

2018

ANNUAL REPORT



Letter from Ryan Alexander

Working at Taxpayers for Common Sense requires a combination of optimism and skepticism. Even in the best of political times, our mission—to fight waste and achieve a responsible federal government that lives within its means—can seem Sisyphean. Suffice to say, these are not the best of times for budget watchdogs.

First, Congress rushed through the tax bill last December, adding a trillion dollars to the deficit. It then passed a budget deal for fiscal years 2018 and 2019 that added \$300 billion in spending above the budget caps without offsets.

That explains the skepticism. But we see opportunities too. We stopped the reckless move to repeal a methane waste rule that would have prevented the Department of the Interior from addressing the issue in the future. We are working with people across the political spectrum to bring some restraint to a farm bill bloated with corporate subsidies. We have new partners in the fight against Pentagon waste.

Facts still matter. Taxpayers for Common Sense isn't done protecting your taxpayer dollars, this year and the next.

Join us!



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Methane

Since 2014, Taxpayers for Common Sense has exposed taxpayer losses from natural gas wasted during oil and gas production on federal lands. In 2016, we successfully supported a strong rule that would curtail methane waste. In early 2017, our work

was instrumental in stopping congressional repeal of this rule, which would have jeopardized any future effort to prevent natural gas waste.

Today, TCS continues to document taxpayer losses from oil and gas wells on federal lands with our most recent report entitled, Gas Giveaways. As a credible, nonpartisan source for both policymakers and the press, TCS continues to protect natural resources that belong to the taxpayers.

Tax Bill

In the rush to pass a tax package, Congress forgot to actually “reform” the system. The final bill further complicates the tax code, makes it even less fair, and will cost in excess of \$1 trillion over the next decade. The tax law also failed to stop the practice of tax extenders—the repeated extensions of “temporary” tax preferences to disguise their true costs usually as part of an end of year, must-pass bill. We were disappointed, but unsurprised.

Nevertheless, we continue to meet with the staff of the tax-writing committees about taxpayer subsidies for various industries, tax extenders, and the benefits of a carbon tax. We know the tax bill will be opened up, presenting opportunities during the coming months and years.

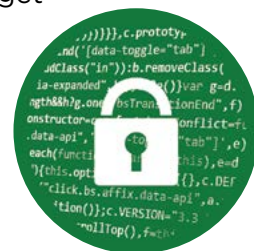
“On the day after the biggest snowstorm to hit Washington this year, there is plenty of slush to go around.” @taxpayers

— @PentagonChoices

Cyber Spending Database

Cyber security is one of the most discussed and least understood issues of the day. Hacks and data breaches made headlines throughout 2017. But despite the obvious threat to both our personal and national security, no one can say how much the federal government spends on cyber programs.

One of TCS’ core values is transparency in federal spending. And we are data nerds. So, we combed through ten years’ worth of budget documents and compiled the first publicly available database of every unclassified program that includes cyber spending. This is now a resource for Congress, federal agencies, and reporters to help identify duplication, inefficiencies, and areas of underinvestment.



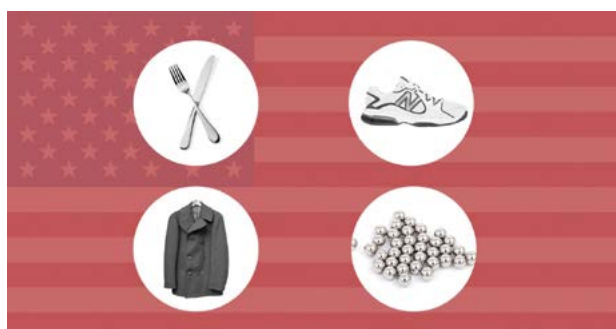
Parochialism Run Amok

Requiring the Pentagon to buy certain things only from American sources has become a popular way to push contracts to specific contractors—a form of backdoor earmarking. We believe our service members deserve the best equipment, wherever it is manufactured.

This past year, New England lawmakers sought to prevent the Navy from updating the traditional wool peacoat to a more modern, lightweight, waterproof coat. Then, a New York member sought to require all stainless steel flatware

@taxpayers crunched some numbers on the omnibus: a 2232-page bill with a \$1.3 trillion price tag comes out to \$582 million per page. That’s an expensive page.

— @connorbrienNH



“Apparently the Pentagon can’t spend its money fast enough via @taxpayers”

— @StrausReform



be from an American manufacturer ... in that member’s district. In the case of the peacoat, our work helped defer a long-term commitment to the old version, and we were able to stop the flatware protectionism in its tracks.

Agriculture

Since our founding, we have been working to make the farm bill better serve the entire agriculture sector, including consumers and rural communities impacted by agricultural production. Our goals are improving the measurement of conservation programs’ contribution to reducing agricultural pollution, and consequently, taxpayer costs of clean-up; stopping parochial spending on special interests like pecans and cotton; and making federal agricultural policies more accountable to promote a more resilient American agriculture sector.

In October, we spearheaded a bipartisan farm bill summit bringing together groups from across the political spectrum, including National Taxpayers Union, the Heritage Foundation, the Environmental Working Group, and the National Sustainable Agriculture Coalition to find a bipartisan approach to better agriculture policy. After a day of discussion headlined with speeches by Sen. Jeff Flake (R-AZ) and Rep. Earl Blumenauer (D-OR), we carried this momentum into bipartisan working groups on the Hill as the farm bill makes its way through Congress.



