

Chairman's Statement
Sen. Tom Coburn, M.D. (R-OK)
Earmark Reform – The Obligation of Funds Transparency Act
March 16, 2005

Pork politics is not an ancient practice that can't be reformed. Pork as we know it today didn't exist 20 years ago. In 1987, President Ronald Reagan vetoed a spending bill because it contained 121 earmarks. Disturbingly, the number of earmarks has skyrocketed over the past decade – from 4,126 in 1994 to 15,877 in 2005 – according to the Congressional Research Service. Last year the number of earmarks dropped to 12,852, but the total cost of these earmarks *rose* by \$16 billion for a total of \$64 billion in pork.

America's greatness was built on service and sacrifice, not the politically-expedient politics of pork. There is no lost Article of the Constitution or missing Federalist Paper that gives members of Congress a blank check to fund any project they desire.

Indeed, Thomas Jefferson wrote James Madison in 1796 that allowing Congress to spend federal money for local road projects would “be a source of eternal scramble among the members [for] who can get the most money wasted in their State; and they will always get most who are meanest.”

Jefferson's prophetic warning has been borne out by the reality that there exists an indisputable linear relationship between the runaway spending of the past 10 years and an increase in earmarks.

The truth is earmarks are a gateway drug on the road to spending addiction. One day an otherwise frugal member votes for pork, the next day he or she votes for a bloated spending bill or entitlement expansion. After all a “no” vote might cut off access to earmarks. Congressional leaders and appropriators use earmarks as leverage to get Members to vote their way – often for monstrous spending bills that a Member otherwise might oppose. In other words, earmarks help grease the skids for bigger government.

The task of selecting a share of the 15,000 annual pork projects has become an all-consuming endeavor for most congressional offices. Gathering earmark requests, meeting with lobbyists, and working to secure a coveted seat on the Appropriations Committee leaves little time for the traditional duties of overseeing government and reforming outdated programs. And we see the consequences of this neglect: in recent years, layers of government waste have gone virtually ignored, and bloated agencies have failed to deliver basic services, but their budgets are just increased each year as if on auto-pilot. Congress has failed in its oversight responsibility.

For example, last year the Department of Education told the Washington Times that it was facing “a significant challenge to process and monitor all of these earmarks.” This was in reference to 1,175 congressionally mandated projects in small print taking up 40 pages of a 663-page omnibus spending bill.

Some congressional critics of earmark reform make the excuse that getting rid of earmarks isn't the solution to reigning in runaway spending, controlling entitlements is. But as we saw with the recent budget reconciliation bill, Congress was barely able to trim even a relatively tiny amount of entitlement spending.

While earmarks cost \$64 billion last year, entitlement savings from budget reconciliation was only \$4.8 billion – and is estimated to save just \$38.8 billion over the next five years.

If Congress is unable to eliminate the most unjustifiable spending – which earmarks usually are – then how could it possibly make tougher choices on politically charged entitlement programs like Medicare and Social Security? Given current and future national debt realities, we cannot afford to spend money on these individual pet projects. Even if individual projects have merit – and I'm sure that many of them do - those merits for a small parochial interest have to be weighed against the broader risks of the out-of-control growth of earmarking.

Earmarking can lead to outright corruption, as seen in the recent guilty plea of former Rep. Duke Cunningham for bribery over an earmark of money for his district. Reducing or eliminating earmarks would help reduce the power of lobbyists, who often raise campaign money for members of Congress if they slip an earmark into a bill that benefits a lobbyist's client.

The websites of these top lobbying outfits make no bones about their ability to serve up the pork for their clients. All of the sites stress the firms' cozy relationships with Members and their staff and highlight their employees' previous government experience as a signal to potential clients that they're networked into the pork game. Many sites outright brag about the amount of earmarks they've secured for clients.

While there is nothing inherently wrong with lobbying *per se*, earmarking *in particular* develops an unhealthy relationship between Members, their staff, and the lobbyists seeking favors. According to the Wall Street Journal, the number of companies hired to pursue earmarks has doubled since 2000. According to the Center for Public Integrity the most commonly lobbied issue is budget and appropriations – 6,800 companies as of 2005.

The willingness of politicians to abuse the appropriations process through earmarking has led to this explosive growth in the lobbying industry and encouraged the excesses illustrated by the Cunningham and Jack Abramoff scandals. Abramoff has described the appropriations committees, and, by extension, the appropriations process, as an “earmark favor factory” in which influence and votes are bought and sold.

I believe Senator McCain's legislation – which I proudly cosponsored – and its companion in the House sponsored by Congressman Jeff Flake, is an important first step in a process that should ultimately lead to the shutdown of this “earmark factory.”

This legislation would require that earmarks be placed in the text of legislation rather than in the committee reports that accompany bills. Under current practice, committee report language directs federal agencies to spend money on particular earmarks – and the agencies have learned that congressional appropriators will retaliate if their language is ignored, even if it's in the national interest to ignore it.

A recent Congressional Research Service report shows that 96% of the 12,852 appropriations earmarks in FY2006 were hidden within report language. That means the language was slipped in behind closed doors, at the last minute, in the middle of the night. Everyone knows that conference reports become public almost immediately before they have to be voted on, which makes it almost impossible for Members to know what they're voting for.

Earmarks need transparency and time for debate to make sure each item is considered on its own merits and in light of competing priorities. Tucking earmarks into conference reports prevents taxpayers from the benefit of debate and disclosure about how their money is being spent. Requiring earmarked projects to be part of actual legislation would also make it easier for legislators to challenge them by offering amendments to change or strike them.

Transparency and debate will also reduce the value of earmarks as an instrument of party discipline by leadership and appropriators. And, shining light on these pet projects will help ethics compliance by curbing the incentive for members to take campaign donations from special interests. Ideally, forcing lawmakers to defend projects will expose them to ridicule and, eventually, the practice of earmarking – and the out of control spending it leads to – will ebb.

The truth is Congress will never take meaningful steps to tackle our enormous fiscal challenges as long as it indulges with impunity in a practice that creates a culture of complacency. They say every cloud has a silver lining – and I believe that the various lobbying and earmark-related scandals, both real and imagined, have opened a unique window of opportunity to enact reforms now that may not come again. If Congress fails to pass meaningful reforms that attack this climate of corruption at its source the public will, and should, take reform into its own hands in November.