

NEWS

House Appropriations Committee

Chairman Jerry Lewis (R-CA)

Website address: www.house.gov/appropriations

On Time and Under Budget AGAIN

Fiscal Restraint

Earlier this year, House Republicans passed a fiscally responsible budget that placed tough constraints on discretionary spending without a single Democratic vote. In fact, Democrats have tried to increase spending by more than \$45 billion during this year's appropriations process (Sheet 1). Over the last four years, if Democrats had controlled the House of Representatives, discretionary spending could have increased by at least \$106 billion.

Last year, House Republicans were successful in terminating 53 programs for a savings of \$3.5 billion. House Republicans have proposed 95 program terminations, three more than the Administration has proposed, for a savings of nearly \$4 billion. (Sheet 2) These terminations include eliminating wasteful programs (Sheet 3) and not funding questionable Administration earmarks. (Sheet 4) Earlier this year, House Republicans bolstered by a Presidential veto threat, held the line and rejected \$14.4 billion in extraneous spending in the war supplemental. (Sheet 5)

Earmark Reforms

Member project funding or Congressional earmarks represent less than 1% of the total federal budget. While it is a very small piece of the overall budget, Congress has taken positive steps to reduce the number and dollars spent on Member projects while increasing the transparency and oversight over these spending decisions. This year, Member requests for projects declined by 37 percent and dollars spent on projects declined significantly in every spending bill. Overall, spending on Member projects was reduced overall by \$7.5 billion below last year (Sheet 6). Over the last two years, Member project spending has decreased by over \$10 billion. In addition, the House passed comprehensive earmark reform that will identify the sponsors of earmarks in tax and spending bills. We took strong steps to avoid "airdropping" projects in conference committees by including all member projects during House consideration of spending bills.

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Sheet 1

Dems Try to Bust the Budget by \$45.2 Billion

After voting lockstep against the House budget resolution which froze non-security discretionary spending and placed modest restraints on certain entitlement programs, Democrats continued their free-spending ways by trying to bust the budget by more than \$45 billion during the FY07 appropriations process. Below is a list of the all the Democratic attempts to increase spending this year.

Emergency War Supplemental—Republican appropriators defeated a Sabo amendment to add \$3.4 billion in homeland security funding and a Berry amendment to add \$3.9 billion for agricultural assistance. House Republicans rejected \$3.6 billion in additional spending proposed by the Democrats on the House floor which included a Jefferson amendment to add \$1.9 billion for CDBG, a Melancon amendment to add \$465 million for the Army Corps Flood Control program and a Sabo amendment to add \$1.225 billion for homeland security programs.

Allocations—Republican appropriators defeated an Obey amendment to increase discretionary spending by more than \$15 billion paid for by increasing taxes on small businesses.

Agriculture—Republican appropriators defeated a DeLauro amendment to add \$500 million for various agriculture programs.

Energy and Water—Republican appropriators defeated a Visclosky amendment to add \$1 billion for energy programs and water projects.

Homeland Security—Republican appropriators defeated an Obey amendment to add \$3.5 billion and another Obey amendment to add \$1.9 billion to the bill.

Interior—Republican appropriators defeated an Obey amendment to add \$800 million for various natural resource programs.

Labor-HHS-Education—Republican appropriators defeated an Obey amendment to add \$6.3 billion to the bill and another Obey amendment to add \$400 million for public broadcasting.

Military Quality of Life—Republican appropriators defeated an Edwards amendment to add \$735 million, an Obey amendment to add \$507 million and a Farr amendment to add \$1.8 billion in spending to the bill.

Science-State-Justice—Republican appropriators defeated a Mollohan amendment to add \$600 million.

Transportation-Treasury-HUD—Republican appropriators defeated an Olver amendment to add \$1.7 billion to the bill.

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Sheet 2

FY07 Program Terminations

Last year, the House Appropriations Committee successfully eliminated 53 programs for a savings of \$3.5 billion. In previous years, Congress had only been successful in eliminating only a handful of programs. Building on that record in this year's spending bills, the House Appropriations Committee has proposed eliminating 95 programs for a savings of nearly \$4 billion, 4 more than Administration has proposed.

Agriculture includes 8 terminations for a savings of \$414 million.

Healthy Forests Reserve: \$3 million.

