

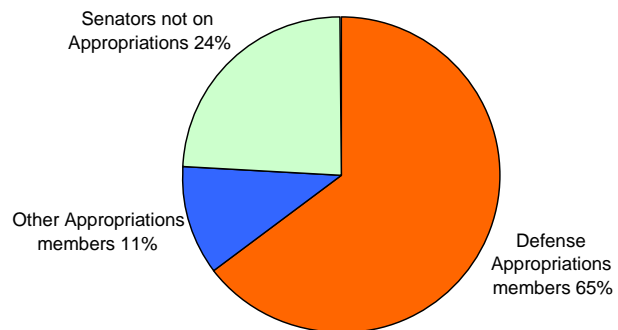
# DEFENSE PORK REACHES RECORD HIGH: Instead of Cutting, Congress Pays it Forward to the Supplemental

*By Austin Clemens*

The annual Department of Defense Appropriations Bill (defense appropriations bill) is, by far, the single largest spending measure that Congress passes each year. The fiscal year (FY) 2005 version weighed in heavier than most at \$391 billion. In such a large bill, Congress has plenty of opportunities to hide the pet projects coveted by individual lawmakers. This year's bill includes 2,671 parochial and politically motivated earmarks worth \$12.2 billion, both record highs. These projects were not requested by the President, but were instead inserted at the request of individual legislators while the bill was in subcommittee, committee, or conference committee.

Despite its status as the 800-pound gorilla of spending bills, the defense appropriations bill has historically contained the least amount of information about where our tax dollars are being spent. In this year's bill, for example, there was specific geographic location information on less than one percent of the earmarked funding in the bill. Consequently, no one, outside of Congress itself, knows where all the money in this bill goes. Taxpayers for Common Sense set out to remedy this lack of transparency by tracking down how this money is being spent and who is benefiting as a result. After starting with very little, we now know where close to 90 percent of defense earmarks are directed.

**Share of total earmarking, by committee standing, in Senate version of the Defense Appropriations Bill**



*Members of the Defense Appropriations Subcommittee received 65 percent of all earmarked funds in the Senate version of the bill, approximately \$4.8 billion.*

The result of this investigation, which required seven months and hundreds of hours of research by half-a-dozen researchers, is the most comprehensive review ever provided on which states win and which states lose in the earmarking of defense dollars. Some of the findings are not revelatory: it's no surprise, for example, that lawmakers sitting on the right committee are able to get far more money for their states than others. In the Senate, 65 percent of all earmarks went to the states of Senators who sit on the Defense Appropriations Subcommittee. It may be business as usual for Congress, but these results raise troubling questions. In a time of war and record deficits, some lawmakers seem more interested in feeding parochial concerns than they are in directing appropriate resources to the war effort.

## **What's Wrong with Earmarks?**

Earmarking defense dollars dilutes the effectiveness of defense spending. Instead of funding programs relative to their necessity for national security, lawmakers are focused on protecting their local district's military industrial base. Programs should be funded relative to their national security merits, not the strength of the political muscle backing them.

Unfortunately, this is not the case in the defense appropriations bill. Programs receiving earmarks are not necessarily underfunded to begin with, nor are they necessarily of any strategic importance, nor are they awarded for merit. Earmarks undergo no independent review, making it impossible to distinguish between truly meritorious projects and those that are pure pork. Despite congressional members' lofty rhetoric about putting our soldiers first, the earmarks they lavish on their districts are usually completely unrelated to current operations.

In 2005, earmarked funding is going to projects as diverse as entirely stainless steel bathrooms (\$4 million), airbags for aircraft (\$2 million) and leak proof transmission drip pans (\$3 million). Senator Ted Stevens (R-AK) requested \$4.3 million for a program that the Pentagon did not request funds for: the SmarTruck, a souped-up Ford F-350 for use in combat. The Defense budget also includes \$3.75 million for alcoholism research at the Gallo center in San Francisco. Senator Kit Bond (R-MO) earmarked \$110 million for two F-15's that the Pentagon didn't request. There is a \$1 million earmark for the eradication of brown tree snakes in Guam (Senator Inouye, from Hawaii, is concerned they will spread), and \$1.9 million for the Lewis and Clark Bicentennial Celebration. Other nuggets include \$1.5 million for a virtual reality spray paint simulator system in Pine City, Minnesota; \$4.3 million for vocational education of Alaskan miners; and \$1 million for a biathlon trail upgrade at Fort Richardson, Alaska.

