS FY 2014 Comprehensive Error Rate Testing Report, the Medicare improper payment rate was 12.7 percent, which led to a payout of \$46 billion.

In a bipartisan push to help reduce improper payments, Congress approved a Recovery Audit Contractor (RAC) demonstration project for Medicare Parts A and B, which ran from 2005 to 2008 and recovered more than \$900 million in overpayments to providers. Congress enacted legislation to expand the program nationwide and make it permanent, a process that began in early 2009 and was fully implemented by September 2010. The scope of RACs was expanded in 2010 to include auditing for Medicare Parts C and D. Since the beginning of the RAC program, \$9.7 billion has been returned to the Medicare Trust Fund. Not only have RACs proven to be successful, they are also cost-effective because they are paid on a contingency basis.



## VIII. LABOR/HHS (continued)

CMS suspended certain RAC audits in 2013. The suspension has been extended several times by Congress and remains in effect until September 30, 2015. Rather than approving a large earmark for the fraud and abuse account, Congress should have restored all RAC audits.

\$15,409,000 for Rural Hospital Flexibility Grants (Flex) through the Department of Health and Human Services. Flex grants were created to "improve access to hospitals and other health services for families that live in rural communities." In his FY 2016 version of *Cuts, Consolidations, and Savings*, President Obama requested that the Flex program be cut by \$16 million, or roughly the same amount that members of Congress earmarked for the program in FY 2015. Since FY 2006, Flex grants have received four earmarks totaling \$108.9 million.

\$5,000,000 for abstinence education. Since 1996, the United States has spent more than \$1.8 billion for abstinence education programs. Congress has added 129 earmarks worth \$23.2 million for such programs since FY 2001. In FYs 2008 and 2009, former Sen. Arlen Specter (D-Pa.) was responsible for 47 abstinence education earmarks in Pennsylvania worth a total of \$1.4 million.

The Obama administration recommended cutting funding for abstinence education in its FY 2016 <u>budget</u>. The earmark in FY 2015 (among others) demonstrates that Congress cannot abstain from pork.



## IX. STATE & FOREIGN OPERATIONS

The number of earmarks in the State and Foreign Operations Appropriations Act increased by 25 percent, from four in FY 2014 to five in FY 2015. The extra earmark accounted for the 2.9 percent increase in cost, from \$172.4 million in FY 2014 to \$177.4 million in FY 2015.

**\$31,550,000** for the National Endowment for Democracy (NED), a private, nonprofit foundation that aims to help grow and strengthen democratic institutions around the world. Since FY 1997, NED has received five earmarks worth a total of \$146.1 million.

\$5,900,000 for the East-West Center in Hawaii, which is intended to promote better relations with Pacific and Asian nations. The center was established by Congress in 1960 with no congressional hearings, and over the State Department's opposition. For years, the State Department tried to eliminate the center by not requesting funding in the department's annual budget requests.

After Sen. Daniel Inouye (D-Hawaii) passed away in 2013, Senate Appropriations Committee member Brian Schatz (D-Hawaii) willingly stepped up to the plate to defend the center. In a June 19, 2014 press release, Sen. Schatz claimed a victory for adding \$5.9 million to the existing funding for the East-West Center. According to the release, "The President requested just \$10.8 million for the East-West Center in his budget for FY 2015. Senator Schatz worked with Appropriations Committee leadership, including Senate Appropriations Committee Chairwoman Barbara Mikulski (D-Md.), and Appropriations Subcommittee on the Department of State, Foreign Operations, and Related Programs Chairman Patrick Leahy (D-Vt.) to keep funding levels at \$16.7 million." Since FY 1997, the East-West Center has received 12 earmarks totaling \$115.6 million.



## IX. STATE AND FOREIGN OPERATIONS (continued)

**\$5,000,000** for the Asia Foundation, which is "committed to improving lives across a dynamic and developing Asia." This earmark is a 138.1 percent increase over the \$2.1 million earmarked in FY 2012. Since FY 1997, members of Congress have directed nine earmarks totaling \$54.6 million to the Asia Foundation.

\$4,400,000 for the Inter-American Foundation (IAF), which promotes and invests in grassroots projects in the Caribbean and Latin America. President Obama proposed a reduction in funding for IAF in each of his budgets, including a cut of 19.6 percent, from \$22.5 million to \$18.1 million in FY 2016, and has recommended that IAF continue to seek partnerships with corporate foundations to leverage additional funding. The proposed \$4.4 million cut is the same amount that members of Congress earmarked for this program in FY 2015. Since FY 2001, IAF has received three earmarks totaling \$20.8 million.

This booklet was written by Sean Kennedy, Director of Research, and Curtis Kalin, Media Director. It was edited by Thomas A. Schatz, President.



#### More Praise for CAGW and the Pig Book

"When you look at the waste highlighted in this year's *Pig Book*, there is no wonder why Congress has such a low approval rating with the American public. While the *2014 Pig Book* may not be as voluminous as it has been in past years – due to the temporary ban on earmarks – Congress and Washington still have an unfortunate love affair with waste and pork. Sadly, this love affair with pork gets in the way of funding for higher priority needs facing our country, such as transportation and defense."

Senator John McCain (R-Ariz.), May 7, 2014

"Even though actress Fran Drescher spoke at the National Press Club Tuesday, the real eye turner could be found down the hall at an event held by Citizens Against Government Waste. The organization released its annual *Pig Book*, detailing some of the biggest "porkers – or earmark lovers and their pet projects – in Congress. ... And to add some heft to their presentation, the organization brought out two real pigs – Dudley and Winnie – who did their part to oink about government waste."

Politico, April 15, 2009

"At a time when millions of families are cutting back on spending, this year's *Pig Book* shows that politicians in Washington still refuse to make tough choices and sacrifice their pet projects. I applaud CAGW for their efforts to force elected officials in Washington to deliver the change the American people were promised."

Sen. Tom Coburn (R-Okla.), April 14, 2009

"[CAGW] just hosted its well-known Washington awards show, complete with men in pig costumes – and actual pigs. Citizens Against Government Waste has been rolling out the swine awards for nearly 20 years, and ... they've identified \$290 billion in pork spending since 1991."

FOX Business Network, April 14, 2009

"In one of those sure signs of spring in the nation's capital – right after the cherry blossoms – comes release of the *Congressional Pig Book*. For 18 years now Citizens Against Government Waste has been contributing to the public debate over congressional spending on earmarks, exposing the way members of Congress spend the taxpayers' money on projects of either dubious merit or projects that simply have not been awarded competitively or been subject to public hearings."

Boston Herald, April 5, 2008

"The least popular book in Congress comes out today. The *Pig Book*, a digest of Washington's wasteful or so-called pork spending."

Chris Cuomo, ABC's "Good Morning America," April 2, 2008

"The *Pig Book* portrays a Congress with an insatiable appetite for 'pork,' spending your tax dollars on pet projects, often to help members win votes – or campaign contributions."

CBS, "The Early Show," April 2, 2008

"The *Pig Book*. It sounds like a children's story, but it is anything but. We're talking about some very serious cash here. ... Criticism by this group is not one-sided. Democrats and Republicans are being held in the spotlight for their earmarks."

CNN, April 2, 2008





1301 Pennsylvania Avenue, N.W. Suite 1075 Washington, D.C. 20004

1.800.Be.Angry www.cagw.org