



# COMMITTEE ON APPROPRIATIONS

DAVID R. OBEY (WI-07), CHAIRMAN

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## FACT SHEET

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### RECENT HISTORY OF EARMARK REFORM

Prior to 1994, earmarks were largely confined to a handful of appropriations bills, like the Military Construction bill, that by their very nature are heavily earmarked because, by definition, those bills assign dollars to specific projects. That is what those bills do. They represent agreements between the executive and legislative branches about which specific construction projects will go forward. Earmarks exploded when the Republican Party took control of the House of Representatives in 1994.

For example:

- In 1994, four of the most heavily earmarked appropriations bills – Commerce-Justice-State, Labor-HHS-Education, Transportation, and VA-Housing and Urban Development – contained roughly 764 earmarks. By 2005, that number exploded to roughly 8,600 earmarks – an increase of more than 1,000 percent.
- In 1994, the Labor-HHS-Education bill contained ZERO earmarks. By 2005 Labor-HHS-Education bill contained 3,054 earmarks.

Earmarks also grew substantially in other bills, like the comprehensive transportation authorization bills that are supposed to be considered every six years and the tax bills that Congress considers.

That explosion didn't happen by accident.

At the same time that the Republican leadership significantly increased the number of earmarks in their bills they also moved to clamp down on domestic investments being made in the budget, using earmarks as leverage to get Members to vote for legislation they knew wasn't meeting the nation's needs. Over time, earmarks were increasingly used to coerce Members into voting for, or punish them for voting against, legislation. Examples include:

- **LABOR-HHS-EDUCATION:** The 2004 Labor-HHS appropriations bill that came to the House floor provided \$8 billion less than promised under the No Child Left Behind (NCLB) Act. There were also reductions in NIH research funding and in the number of seniors served by "Meals on Wheels." For these reasons, Democrats in the House voted unanimously to oppose the bill. In retaliation, the Republican Appropriations Subcommittee Chairman eliminated all projects included by Democratic Members.
- **VA-HUD:** The 2004 VA-HUD appropriations bill included \$25.7 billion for VA health programs, the same as the President's request but \$1.8 billion below the amount promised under the budget resolution. Numerous Democratic and Republican members saw this funding as insufficient and made several attempts to increase veterans funding. When it became clear that these efforts had failed, these Members (including the Chairman and the Ranking Democrat of the Veterans Affairs Committee) recommended that others oppose the bill on final passage. In total 109 members ended up voting against the bill – 59 Republicans and 50 Democrats. As retribution for that vote, the Republican Appropriations Subcommittee Chairman cut Economic Development Initiative grants for those Members' districts to instill "discipline."
- **TRANSPORTATION:** In a February 2004 letter, then-Chairman of the House Appropriations Subcommittee on Transportation and Treasury, Ernest Istook, wrote to 32 lawmakers who signed a letter in support of Amtrak funding making clear that he would oppose additional funding for Amtrak.

He further stated:

*A 'Dear Colleague' letter has just been sent to every House Member, to outline the process for reviewing the transportation priorities for your district as we develop our fiscal 2005 bill ... As you submit these important priorities for your district, please bear in mind that any request for Amtrak funding, even if submitted in a separate document, must and will be weighed against your other requests, and I will consider it as a project request for your district.*

Despite these threats, 21 Republican members signed the letter supporting the additional Amtrak funding. Istook kept his word and eliminated projects for every Republican who defied him. As Paul Weyrich, a former Amtrak Board member under President Reagan and a self-described friend of Istook's described the situation:

*"I have no problem with Istook's having explained to these 21 Members why he disagrees with their views. But to punish the people of the various districts just because their Member signed a letter to the Subcommittee Chairman strikes me as an abuse of power...In contemporary Russia legislators who challenge the government of President Putin find themselves out in the legislative cold, unable even to get recognized to ask a question. We were not like that in America, at least until now."*

When earmarking reached the levels experienced at the end of the 109<sup>th</sup> Republican-controlled Congress it began to severely damage the legislative process. Instead of debating the policies and programs, Members were expected to support the bills - no matter what - if they had earmarks included. And over time it had an impact. With earmarks at stake, many Members of Congress started asking first what a bill did for him or her at home rather than what that bill did for the country. As a report in the Hill newspaper put it, "the denial of earmarks ... codifies a Republican plan to instill a Pavlovian response into lawmakers: If you vote against a bill, don't expect any earmarks."

When Democrats returned to the majority in 2007 they instituted several major earmark reforms:

- **In 2007**, Democrats suspended all earmarks until a reformed process could be put in place. New House rules were adopted that required robust earmark disclosures – including detailed lists of every earmark and its sponsor, a public certification from every Member that they have no financial interest in any earmark request, and identification of earmarks “air-dropped” in conference. Additionally, the House prohibited the conditioning of any earmark on any vote cast by a Member of Congress.
- **In 2008**, building upon the 2007 reforms, the total dollar amount earmarked for non-project-based accounts was reduced by 43% below FY 2006.
- **In 2009**, all Members were required to post online their earmark requests and justification, and the executive branch was directed to review all earmark requests. Additionally, the list of funded earmarks was made public at the earliest possible date -- the subcommittee markup; all House earmarks intended for for-profit entities were required to be competed, and the total amount earmarked was reduced even further, achieving a 50% reduction below FY 2006.
- **This year**, the House Appropriations Committee announced that it will not approve requests for earmarks that are directed to for-profit entities, and agency Inspectors General will be required to audit at least 5% of all earmarks directed to non-profit entities. Additionally, an online “one-stop” link to all House Members’ appropriations earmark requests will be established to help the public easily view them.