All told, earmarks accounted for more than three percent of the bill's total \$391 billion appropriation. None of the programs that constitute this three percent have undergone any sort of review to determine their merits, and very few of them are discussed in detail in the bill, contributing to poor transparency in the appropriations process.

## **The Cost of Pork**

Legislators prioritized local concerns in this year's defense spending bill, resulting in a \$2.8 billion cut in funds for operations and maintenance and other readiness accounts that contribute to the war effort in Iraq and Afghanistan. The military's ability to fight effectively is largely dependent on adequate funding in these accounts. In all, Congress cut \$8.2 billion out of the entire bill to help make room for projects requested by individual lawmakers.

Some of the cuts will be replenished by this year's emergency supplemental legislation. Air Force Personnel accounts, for example, received a \$185 million cut in the defense appropriations bill, but they received \$1.3 billion in the administration's supplemental request. Navy Operations and Maintenance accounts sustained a \$240 million cut, but were the recipients of \$3.4 billion in the supplemental proposal (See chart at the end of this document for more). It is impossible to say whether or not portions of these new funds are needed because of cuts Congress made, but it's indisputable that Congress's cuts pinch the services' budgets, forcing them to find the money elsewhere.

**Earmarking totals for the 5 most senior Democrats and Republicans on the Defense Appropriations Subcommittee in the Senate. Conference version of the bill.**

Senator	State	Per Capita	Total
Senator Ted Stevens (R)	AK	\$694.45	\$435,375,000
Senator Daniel Inouye (D)	HI	\$382.84	\$463,825,000
Senator Thad Cochran (R)	MS	\$209.03	\$594,616,000
Senator Byron Dorgan (D)	ND	\$83.00	\$53,300,000
Senator Pete Domenici (R)	NM	\$76.52	\$139,200,000
Senator Ernest Hollings (D)	SC	\$54.67	\$219,350,000
Senator Christopher Bond (R)	MO	\$52.70	\$294,885,000
Senator Patrick Leahy (I)	VT	\$49.11	\$29,900,000
Senator Arlen Specter (R)	PA	\$44.29	\$543,906,666
Senator Tom Harkin (R)	IA	\$18.54	\$54,240,000
Senator Robert Byrd (D)	WV	\$17.23	\$31,166,000

Because the amounts of money added to accounts in the supplemental are overwhelmingly larger than the amounts cut out of the defense appropriations bill, it is very possible that Congress's cuts have been replaced in the excess. Unfortunately, the level of detail provided in the supplemental is too scant to allow an exact accounting. This sleight of hand makes room for pork, but it doesn't save the federal treasury a penny. Our nation is trying to fight a war and deal with deep deficits simultaneously, but instead of meeting our national security needs, those who control the federal purse strings want to spend precious defense dollars on local special interest projects.

## State v. State

The Appropriations Committee's decision-making process for earmarks can be distilled into a very simple formula that revolves around political power. In the case of the defense appropriations bill, the chairman and ranking member of the subcommittee get the most on a per capita basis and often the biggest total dollar amounts as well. Other members of the Defense Appropriations Subcommittee get a large share. Next in the pecking order are other Appropriations Committee members, and then everyone else, with preference given to party leaders.