Flood Insurance and Disaster

Congress approved more than \$100 billion to respond to natural disasters in 2017. We tracked where all the Harvey, Irma, and Maria disaster dollars went and demanded accountability as the cash went out the door.

We worked to get a federal flood insurance reform bill over the finish line in the House of Representatives, one that doesn’t encourage risky development. We are working in the Senate to approve a similar measure before the National Flood Insurance Program expires this summer.

The Road Ahead

Since the 2016 election, the idea of fiscal responsibility has all but disappeared. Despite this shift, requests for TCS’ analysis and our voice have increased rather than decreased from Capitol Hill offices and allied organizations. Individually, Congressional offices still maintain an interest in fiscal responsibility, even as it was one of the first principles to become a casualty of political pressure.

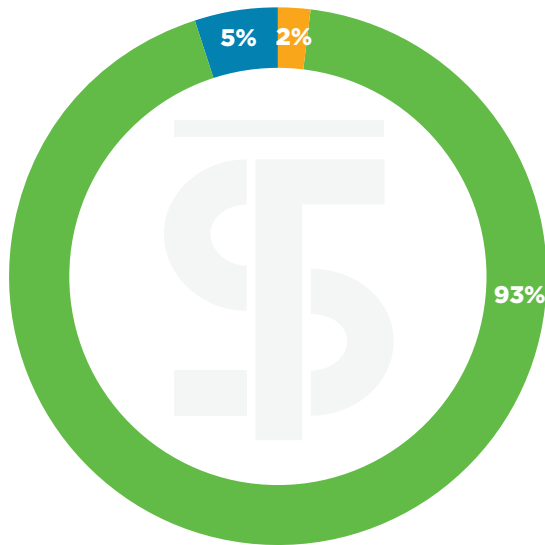
In the 23 years since our founding, we have worked effectively under Republican and Democratic presidents, under united and divided government. We have helped eliminate wasteful spending at the Pentagon, including stopping the F-22 Raptor program; identified corrupt spending practices by former members of Congress Duke Cunningham, Charles Taylor, and John Murtha; and successfully worked to eliminate the Volumetric Excise Ethanol Tax Credit.

In the current political climate, it is harder to break through with facts, but our reputation among policy makers continues to give us access across the political spectrum. In an era when messenger matters more than message, we are still trusted on both sides of the aisle. Our tactics may be more

aggressive, but our reputation for fairness and accuracy remains strong.

Taxpayers for Common Sense will always work to transcend partisanship and attract the widest possible audience to help build something Americans can believe in: a government that inspires trust and makes more sense.

Where Your Money Goes



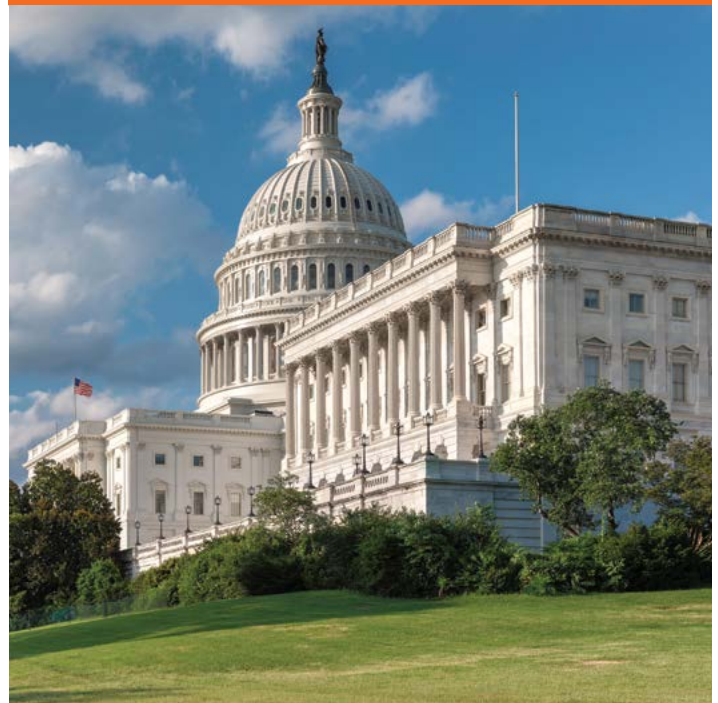
Programs **Administrative** **Fundraising**

Tax extenders are “cockroaches of the Washington policy environment,” says Steve Ellis, VP of @Taxpayers. “They seem to always survive.”

— @Publici

\$6.8 billion in spending that Pentagon did not even ask for. Can I get a plane too?

— @EricLiptonNYT



Join the thousands of Congressional and agency staff, journalists and activists who receive our **Weekly Wastebasket**—our weekly newsletter highlighting wasteful government spending—along with our solutions.

Through the **Weekly Wastebasket**, you can count on TCS to provide insight into the realities of the general budget process. And don't worry, there's nothing wasteful about it—it's free!

Get the facts, not the fluff. Sign up for the Weekly Wastebasket today!

<https://www.taxpayer.net/tag/wastebasket/>

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