

Coburn/DeMint Amendment 2442 – Prohibits Congress from earmarking “no bid” government grants and contracts within the Department of Homeland Security.

The committee report accompanying the Senate Department of Homeland Security (DHS) appropriations bill identifies 22 earmarks at a cost of at least \$253 million. However, \$35 million included that total is earmarked for competitive awards through the Southeast Region Research Initiative at Oak Ridge National Laboratories. Of the earmarked spending identified in the committee report, it appears that at least 21 earmarks, totaling \$218 million, will not be subject to full and open competition.

The DHS appropriations bill passed by the House of Representatives did not list earmarks and the House Appropriations Committee chairman has indicated that earmarks could be dropped into the bill during conference with the Senate.

All of the earmarks that will be contained in the final version of the bill, many of which will only be disclosed in the final bill that can not be amended, are essentially “no bid” grants or contracts directed towards pre-selected, individual recipients.

A “no-bid” grant or contract is government funding that is provided directly to an entity that bypasses the standard process for awarding government funding in which competing bids are solicited in order to select the most cost efficient and qualified entity to perform a service.

This amendment would prohibit awarding earmarked funds in the form of no-bid grants or non-competitive contracts. This would mean, in practice, that all earmarks would be competitively bid rather than directed to a pre-selected recipient.

Agencies will also be required to provide a report to Congress every year with the name of the recipients of the funds awarded, the reasons the recipient was selected and the number of entities that competed for the earmark contract.

Congress Is Responsible For Nearly \$250 Million Of The Homeland Security Dollars Awarded Without Competition

Approximately \$6.4 billion were not fully competed by the Department of Homeland Security in 2006.

That same year, Congress earmarked \$232.4 million in funds within the Department of Homeland Security, according to the Congressional Research Service.

This is a dramatic increase from the \$33 million in earmarked dollars not subjected to competition in fiscal year 2005.^[1]

^[1] CRS Appropriations Team. “Earmarks in FY2006 Appropriations Acts,” Congressional Research Service, March 6, 2006.

Like no bid grants and contracts awarded by the Department, these earmarks were never subjected to fair and open competition.

For Fiscal Year 2008, the Senate Department of Homeland Security (DHS) appropriations bill contains 22 earmarks costing at least \$253 million and the bill approved by the House of Representatives contained no earmarks, but the chairman of the committee has indicated that he could add earmarks in the conference committee with the Senate.

This is a significant amount of resources being directed without transparency or accountability.

This is especially concerning since most members of Congress are not experts on homeland security, and it is difficult to know if these dollars were wisely spent or directed to the most useful projects.

Contracts for federally funded projects to protect our cities, communities, family, friends and neighbors, and our nation itself should be awarded based upon merit rather than political connections or calculations.

Congressional Earmarks Should Not Be Exempt From Existing Laws Requiring Competition For Federal Grants And Contracts

All federal contracts, grants and cooperative agreements that are awarded as the result of an earmark would be required to undergo competitive procedures by this amendment.

For contracts, this means that competitions must comply with existing federal procurement law and must receive two or more bids.

For grants, competitive procedures must be put in place and receive two or more applications.

Without two or more bids for either grants or contracts, the award will not be made.

Specifically, the amendment calls for all earmarks that result in contracts to come into compliance with the following laws:

- **Section 303 of the Federal Property and Administrative Services Act of 1949:** This section of law requires that competitive procedures be in place for all procurements unless there is a specific provision of law that makes an exemption. According to this section, such exceptions include: only one source is available, national security needs, and the requirements of an international treaty.

- **10 U.S. Code 2304:** This section requires that competitive procedures be used for all Defense contracts. The Department of Homeland Security often contracts for defense-related goods and services, for which the rules are in a different place in the U.S. Code. There is no substantive difference between the competition rules in place for defense and civilian contracts.
- **Federal Acquisition Regulation:** This is the 2,000-page regulatory guide for federal procurement that provides a detailed explanation of how to conduct “full and open competitions.” Such procedures include publishing acquisition opportunities on FedBizOpps.gov, mandatory evidence of appropriate market research by agencies, and promotion of competition among many sources.

Congress should not be exempted from the very competitive processes that it has applied to the awarding of all other federal grants and contracts.

Recent history has demonstrated that members of Congress are not above abusing the system.