**Earmarking totals for the 5 most senior Democrats and Republicans on the Defense Appropriations Subcommittee in the House. Conference version of the bill.**

Representative	State	Per Capita	Total
Rep. George Nethercutt (R-5)	WA	\$57.91	\$341,300,000
Rep. Norm Dicks (D-6)	WA	\$57.91	\$341,300,000
Rep. James Moran (D-8)	VA	\$57.79	\$409,056,714
Rep. John Murtha (D-12)	PA	\$44.29	\$543,906,666
Rep. Jerry Lewis (R-41)	CA	\$28.69	\$971,608,332
Rep. Peter Visclosky (D-1)	IN	\$24.43	\$148,550,000
Rep. David Hobson (R-7)	OH	\$17.57	\$199,525,000
Rep. Martin Olav Sabo (D-5)	MN	\$17.35	\$85,350,000
Rep. Henry Bonilla (R-23)	TX	\$16.96	\$353,587,666
Rep. C.W. Bill Young (R-10)	FL	\$12.95	\$184,772,665

Plug and chug in the equation and this year's defense appropriations bill yields the expected result. On the Senate side, states with representation on the subcommittee received an average of \$177 million. States with representation on the full appropriations committee averaged \$145 million while states with no committee representation received \$83 million. Senate leadership averaged \$138 million.

Differences in the House are even more dramatic: \$316 million for subcommittee members and \$195 million for committee members compared to just \$22 million for those outside the committee. House leadership received \$416 million on average.

The biggest winners are predictable: in the Senate version of the bill, Ted Stevens (R-AK), Appropriations Committee Chairman last year and current Chairman of the Defense Appropriations Subcommittee, gets the third largest amount and easily tops the per capita rankings, with Hawaii, home of Defense Appropriations Subcommittee Ranking Member Daniel Inouye (D-HI), coming in a distant second.

In the House version of the bill, each of the top ten bread-winning states has a member on the House Appropriations Committee; seven have members on the Defense Appropriations Subcommittee. In the Senate version of the bill, eight of the top ten states have senators on the Senate Appropriations Committee, with six that are also lucky enough to have senators on the Defense Appropriations Subcommittee.

States that are well represented in both chambers of Congress may have something extra to look forward to. Instead of picking and choosing between earmarks, the conferees just added the Senate and House earmarks together. The conferees made small cuts in most programs, but the conference agreement still has \$2.6 billion more in earmark funding than the House version of the legislation and \$4.6 billion more than the Senate version.

The discrepancies between the House and Senate versions of the bill illustrate the difference a simple committee assignment can make. Alaska, which lacks representation on the House Appropriations Committee, received less than \$2 million in the House version of the legislation, but in the Senate, where its senior senator chairs both the Appropriations Committee and the Defense Appropriations Subcommittee, Alaska ended up with \$375 million. It's not just a coincidence, and Stevens probably won't mind that this database so clearly demonstrates his power over the appropriations process. For a senator who is revered for bringing home the bacon, this is like free advertising.

## **Per Capita Consequences**

Looking at the per capita earmark spending in the bill gives an even better indication of the power of Appropriations Committee membership.

Senator Stevens didn't just work his way into one of the largest earmarking totals among all states, he ran away with first place in the national earmarks-per-capita sweepstakes. Every Alaskan "earned" \$694 and change, just on earmarks, in defense alone. The ranking Democrat on the committee, Senator Daniel Inouye (D-HI) finished second to Stevens by sending home \$383 in earmark funding for every Hawaiian.

This pattern is repeated in every piece of spending legislation Congress authors. In the FY 2004 Omnibus bill, which combined seven spending bills into one, Alaska blew away the competition, taking home \$778 per head while the nation as a whole averaged just \$38.12.

## **Historical Levels of Earmarking**

It hasn't always been like this. Flip back a few decades, and you'll find that earmarking levels drop off precipitously. In the FY 1980 defense bill, there were just 62 earmarks, worth \$8.9 billion in 2004 dollars.<sup>1</sup> Go back a little further, to FY 1970, and earmarking is in its infancy: the 1970 legislation contained only a dozen earmarks totaling just \$5.6 billion.<sup>2</sup>

More impressive than the steady increase in total dollars allocated to earmarks is the steep rise in the number of earmarks. In the past, Congress limited themselves to fewer, but larger, earmarks, reflecting a mentality of only earmarking funds in cases where they believed drastic changes were needed.