Invasive Species Grant: \$10 million.

Wildlife Air Safety initiative: \$3 million.

Classical Chinese Garden: \$8 million.

Financial Management Modernization Initiative: \$14 million.

Child Nutrition Program, contingency reserve fund: \$300 million (new mandatory)

P.L. 480 Title I program: \$64 million

Ocean Freight Differential Grants: \$12 million

Energy and Water includes 3 terminations for a savings of \$411 million.

Geothermal R&D technology: \$23 million

Natural gas R&D technologies: \$20 million

Construction of the Mixed Oxide Fuel Plant: \$368 million

Foreign Operations includes 4 terminations for a savings of \$286 million

Conflict Response Fund: \$75 million

Asia Pacific Partnership: \$46 million

Africa Housing Facility: \$5 million

Congo Debt Relief: \$160 million

Homeland Security includes 6 terminations for a savings of \$154 million

Office of Screening Coordination and Operations: \$4 million

SURGE initiative: \$21 million

Maritime security response team shoot house: \$2 million

Fast Response Cutter: \$42 million

Citizen Corps: \$35 million

New Coast Guard headquarters: \$50 million

Interior includes 4 terminations for a savings of \$54 million

Stateside Land and Water Grants: \$30 million

Forest Service economic action program: \$9 million

BLM rural fire program: \$10 million

Asia Pacific Partnership: \$5 million

Labor-HHS-Education includes 56 terminations for a savings of \$1.66 billion

Responsible Reintegration for Youthful Offenders: \$50 million
Denali Commission: \$7 million
Prisoner Re-entry: \$20 million
Community College Initiative: \$150 million
Work Incentives Grants: \$20 million
Management Crosscuts: \$2 million
Working Capital funds: \$7 million
NY State UI: \$50 million
Tech Asst. Nat Activities: \$2 million
HRSA - Health Career Opportunity Program (HCOP): \$4 million
HRSA - Faculty loan repayment: \$1 million
HRSA - Public health/dental training: \$8 million
HRSA - Delta Health Initiative: \$25 million
HRSA - Denali Commission: \$39 million
HRSA - ER 1 Administration earmark: \$25 million
CDC - Pandemic Flu base activities: \$168 million
CDC - Bulk Monovalent Vaccine Purchase: \$30 million
CDC - Mind-Body Institute: \$2 million
CDC - Special Olympics Healthy Athletes: \$6 million
CDC - Diamond Blackfan Anemia Program: \$1 million
CDC - Arctic health program: \$0.3 million
CDC - Hanford study: \$1 million
CDC - Pfiesteria program: \$8 million
CDC - Volcanic Emissions program: \$0.1 million
CDC - ALS Registry: \$1 million
SAMHSA - Access to Recovery: \$98 million
CMS - Health Care Fraud and Abuse Control: \$118 million
Health admin: \$1 million
ACF -- Job Opportunities for Low-Income Individuals: \$5 million
ACF -- Trafficking program: \$5 million
Early Learning Fund: \$36 million
Embryo adoption campaign: \$2 million
Alcohol Abuse Reduction: \$32 million
Dropout Prevention Programs: \$5 million
Close Up Fellowships: \$2 million
Education Technology State Grants: \$272 million
Foundations for Learning (FIE): \$1 million
Whaling trading partners (FIE): \$9 million
Javits Gifted and Talented Ed: \$10 million
Mental Health Integration in Schools (FIE): \$5 million
Parental Information and Resource Centers (FIE): \$40 million
Ready to Learn TV: \$24 million
Ready to Teach (FIE)\$11 million
Star Schools (FIE): \$15 million
Teacher to Teacher (FIE): \$2 million
Language Teacher Corps (FIE): \$5 million
State scholars (FIE): \$8 million
State Grants for Incarcerated Youth Offenders: \$23 million
Underground Railroad: \$2 million
Byrd Scholarships: \$41 million
Demonstration in Disabilities: \$7 million
Thurgood Marshall Legal Educational Opportunity Program: \$3 million
Interest Subsidy Grants: \$2 million
Women's Educational Equity (FIE): \$3 million
Math Now for elementary schools: \$125 million

Math Now for middle schools: \$125 million

Science-State-Justice includes 8 terminations for a savings of \$159 million

Grants for Televised Testimony: \$1 million

Forensic Science Grants: \$18 million

Crime Identification Technology Act Grants: \$28 million

Cannabis Eradication: \$5 million

Public Television Facilities, Planning, and Construction: \$22 million

U.S. Travel and Tourism Promotion: \$4 million

Advanced Technology Program: \$79 million

PRIME: \$2 million

Transportation-Treasury-HUD includes 6 terminations for a savings of \$742 million.