Congress should, therefore, live by the rules it established for everyone else.

House Scheme Would “Air Drop” Earmarks Into the DHS Appropriations Bill After The Bill Can No Longer Be Amended

The Department of Homeland Security Appropriations bill passed by the House of Representatives contained no earmarks, but the Chairman of the House appropriations committee has indicated that he would add earmarks when the bill goes to conference with the Senate.

"It is not that we didn't want [to include earmarks in the bill]. It's that our staff did not have the capacity to screen all of them before we brought the bills out," House Appropriations Committee Chairman David Obey said when the bill was considered.^[2] But earmarks could be “air-dropped” into the bill during conference, Obey said.^[3]

If millions of dollars in new projects are inserted behind close doors by a handful of members and staff from the House and Senate, as threatened, these projects can not be amended and will not be subjected to debate in either chamber.

^[2] Elizabeth Williamson. “Earmark Dispute Bogs Down Homeland Security Bill; House Committee Chairman Wants Lawmakers' Pet Projects Excluded Until Later in Appropriations Process,” Washington Post, June 13, 2007, Page A7; <http://www.washingtonpost.com/wp-dyn/content/article/2007/06/12/AR2007061202027.html>

^[3] “House Passes Homeland Security Spending After Earmarks Deal Ends GOP Protest,” CQ TODAY MIDDAY UPDATE, June 15, 2007; <http://public.cq.com/docs/cqm/cqmiddy110-000002533068.html>

Subjecting these and the earmarks in the Senate bill to open and fair competition may be the only accountability ever applied to hundreds of millions of dollars contained within the homeland security appropriations.

Homeland Security Funds Should Be Allocated Based On Merit Rather Than Political Connections

Homeland security funding is intended to protect American citizens in the aftermath of natural disasters, a terrorist attack or other tragedy or to prevent such events from causing harm in the first place.

These are not trivial responsibilities and poor decisions on how funds are spent literally could mean the difference between life and death for countless Americans and their families.

With the stakes so high, who could argue that anything other than merit should be the basis of funding decisions and that merit should be decided in a fair and open competition?

Competition Reduces Costs and Saves Taxpayers' Money

The competitive process helps ensure that the government receives the highest-quality products for the least amount of money.

Without competition, earmarks may have caused the American taxpayer to spend untold millions on wasteful purchases.

The tally for Hurricane Katrina waste has surpassed \$1 billion dollars and investigators have now shifted their attention from fraudulent aid to the lucrative government contracts awarded with little competition.^[4]

“Several of the contracts were hastily given to politically connected firms in the aftermath of the 2005 storm and were extended without warning months later. Critics say the arrangements promote waste and unfairly hurt small companies.

“Based on their track record, it wouldn’t surprise me if we saw another billion more in waste,” said Clark Kent Ervin, the Homeland Security Department’s inspector general from 2003-2004. “I don’t think sufficient progress has been made.”^[5]

^[4] Hope Yen. “Katrina waste: \$1 billion just a beginning?; Auditors expect figure to balloon when no-bid contracts get scrutiny,” The Decatur Daily/Associated Press, December 26, 2006;

<http://www.decaturdaily.com/decaturdaily/news/061226/fraud.shtml>

^[5] Hope Yen. “Katrina waste: \$1 billion just a beginning?; Auditors expect figure to balloon when no-bid contracts get scrutiny,” The Decatur Daily/Associated Press, December 26, 2006;

<http://www.decaturdaily.com/decaturdaily/news/061226/fraud.shtml>

He called it inexcusable that the Bush administration would still have so many no-bid contracts, noting that auditors and Federal Emergency Management Agency director David Paulison himself have said they are prime areas for waste.

“It’s a combination of laziness, ineptitude and it may well be nefarious,” Ervin said.

FEMA spokesman James McIntyre said the agency was working to fix its mistakes by awarding contracts for future disasters through competitive bidding.^[6]

The government awarded 70 percent of its contracts for Hurricane Katrina work without full competition, wasting hundreds of millions of taxpayer dollars in the process, according to a report issued last year by the Democrat staff of the House Government Reform Committee.