Earmarking has added a new dimension to the usual legislative complexity, swelling a bill that used to be no more than a 10 page document (FY 1970) into the 389-page phone book-sized bill it has become for the current fiscal year.<sup>3</sup> As recently as 1990, Congress was able to limit itself to 'just' 157 pages.<sup>4</sup> The increasing length and complexity of spending bills is making it more and more frustrating for the average American to understand where our tax dollars go.

The migration from featherweight bills to 2-inch thick tomes was a gradual process that indicates the extent to which Congress has become obsessed with micro-managing spending in the federal budget. Unfortunately, all this micromanagement is not just harmless over-engineering. As lawmakers must find ways to pay for their earmarks, this parochial pork has come at the expense of important Pentagon programs.

## **Making up the Money**

Dozens of Pentagon readiness and maintenance accounts get cut in this year's bill, with no explanation from the conferees as to why. Personnel and operations and maintenance accounts were slashed by more than \$2.8 billion, including cuts to some of the least sexy defense spending items, like food, repair items, training, spare parts, weapons maintenance, and military operations in Iraq and Afghanistan. Since Congress can now move some of that funding into the supplemental, they have the opportunity to put out an appropriations bill that makes defense spending look smaller than it actually is, and has plenty of room in it for members' earmarks.

Some of the supposed cuts are really nothing more than budget tricks. For example, Congress routinely includes "cost avoidance" cuts in defense legislation. Cost avoidance means Congress is mandating that the program save some money, regardless of whether such savings are possible or not. Congress does not justify these cuts, and there is no guarantee that the program will save any money at all, leaving the services to borrow from other accounts or simply scale back the program in order to meet their new funding requirement.

For example, the Army Reserve got a \$58.2 million cost avoidance cut in this year's bill. There's no explanation for this cut and others that appear in the other service's reserve forces, though they presumably reflect the mobilization of reserves for active duty in Iraq. In reality, no money has been saved from these mobilizations; it has been transferred into different accounts that will be replenished by the emergency supplemental legislation.

This cut was apparently the subject of some dispute between the two chambers. The House had included a \$2.1 million cut, but the conferees decided to go with the Senate's larger \$58.2 million figure. Neither version of the bill explains this discrepancy, or gives any indication as to how these numbers were decided upon. If the Army Reserve is unable to entirely offset this large reduction in funds, they may be forced to make cuts in other parts of their budget to make up the difference.

Elsewhere in the bill, spare parts for the MH-60 special operations helicopter received a \$10 million cut. The cut does not appear in the Senate version of the bill, but it is noted in the House version of the bill, where Representatives explain that they have scaled back the program due to concerns over the ability of the Army to meet ambitious procurement schedules for the MH-60. These frequent discrepancies between the House and Senate versions of the bill suggest that most of the cuts are somewhat arbitrary.

## **Making Cuts Stick**

The enormous number of earmarks in the bill shows Congress's willingness to throw out the President's requests and start from scratch. Consequently, it is doubtful that the President's budget cuts will make it into law this year. Powerful appropriators are sure to be looking out for their state's interests, and many of the President's cuts will probably get the axe.

One project that was cut in the president's fiscal year 2006 budget is the F/A-22 Raptor, a fighter jet built by contractors scattered across 43 states. Cuts for the Raptor have to run an 86 senator gauntlet to come out of conference alive. Most likely, senators will simply earmark the funds back in, eliminating many of this year's highly publicized defense spending cuts. The Pentagon is already considering restoring the F/A-22 and other weapons systems cut from its 2006 budget.

## **Reining in the Pork**

Unfortunately, despite a golden opportunity to rein in billions of dollars of wasteful spending, members of Congress have no incentive to forego earmarking. Only a handful of budget hawks have expressed real concern over this out-of-control process and the arbitrary budget cuts that are being made to accommodate it. The appropriations process needs serious reform, an effort that should begin with increasing the transparency of the appropriations process and reducing the overall number and value of earmarks.

