



Oppose Long-term Contracting Authority for Synthetic Fuels and Support Contracting Reform and Pentagon Waste Reduction in the Defense Authorization Bill

September 15, 2008

Dear Senator:

As the Senate debates S. 3001, the Defense Authorization bill, Taxpayers for Common Sense Action would like to highlight some provisions that will save money for federal taxpayers.

Eliminate Earmarks from the Bill Report

TCS supports Amendment 5405, sponsored by Senator DeMint, which would eliminate a provision in the bill that gives earmarks in the bill report the force of law. An Executive Order issued earlier this year attempted to strengthen accountability for the thousands of earmarks attached to our spending bills by directing that federal agencies expend funds on the basis of non-statutory earmarks. This bill and others being considered have attempted to undermine that order by inserting a provision that incorporates earmarks into the legislative text by reference. **Maintain the spirit of the order and vote yes on Amendment 5405.**

Oppose Long-term Contracts for Synthetic Fuels

TCS Action urges you to oppose language granting the Department of Defense (DOD) authority to enter into multi-year contracts for the purchase of synthetic and alternative fuels. Currently the bill includes language permitting DOD to enter into ten-year contracts with synthetic fuel producers. Additionally, Senator Bunning (R-KY) has sponsored Amendment 5432, which would allow twenty-five year contracting authority with synthetic fuels producers. Taxpayers were stuck with the tab after the synthetic fuel industry went under in the 1980s, and entering into long-term contracts with this industry today is just as risky an investment. The success of DOD's multi-year programs in saving taxpayers money has been inconclusive at best. The Government Accountability Office (GAO) recently found that DOD's long-term contracts can cause financial losses if the contract is cancelled by constraining the federal government's budget flexibility. **Oppose Amendment 5432 and any language permitting long-term contracting for synthetic fuels.**

Support Contracting Reform

Several provisions in Title VIII of the bill would go a long way toward increasing transparency and accountability in government contracting. Section 831 would establish a database of information on past performance of Defense Department contractors to help acquisition officials make better decisions. Section 832 would establish ethics safeguards for federal contractors performing essential government functions, as recommended in a March 2008 GAO report. And the Accountability in Government Contracting Act, introduced as Amendment 5277, would address many of the systemic failures that have earned Defense Department acquisition a permanent place on the GAO's high risk list, such as insufficient acquisition workforce and weak accountability for interagency contracts. The legislation won bipartisan support in both the House and Senate when introduced as a stand-alone bill in 2007. **Support contract reform by voting yes on sections 831, 832 and Amendment 5277.**

Support Amendments Targeting Pentagon Waste

TCS has worked to reduce waste, fraud and abuse in defense spending, and two of the amendments currently introduced would aid this goal. Amendment 5353, sponsored by Senators Levin, Akaka and McCain, would allow the President to appoint a Director of Cost Assessment to establish realistic cost estimates for major defense programs. Amendment 5320, sponsored by Senators Sanders, Feingold and Whitehouse, would reduce unnecessary military inventory that the GAO says has cost taxpayers billions of dollars. We desperately need to strengthen fiscal responsibility at the Pentagon. **Vote Yes on Amendments 5353 and 5320.**

Again, we urge your attention to these important issues. If you would like additional information please contact me or Autumn Hanna or Laura Peterson at (202) 546-8500 or info@taxpayer.net.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Ry Alexander". The signature is fluid and cursive, with the first name "A. Ry" and the last name "Alexander" clearly distinguishable.

Ryan Alexander
President