The report found that out of \$10.6 billion in contracts awarded after the storm, more than \$7.4 billion were handed out with limited or no competitive bidding. In addition, 19 contracts worth \$8.75 billion were found to have wasted taxpayer money at least in part, costing taxpayers hundreds of millions of dollars, according to the report.^[7]

The Democrat staff report linked “the billions of dollars in no-bid contracts, combined with inadequate contract management and oversight, ... to pervasive overcharging and wasteful spending in Katrina-related contracts.”^[8]

Yet, during this same period when Congress and the media have been exposing the inherent problems with no bid government homeland security contracts and grants, the amount of no bid homeland security earmarks directed by Congress has skyrocketed.

In Fiscal Year 2005, Congress earmarked \$33 million through DHS.^[9]

For Fiscal Year 2008, the Senate Department of Homeland Security (DHS) appropriations bill contains at least \$253 million in earmarks, and this number does not take into account any earmarks that may be “air dropped” in conference committee with the House.

Awarding Earmarks Through An Open Bidding Process Will Add Accountability And Transparency And Reduce Corruption

^[6] Hope Yen. “Katrina waste: \$1 billion just a beginning?; Auditors expect figure to balloon when no-bid contracts get scrutiny,” The Decatur Daily/Associated Press, December 26, 2006;

<http://www.decaturdaily.com/decaturdaily/news/061226/fraud.shtml>

^[7] “Study: Millions wasted in Katrina contracts; 70% of contracts awarded without full bidding, Democratic report says,” MSNBC, August 24, 2006;

<http://www.msnbc.msn.com/id/14502390/>

^[8] <http://oversight.house.gov/documents/20060824110705-30132.pdf>

^[9] CRS Appropriations Team. “Earmarks in FY2006 Appropriations Acts,” Congressional Research Service, March 6, 2006.

Competition in earmarking would add accountability and transparency and thereby reduce costs and the potential for abuse and corruption.

The Freedom of Information Act (FOIA) and other federal sunshine laws do not apply to Congress or the selection of earmark funds by members of Congress.

As a result, even the members of Congress who are expected to approve bills larded up with hundreds of earmarks do not know the merits of the projects or the basis for the decisions to fund them.

Most earmarks are never the subject of Congressional hearings and few of those contained within appropriations bills are ever authorized by the Congressional Committees of jurisdiction.

This lack of process and transparency opens the door to foul play and improprieties.

Federal investigators are examining whether Congressman Jerry Lewis, as the House Appropriations Chairman, abused his position by steering earmarks to his political allies and former employees.

The *Wall Street Journal* notes that, “the Lewis episode underscores the link between Member-steered earmarks and the opportunity for corruption. Convicted lobbyist Jack Abramoff openly boasted that earmarks were his political currency and he called the Appropriations Committee that doles them out a ‘favor factory’ for lobbyists.”^[10]

The office of every Senator and every member of the House of Representatives and the Appropriations Committees of both chambers set different policies to determine how recipients of earmarked funds are selected.

While members may choose to earmark funds for initiatives they believe are worthy or deserving, they can also base their decisions upon political considerations such as who supported them financially or otherwise in previous campaigns.

Committee chairman and members of Leadership could, likewise, award earmarks to members in exchange for a vote for a particular bill or because a loyal member of their party may be facing a difficult re-election and try to use the “bring home the bacon” approach that assumes a politician can essentially buy votes with earmarked funds.

Requiring that all earmarked funds undergo a competitive bidding process will eliminate both the appearance and the reality of corruption by taking away the possibility that a Member of Congress could direct no-bid contracts or grants to specific campaign donors, while allowing members to continue to seek funds for particular activities they may deem important.

^[10] “Earmarker in Chief,” *Wall Street Journal*, June 15, 2006, page A14;
<http://online.wsj.com/article/SB115033555119580784.html>

Following last November's elections, the incoming Chairmen of the House and Senate Appropriations Committees promised "to restore an accountable, above-board, transparent process for funding decisions and put an end to the abuses that have harmed the credibility of Congress."

Yet, no Senate Rules have been adopted to ensure earmark transparency and the House has threatened to "air drop" earmarks into the Homeland Security appropriations bill during the closed door conference committee with the Senate, when the bill will can no longer be subjected to amendment.

When members of Congress can decide themselves whether or not they want to disclose details about their pet projects to the public and even other members of Congress, it is obvious that taxpayers can not count on Congress to provide needed transparency for how federal funds will be spent.