To accomplish these goals, Taxpayers for Common Sense recommends the following:

- 1) Set the maximum number of allowable earmarks (administration and congressional) at no greater than 50 percent of the previous year's levels for the next 5 years.
- 2) Make the name of the requesting member of Congress available for each earmark in the legislation.
- 3) Make all earmark request letters available online at the Appropriations Committee web site.
- 4) Strictly enforce existing rules that disallow the addition of earmarks during conference negotiations.
- 5) Provide historical funding levels for earmarked programs over the last 10 years.
- 6) Require joint House-Senate budget agreements to be passed prior to appropriations legislation. Absent this agreement, require a continuing resolution at the previous year's budget levels.

Instituting these reforms would shave billions of dollars off the federal budget at a time when record deficits are forcing every branch of government to tighten their

belts. Just as important, the public would have the documentation necessary to fully understand the earmarking and appropriations process.

## **Methodology**

To create the Defense Appropriations Database, Taxpayers for Common Sense (TCS) referenced the final version of the FY 2005 Department of Defense Appropriations Bill (H.R. 4613) and its associated conference report (108-622) exclusively. This database is a comprehensive listing of all the bill's earmarks: funds that were added by members of Congress. No distinctions are made between good and bad projects.

The Department of Defense Appropriations Bill contains location information for only a handful of the bill's earmarks, so TCS conducted extensive research to determine which state or states each earmark will benefit. TCS reviewed news articles, Congressional press releases, Pentagon contracting announcements, and dozens of other sources to find locations for the earmarks. Ultimately, some projects simply could not be located or wording in the bill was too vague to allow the correct location to be pinpointed. The current content of the database represents everything that could feasibly be located, after several attempts by TCS staff to locate as many projects as possible.

Most large military projects utilize a large number of subcontractors. Because it would be impossible to accurately determine what percentage of the money would go to these subcontractors, all projects were assigned to states based on the location of the project's primary contractor.

In cases where earmarks direct funds to multiple states, the earmark is split evenly among all of the states involved. Classified projects are marked UNK for unknown. Grant programs that could potentially benefit researchers in many states are marked as MISC, for miscellaneous. In cases where it is known that a few states will accrue most of an earmark's benefits, but the exact states involved or the degree to which they will benefit cannot be determined, the earmark is labeled MISC. In all cases, as much additional information as possible has been provided in the notes column.

All overseas projects are labeled INT, for international, and all projects in U.S. territories are labeled UST. Wherever possible, the exact locations for these projects are specified in the notes column.

Legislators are noted in the champion column only if they released a statement claiming credit for that specific provision. The champion column is not comprehensive. A blank in the champion column does not mean that no legislator claimed credit.



## Appendix

Figure 1: Accounts cut in FY2005 Defense Appropriations and replenished in FY2005 Supplemental

Account	Amount Cut in FY2005 Defense Appropriations Bill	Amount Added in FY2005 Supplemental
Personnel- Army	\$94,300,000	\$13,298,942,000
Personnel- Navy	\$78,150,000	\$524,980,000
Personnel- Marine Corps	\$14,800,000	\$1,246,126,000
Personnel- Air Force	\$185,500,000	\$1,316,572,000
Reserve Personnel- Army	\$58,200,000	\$39,627,000
Reserve Personnel- Navy	\$41,200,000	\$9,411,000
Reserve Personnel- Marine Corps	\$30,000,000	\$4,015,000
Reserve Personnel- Air Force	\$15,700,000	\$130,000
NG Personnel- Army	\$55,700,000	\$429,200,000
NG Personnel- Air Force	\$7,500,000	\$91,000
O&M- Army	\$568,950,000	\$17,267,304,000
O&M- Navy	\$240,425,000	\$3,423,501,000
O&M- Marine Corps	\$52,614,000	\$970,464,000
O&M- Air Force	\$406,702,000	\$5,601,510,000
O&M- Defense-Wide	\$265,535,000	\$3,521,327,000
O&M- Army Reserve	\$20,000,000	\$8,154,000
O&M- Navy Reserve	\$20,000,000	\$75,164,000
O&M, Army National Guard	\$55,000,000	\$188,779,000
O&M- Air National Guard	\$30,000,000	\$0
Procurement- Army	\$234,521,000	\$8,969,325,000
Procurement- Navy	\$533,987,000	\$491,202,000
Procurement- Marine Corps	\$23,000,000	\$2,974,045,000
Procurement- Air Force	\$820,558,000	\$3,110,567,000
Procurement- Defense-Wide	\$146,769,000	\$591,327,000
RDT&E- Army	\$433,885,000	\$25,170,000
RDT&E- Navy	\$925,979,000	\$179,051,000
RDT&E- Air Force	\$1,146,895,000	\$102,540,000
RDT&E- Defense-Wide	\$1,064,794,000	\$153,561,000