Rural Housing and Economic Development: \$17 million

FTA Small Starts: \$200 Million

Housing Counseling Assistance: \$45 million

National Defense Tank Vessel Construction Program: \$74 million

Open Roads Financing Pilot Program: \$100 million

New Coast Guard Headquarters: \$306 million

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Sheet 3

Profiles of Program Terminations

Advanced Technology Program

The House of Representatives eliminated the Advanced Technology Program for a savings of \$99 million. While the intent of the program is to spur research and developments in small businesses it is in actuality taxpayer-funded corporate welfare. Thirty five percent of its grants have gone to Fortune 500 companies. In fact, IBM has received \$127 million, General Electric \$91 million, and General Motors \$79 million. The program is duplicative which is evidenced by a recent GAO report which determined that “it is unlikely that the ATP can avoid funding research already being pursued by the private sector.”

Byrd Scholarships

The House of Representatives eliminated the Byrd Scholarship program for a savings of \$41 million. This program provides merit based higher education assistance up to \$1500 per student for use at higher-ed institutions. This program duplicates multiple existing programs on the state, federal and local level. For example, the Pell Grant program provides students with up to \$4250 of assistance and is funded at \$13 billion.

Exchanges with Historic Whaling and Trading Partners

The House of Representative eliminated this program which uses \$9 million in Department of Education funds for educational activities, internships, apprenticeship programs, and exchanges for Alaska Natives, Native Hawaiians, and children and families of Massachusetts. All of the grant funds are required to go to the Alaska Native Heritage Center in Anchorage, Alaska; the Inupiat Heritage Center in Barrow, Alaska; the Bishop Museum in Honolulu, Hawaii; the Peabody-Essex Museum in Salem, Mass.; the New Bedford Whaling Museum and the New Bedford Oceanarium in New Bedford, Mass. After these entities get their “guaranteed” funds there is nothing left for competitive awards. There are dozens of existing cultural exchanges programs operated by the State Department and other international organizations.

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Sheet 4

Administration Earmark Eliminations

Classical Chinese Garden

The U.S. Department of the Agriculture requested \$8.4 million be earmarked for a Classical Chinese Garden to be constructed at the U.S. National Arboretum on New York Avenue in Washington, D.C. According to USDA's website, the garden "will be split into three main components. One area will include a small pond and traditional Chinese buildings with Ming- and Ching-style hardwood furniture, calligraphy and painting scrolls on the walls, and will feature a traditional boathouse adjacent to a 1.3-acre lake. The second component will include an exhibition hall for paintings, calligraphy and other Chinese artwork. The third component will comprise a Peony Pavilion overlooking the garden; a Fragrance Pavilion, which will also house authentic Chinese goldfish; and a Whispering Pavilion, which will include a Tibetan white pagoda."

Construction of the Mixed Oxide Fuel Plant

The Department of Energy requested \$368 million be earmarked for the construction of a Mixed Oxide Fuel Plant in Savannah River, South Carolina. The project has been fraught with delays and cost overruns and the original purpose of the project has been abandoned. The GAO and DOE Inspector General now estimate the cost of the project will be at least \$3.5 billion, an increase of \$2.5 billion over earlier estimates. The goal of the original site was to be a joint U.S.-Russian venture to reduce the proliferation of nuclear materials. Earlier this year, the Russians indicated that they would not proceed with their own MOX plant unless the international community pays the full costs of such a plant. Thus far the G-7 countries have pledged \$850 million of the \$1.7 billion international contribution agreed to under the original approach. But now Russians are demanding the U.S. and other international partners to provide the full \$2.7 billion needed to complete the Russian-share of the project.