Currently, taxpayers can only hope that the homeland security funds earmarked by members of Congress are spent wisely and efficiently. This amendment would ensure that this is the case.

Congress Has Been Critical Of Executive Branch No Bid Contracts While Engaging In Essentially The Same Practice

After the 2003 war in Iraq, the Halliburton Company, previously headed by Vice President Dick Cheney, was issued a \$2 billion no-bid contract for fuel distribution. Just days after Hurricane Katrina, in September 2005, the Bush administration awarded similar no-bid reconstruction contracts to companies including Halliburton's Kellogg, Brown and Root.

Many in Congress have been critical of the Bush's Administration's use of no-bid contracts for Iraq and Hurricane Katrina reconstruction efforts claiming these government contracts were unfairly awarded to companies that had political connections to the Administration.

Yet, members of Congress direct earmarks to political allies and campaign donors in the very same manner.

It would be disingenuous and hypocritical for those critics to rationalize that members of Congress should be exempt from federal spending laws requiring open competition and permitted to award no bid earmarks.

Congressman Henry Waxman, Chairman of the House Committee on Oversight and Government Reform, for example, stated in January 2007: "I expressed my concern that a lot of the contracting mistakes seem to happen over and over again — monopoly contracts, no-bid contracts. What we saw in Iraq is also what we saw in dealing with

Hurricane Katrina. The result is that many of these strategies have resulted in a lot of wasted dollars and a lot of waste, fraud and abuse.”^[11]

The same has been found true in the Congressional earmarking practice.

In a September 23, 2003 letter, Senators Joseph Lieberman and Frank Lautenberg wrote “we are concerned about the secretive and non-competitive procedures used in awarding the reconstruction contracts” in Iraq.^[12]

Many taxpayer groups, members of Congress, and American citizens have the same concerns about the secretive and non-competitive procedures used to direct Congressional earmarks.

Congress should lead by example rather than grandstanding with “do as I say, not as I do” political posturing.

The Senate Has Repeatedly Voted To Require Government Grants And Contracts To Be Competitively Bid

In May 2006, the Senate voted 98 to zero to require that emergency hurricane relief and recovery contracts exceeding \$500,000 be subjected to competitive procedures.^[13]

Three other similar amendments regarding no bid contracts were agreed to by unanimous consent in the Senate.^[14]

There is no logical reason to continue to exempt Congress from the same rules that Congress has repeatedly voted to impose, for good reasons, on the Executive Branch.

There Are Few Internal Controls To Prevent Inappropriate Earmarking Of Federal Dollars By Congress

^[11] Aimee Curl. “Waxman Vow To Keep Watch Over Taxpayers,” Federal Times, January 7, 2007; <http://federaltimes.com/index.php?S=2464345>

^[12] http://hsgac.senate.gov/index.cfm?FuseAction=PressReleases.Detail&Affiliation=r&PressRelease_id=494&Month=9&Year=2003

^[13] U.S. Senate Roll Call Vote 106, Senate Amendment. 3810 to H.R. 4939, May 2, 2006, http://hsgac.senate.gov/index.cfm?FuseAction=PressReleases.Detail&Affiliation=r&PressRelease_id=494&Month=9&Year=2003

^[14] Senate Amendment 2605 to S. 2020, November 17, 2005, <http://www.congress.gov/cgi-lis/bdquery/D?d109:1:./temp/~bdAxyV:dbs=n:/billsumm/billsumm.php?id=2> ; Senate Amendment 4254 to S.2766, June 16, 2006, <http://www.congress.gov/cgi-lis/bdquery/D?d109:6:./temp/~bdAxyV:dbs=n:/billsumm/billsumm.php?id=2> ; Senate Amendment 4624 to H.R.5441, July 12, 2006, <http://www.congress.gov/cgi-lis/bdquery/D?d109:7:./temp/~bdAxyV:dbs=n:/billsumm/billsumm.php?id=2>

Unlike the Executive Branch, which has controls set by both law and regulation, the Legislative Branch has few internal controls to prevent inappropriate awarding of federal dollars.

Congressional earmark investigators have long encountered difficulties in trying to determine the purpose of earmarks and in many cases even the recipient of an earmark or the amount being earmarked.

Despite pledges to do so, the Senate has failed to enact any earmark transparency rules.

As a result of this shortcoming, questions linger about who has requested and who will financially benefit from billions of dollars of projects included in appropriations bills.