Figure 2: Earmark and earmark per capita totals for representatives on the Defense Appropriations Subcommittee in the House version of the defense appropriations bill, sorted by per capita.

Representative	State	Per Capita	Total
Rep. Roger Wicker	MS	\$71.54	\$203,516,666
Rep. George Nethercutt	WA	\$54.25	\$319,750,000
Rep. Norman Dicks	WA	\$54.25	\$319,750,000
Rep. John Murtha	PA	\$51.06	\$627,033,332
Rep. Todd Tiahrt	KS	\$46.72	\$125,600,000
Rep. James Moran	VA	\$38.80	\$274,614,881
Rep. Jerry Lewis	CA	\$33.25	\$1,126,396,332
Rep. Randy Cunningham	CA	\$33.25	\$1,126,396,332
Rep. Peter Visclosky	IN	\$23.28	\$141,550,000
Rep. Martin Sabo	MN	\$19.31	\$95,000,000
Rep. Henry Bonilla	TX	\$17.76	\$370,316,665
Rep. David Hobson	OH	\$15.92	\$180,750,000
Rep. Rodney Frelinghuysen	NJ	\$14.47	\$121,769,046
Rep. Bill Young	FL	\$12.95	\$206,966,666

Figure 3: Earmark and earmark per capita totals for senators on the Defense Appropriations Subcommittee in the Senate version of the defense appropriations bill, sorted by per capita.

Senator	State	Per Capita	Total
Senator Ted Stevens	AK	\$597.59	\$374,650,000
Senator Daniel Inouye	HI	\$421.90	\$511,150,000
Senator Thad Cochran	MS	\$255.50	\$726,816,000
Senator Byron Dorgan	ND	\$114.84	\$73,750,000
Senator Conrad Burns	MT	\$84.90	\$76,600,000
Senator Pete Domenici	NM	\$77.13	\$140,300,000
Senator Patrick Leahy	VT	\$68.99	\$42,000,000
Senator Richard Shelby	AL	\$59.21	\$263,321,000
Senator Judd Gregg	NH	\$58.18	\$71,900,000
Senator Christopher Bond	MO	\$43.20	\$241,735,000
Senator Ernest Hollings	SC	\$29.86	\$119,800,000
Senator Tom Harkin	IA	\$22.96	\$67,200,000
Senator Harry Reid	NV	\$22.94	\$45,850,000
Senator Mitch McConnell	KY	\$21.87	\$88,375,000
Senator Robert Byrd	WV	\$15.48	\$28,000,000
Senator Arlen Specter	PA	\$10.34	\$127,000,000
Senator Richard Durbin	IL	\$8.82	\$109,500,000
Senator Dianne Feinstein	CA	\$5.42	\$183,475,000
Senator Kay Bailey Hutchison	TX	\$5.10	\$106,250,000

Keith Ashdown and Steve Ellis contributed to this report.

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<sup>1</sup> House of Representatives. H.R. 5359: A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes. Washington: GPO, 1979.

<sup>2</sup> House of Representatives. H.R. 15090: A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1970, and for other purposes. Washington: GPO, 1969.

<sup>3</sup> *ibid.*

<sup>4</sup> House of Representatives. H.R. 3072: A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes. Washington: GPO, 1989.