Congo Debt Relief

The Administration requested \$160 million be earmarked for bilateral debt relief for the Republic of Congo. The Congo is not currently making any debt payments to the development banks owed the debt and it is unlikely the forgiveness of this debt would have any real benefit for the citizens of Congo. The Congo owes \$10.4 billion to its creditor, of which approximately \$1.9 billion was owed to the U.S. The \$160 million would be a drop in the bucket in Congo's debt and would have no meaningful positive impact on the citizenry.

Ready to Learn TV

The Department of Education proposed to earmark \$24 million for the Ready to Learn TV program. The program utilizes public children television programs such as Arthur, Dragon Tales, Clifford, Sesame Street, and Postcards from Buster to help parents and educators prepare young children for success in school. The PART review conducted by OMB concluded that there is little reliable performance data available on the quality of RTL television programming, and the program cannot demonstrate adequate progress in achieving annual or long-term goals. The program received a rating of "Results not Demonstrated".

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Sheet 5

Items excluded from the Recent Emergency War Supplemental

- \$700 million for a railroad relocation project in Mississippi
- \$200 million in grants through the Federal Transit Administration
- \$3.4 billion in Agricultural assistance
- \$10 million for state and local law enforcement assistance
- \$1 billion in fisheries assistance through the National Oceanic and Atmospheric Administration which included: \$20 million for rebuilding coastal communities, \$10 million for capacity reduction, \$15 million for seafood promotion, \$15 million for job-training for displaced fisheries workers, \$200 million for replacement of lost fishing gear and turtle excluder devices, \$50 million temporary marine services for seafood industries, \$300 million for redevelopment of marinas, piers and docks, \$50 million for planning for marine industrial parks, \$90 million for private fisheries infrastructure, \$10 million for vessel monitoring systems, \$66 million for fishery finance loans, \$14 million for cooperative research, \$100 million for seafood workers for cleanup and repairs, \$20 million for shellfishermen in New England
- Language to transfer the Job Corp program to the Office of the Secretary of Labor
- Language compelling the Department of Defense to cover hurricane damage to shipyard facilities otherwise covered by private insurance
- Language regarding foreign ownership of airlines
- \$202 million in HUD rental assistance
- \$30 million for election assistance
- \$30 million to mitigate insect damage in certain western sections of the national forests
- \$1.5 million to monitor certain water projects in Hawaii
- \$12 million for mosquito abatement
- \$350 million for displaced students
- \$30 million for Higher Education assistance
- \$648 million for various port items
- \$289 million compensation fund
- \$50 million for the Going to the Sun Road

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Sheet 6

Member Project/Earmark Funding Declines Dramatically

Because of reforms implemented by the committee, requests for Member projects have declined by 37 percent compared to last year. Total funding for Member projects has declined significantly in every spending bill and has been reduced overall by \$7.8 billion compared to last year.

FY07 Agriculture Member project funding

The House bill includes \$435 million in Member project funding which is \$35 million below last year's House bill level of \$470 million and \$277 million below last year's conference agreement of \$812 million.

FY07 Defense Member project funding:

The bill includes a little less than \$5 billion which is more than \$1 billion below last year's House bill and \$2.7 billion below last year's conference report.

FY07 Energy and Water project funding

The bill includes \$1.04 billion in Member project funding which is 16% or \$197 million below last year's House level of \$1.24 billion.

FY07 Interior Member project funding

The bill includes \$188 million in Member project funding for 246 projects. This is an \$89 million or 32% reduction compared to last year's enacted total of \$277 million in Member project funding.

FY07 Military Quality Member project funding:

Total Member project funding in the bill is \$572 million which is \$40 million below the last year's House bill level of \$612 million and \$804 million below the enacted level of \$1.376 billion.

FY07 Labor-HHS Member project funding:

The bill provides approximately \$1 billion for Member projects, \$100 million less than previous, comparable levels and less than 1% of the total funding in the bill.

FY07 Transportation-Treasury, HUD Member project funding:

Total Member project funding in the bill is \$986 million which is \$2.1 billion below last year's level. This is a 70 percent reduction from the previous year. In addition, for the first time ever, the bill requires a 40 percent matching requirement for grantees receiving Economic Development Initiative funding.

Science-State-Justice Member project funding

The bill provides approximately \$387 million for Member projects, \$1.3 billion less than the enacted level and less than 1% of the total funding in the bill.