The Hill, a Washington, DC newspaper, reported on July 17:

"As a proposal to require full disclosure of all Senate earmarks languishes, senators have not claimed responsibility for at least \$7.5 billion worth of projects approved by the Appropriations Committee, according to an analysis by a budget watchdog group.

"Under seven of 10 spending bills approved by the panel, more than \$26 billion has been earmarked for projects sought by both senators and the Bush administration, leaving nearly 30 percent unaccounted for, according to numbers compiled by Taxpayers for Common Sense. ...

"The Senate Appropriations Committee refutes the findings, arguing that the group misinterpreted a host of appropriations requirements as earmarks. For instance, the panel argues that \$6.5 billion requested by the Pentagon for the base realignment and closure program was considered 'undisclosed earmarks' by the group's analysis of the military construction spending bill.

"But with no clear rules in place, the dispute highlights the murky nature of what exactly constitutes an earmark, or a directive to spend a specific amount of money for an individual project.

"'There really is no precise understanding statutorily or otherwise about what an earmark is,' said a Senate Appropriations Committee aide."^[15]

^[15] Manu Raju. "\$7.5B earmarks unclaimed," *The Hill*, July 17, 2007; <http://thehill.com/leading-the-news/7.5b-earmarks-unclaimed-2007-07-17.html>

Senator Tom Harkin, a Senate Appropriations Subcommittee chairman, stated that he does not review all the requests for earmarks that his Subcommittee receives, admitting, "I don't have time to do all that."^[16]

Even the proposed transparency rules changes in the Senate will not change the inappropriate manner in which some earmarks have been chosen or what is actually known about the purpose of an earmark or the credentials of the entity chosen to receive an earmark.

House Appropriations Chairman David Obey lamented earlier this year that Committee members and staff did not had enough time to fully review the 36,000 earmark requests that have flooded the committee.^[17] As a result, earmarks could be "air-dropped" into the DHS appropriations bill during conference, Obey said.^[18]

A recent internal investigation by the House Intelligence Committee reveals that the earmark process is "dysfunctional" and inappropriate earmarks were awarded even when the professional committee staff were aware that those earmarks were inappropriate.

The Los Angeles Times reported on July 16:

"The document describes breakdowns in leadership and controls that it says allowed [Randy 'Duke'] Cunningham – the former congressman (R-Rancho Santa Fe) who began an eight-year prison term last year for taking bribes and evading taxes – to use his House position to steer millions of dollars to corrupt contractors. ...

"Staffers said that Cunningham seemed more focused on who was getting the money than on the merits of the underlying projects, and that they were disturbed by his close ties with contractors who seemed unqualified for the projects they had won.

"At one point, senior committee aide Michele Lang sent out a staff e-mail describing the program, saying, 'HOOAH! Another \$5 million of taxpayer money wasted.' ...

"The report says senior aides told investigators that they often complied with requests from members without knowing where the requested money would wind up. The report quotes Lang as telling investigators that 'a lot of times when we get these [member additions], figuring out what the heck

^[16] Liriel Higa. "House Appropriators Find Different Ways to Spread Earmarks Around," Congressional Quarterly Today, June 21, 2007; <http://public.cq.com/docs/cqt/news110-000002537550.html>

^[17] Andrew Taylor, "Democrats Hide Pet Projects From Voters," Associated Press, June 3, 2007.

^[18] "House Passes Homeland Security Spending After Earmarks Deal Ends GOP Protest," CQ TODAY MIDDAY UPDATE, June 15, 2007; <http://public.cq.com/docs/cqm/cqmidday110-000002533068.html>

they are ... can be an intelligence thing in and of
itself.' "[19]

By applying the same laws and the same set the rules requiring full and open competition to federal grants and contracts awarded by the Executive Branch to earmarking by Congress, the taxpayers can be guaranteed an increased level of integrity, accountability, and transparency in how federal dollars are spent.

[19] Greg Miller. "Cunningham report portrays entangled panel," Los Angeles Times, July 16, 2007;
<http://www.latimes.com/news/politics/la-na-cunningham16jul16.0.6656321.full.story?coll=la-home-center>

Examples of No-Bid Homeland Security Earmarks (Provided by Citizens Against Government Waste)

Fiscal Year 2007

http://www.cagw.org/site/PageServer?pagename=reports_pigbook2007#homeland

While only two appropriations acts were passed, appropriators squeezed all the pork they could into them. The fiscal 2007 Homeland Security Appropriations Act proved yet again that while the threat of terrorism and natural disasters still exist, so too does Congress's penchant for pork. The number of projects in the bill increased by 14 percent from 35 in fiscal 2006 to 40 in fiscal 2007, while spending decreased 10 percent from \$2.7 billion to \$2.4 billion, after a 57 percent increase between fiscal 2005 and 2006.

\$225,000,000 for port security grants, a 29 percent increase from last year's total. Pork-barrel funding for this program has more than doubled in two years. Established in 2002, the grants are an opportunity for private companies and port authorities to apply for federal financing to improve security at ports. An audit performed by the inspector general of the Department of Homeland Security (DHS) in 2005 revealed that some of the grants "appeared to be for a purpose other than security against an act of terrorism." According to the audit, 95 percent of all international commerce enters the United States through the nation's 360 ports, but nearly 80 percent comes through only 10 ports. While Congress intended the grants to protect ports that have the highest volume of cargo, handle hazardous material, or are located near military facilities, the audit found DHS was distributing the funds in a broad, unfocused manner. As a result, the department "had no assurance that the program is protecting the nation's most critical and vulnerable port infrastructure and assets." Although major ports received funding, so too did smaller ones, including ports in Ludington, Michigan; Martha's Vineyard, Massachusetts; and six located in Arkansas, none of which appeared to meet grant eligibility requirements, according to the audit.

\$78,693,000 for a replacement patrol boat to be used until the Fast Response Cutter (FRC) program becomes operational in 2018. The FRC is part of Deepwater, which is run by a joint venture between Northrop Grumman and Lockheed Martin called Integrated Coast Guard Systems. Deepwater is the Coast Guard's 20-year, \$24 billion plan to modernize its fleet, and has come under fire for significant design flaws that will likely increase maintenance costs, limit ships' ability to travel far from port, and ultimately shorten their useful life. Furthermore, DHS Inspector General Richard Skinner stated in a January, 2007 report on Deepwater and its cornerstone ship, the National Security Cutter (NSC), that the Coast Guard had relinquished its oversight authority to contractors. The report's executive summary stated: "The NSC, as designed and constructed, will not meet performance specifications described in the original Deepwater contract. Specifically, due to design deficiencies, the NSC's structure

provides insufficient fatigue strength ... [which will] increase the cutter's maintenance costs and reduce its service life." All in all, Deepwater has proven to be a boondoggle a fact made worse by the critical role it plays in our national security.

\$12,000,000 for intercity bus security grants for the improvement of ticket identification, installation of driver shields, enhancement of emergency communications, upgrading facility security, and further implementation of passenger screening. The Intercity Bus Security Grant Program is one of five grant programs that make up the DHS fiscal 2007 Infrastructure Protection Program, designed to offset the cost of protecting the nation's critical infrastructure. For the third year in a row, this program shows up in the Pig Book. Money continues to be directed to profitable, private companies that should be able to fund these measures themselves.

\$12,000,000 added by the House for the Rural Domestic Preparedness Consortium in the district of then-House Homeland Security Appropriations Subcommittee Chairman Harold Rogers (R-Ky.). This program is supposed to help protect citizens living in rural areas by training rural emergency responder teams. The funding is to be distributed to an assortment of universities that are not yet known. Meanwhile, funding for the program has increased by 20 percent from last year's level.

\$12,000,000 for trucking security grants to continue the HighwayWatch Program, designed to enhance security on the nation's highways. According to the Department of Justice Office of Justice Programs website, the HighwayWatch Program, which is managed by the American Trucking Association, "recruits and trains highway professionals to identify and report security and safety situations on the nation's roads." What happened to the good old-fashioned Highway Patrol? \$4,500,000 added in conference for the Secure Border Coordination Office, designed to implement the integration of border security and immigration enforcement. The office is also charged with implementing the Secure Border Initiative (SBInet), a multi-year plan to improve border security with a combination of personnel, infrastructure, and technology, that has come under criticism. In May 2006, then-House Homeland Security Appropriations Subcommittee Chairman Harold Rogers (R-Ky.) stated, "What we need is a sound, comprehensive strategy that allows us to measure progress. Without a strategic border security plan we are simply planning to fail." Also in May, then-Homeland Security Appropriations Subcommittee Ranking Member Martin Olav Sabo (D-Minn.) wrote to DHS Secretary Michael Chertoff, "I am deeply concerned that the SBInet solicitation is so broad that the government will, in effect, be turning over its responsibility to secure our borders to the private sector."

\$3,000,000 added by the House for the Office of the Federal Coordinator (OFC) for Gulf Coast rebuilding. Since Hurricanes Katrina and Rita ravaged much of the Gulf Coast in 2005, the recovery progress has been abysmal. Through the Road Home Program, OFC Director Donald Powell is hoping to "get residents of Louisiana back into their homes as quickly and fairly as possible." However, in a letter to Sudhakar Kesavan, CEO of ICF International, the contractor running the program, Powell expressed concern that the speed of payments to individuals who lost their homes has been

sluggish. In December 2006, Powell stated, "As I write this letter, only 92 homeowners have received financial assistance out of over 80,000 applicants, or .1 percent of applicants. This rate must drastically improve." The Road Home Program has considerable problems; appropriating more money will not provide solace to homeowners or taxpayers.

\$2,500,000 added in conference for the U.S. Secret Service National Special Security Events Fund. The purpose of the fund is to help plan and coordinate major events, such as national political conventions, international summits, presidential inaugurations, the Super Bowl, and even the Olympics when hosted by the U.S. These events take years to organize; the funding should be treated the same way. If money needs to be allocated, it should be requested in advance, included in the budget, and authorized.

FISCAL YEAR 2006

http://www.cagw.org/site/PageServer?pagename=reports_pigbook2006#homeland

Spending on projects was on the rise in the fiscal 2006 Homeland Security Appropriations Act. As the need remains for a secure America, appropriators continued to fund projects that were not requested by the administration. While the number of projects in the bill decreased by 45 percent from 64 in fiscal 2005 to 35 in fiscal 2006, spending increased 57 percent, from \$1.7 billion to \$2.7 billion.

\$175,000,000 added by the House for the port security grants. The program, established in 2002, allows port authorities and private companies to apply for federal funding to improve physical security at U.S. ports. After going through the application process, recipients are expected to use the grants for dockside and perimeter security. However, an audit performed by the inspector general of the Department of Homeland Security (DHS) revealed that a number of the grants, "appeared to be for a purpose other than security against an act of terrorism." According to the report, though 80 percent of international commerce goes through only 10 ports, the grant program for fiscal 2005 provided substantial funding to 79 ports. The audit report pins the majority of the blame on the department and reveals that many of the grants are pushed through even when the applications fail to demonstrate need.

\$78,631,000 added for general provisions for the 100 foot Island Class Patrol Boat. These boats are currently being used by the U.S. Coast Guard to enforce immigration and drug laws. According to the 2006 Homeland Security Appropriations Act House report and an article published by *Sea Power*, the effectiveness of these boats has been in decline since 2001. As maintenance costs for emergency repairs continue to rise, so do the contributions from taxpayers.

\$40,000,000 added by the Senate for the Real ID Grant Program. Passed in May 2005, the Real ID Act for the first time set federal standards for authenticating and securing state-issued driver's licenses. DHS has two options: allow states to use inexpensive, protected technology, or force them to embed costly, personally intrusive brittle

computer chips. Whichever alternative is used, the new system will place a heavy burden on state and local governments, especially departments of motor vehicles, as well as on taxpayers and drivers.

\$10,000,000 added by the House for the Intercity Bus Security Grant Program, which is meant to improve driver protection, passenger screening, tracking and communication between buses, and overall security assessment. While the individual grants continue to fund profitable companies, such as Coach and Greyhound, the most ridiculous grant in fiscal 2005 was \$46,908 for Hampton Jitney, Inc. The Jitney is known primarily for shuttling wealthy New Yorkers to their summer homes in the Hamptons. The company has recently added a limousine service that promises "a custom tailored limousine ride for an unforgettable day."

\$10,000,000 added by the House for the Rural Domestic Preparedness Consortium. This program was created by Congress to guarantee that citizens living in rural areas were equally protected. There is a marked lack of urgency, however, as there continues to be no report detailing current or future plans for the project.

FISCAL YEAR 2005

http://www.cagw.org/site/PageServer?pagename=reports_pigbook2005#homeland

Although the first Homeland Security Appropriations Act in fiscal 2004 wasn't pork-free, appropriators showed some restraint. This year, members got serious about spending, saturating the fiscal 2005 bill with 64 projects, a 256 percent increase over last year's 18 projects. The fiscal 2005 pork price tag reached \$1.72 billion, a 306 percent increase over fiscal 2004's \$423 million.

\$104,000,000 added for the Port Security Grant Program. The grants are provided "for projects to improve dockside and perimeter security that is vital to securing our critical national seaports. These awards will contribute to important security upgrades such as surveillance equipment, access controls to restricted areas, communications equipment, and the construction of new command and control facilities." The department requested \$46,000,000 for the program, but both the House and Senate Appropriations Committees added funds. Despite appropriating more money, the House Appropriations Committee was "concerned that port security grants made to independent terminal operators are not coordinated at the State, local port authority, or Captain of the Port levels. Therefore, the Committee directs that...the coordination of all port security grants with the State, local port authority, and the Captain of the Port, to ensure all vested parties are aware and that the limited resources are maximized." On September 13, 2004, the Department of Homeland Security (DHS) announced the recipients of the fourth round of port security grants. Premier Yachts, Inc., a private for-profit company with revenues of \$40 million in 2003, was awarded three port security grants totaling \$208,100. Premier offers "fine dining and entertainment cruises" through its Odyssey, Mystic Blue, and Seadog Cruises in Boston, Chicago, and Washington, D.C. Nothing like wining and dining at the taxpayers' expense.

\$40,000,000 added for university programs and the Homeland Security Fellowship Program. The fellowship scholarships are intended for students interested in pursuing scientific and technological innovations that can be applied to the department's mission. The students participate in 8 to 10 week internships at DHS-designated laboratories and facilities. In 2003, the program's first year, 101 students participated in the program. Several students applied for government positions after completion of the program. Of the 101 students in the program, only two were hired by DHS. In 2004, 105 students were enrolled. The university programs seek to expand scientific and technological knowledge by establishing Homeland Security Centers of Excellence. Currently, there are four centers; the oldest is at the University of Southern California (USC), which received \$12,000,000 over three years. USC has 40 professors, who decide how much each research assistant will receive; in some cases, assistants get enough to cover their full tuition. The University of Maryland received a \$12,000,000 grant in January 2005 for a program with eight professors, but has yet to offer any degree or professional program pertaining to homeland security. These programs have received \$100,000,000 in pork over two years. In fiscal 2004, DHS requested \$10,000,000 but appropriators doled out \$70,000,000. In fiscal 2005, DHS requested \$30,000,000 but received \$70,000,000.

\$14,000,000 added by the House for a covert surveillance aircraft for the U.S. Coast Guard. The Coast Guard currently has fixedwing aircraft for long-range surveillance activities and doesn't plan to procure new planes until 2016. However, the House Appropriations Committee believed that "this void must be addressed now," and appropriated the funds despite the Coast Guard's stated lack of urgency.

\$10,000,000 added by the Senate for intercity bus security grants. The funds will support "critical security needs" such as passenger/baggage screening programs, driver protection and training, and communications technologies. The Senate also added \$10,000,000 for intercity bus security grants in fiscal 2004. There was no budget request for the grants in either year. Greyhound Lines, Inc. received bus security grants on August 27, 2004 totaling \$1,603,084. Company revenues in 2003 totaled \$975.5 million. Approximately 22 million passengers ride Greyhound annually, meaning that each passenger would have to pay an extra \$.07 to equal the taxpayers' contribution.

\$5,400,000 added by the Senate for the Office of Legislative Affairs at DHS. Although there was a budget request for the office, the House Appropriations Committee refused funding, stating that "over the past 16 months, the Committee has been extremely disappointed with the work of this Office....[It] fails to provide timely and comprehensive information to Members and staff regarding the Department's legislative strategy; fails to return phone calls; fails to be available during critical stages of the legislative process for both authorization and appropriations matters; and fails to follow up on requests for information and meetings....In short, the Office continues to show complete disregard for the legislative branch of government....The Committee believes that funding a central Office of Legislative Affairs is redundant and wasteful."

\$5,000,000 added by the House for the U.S. Secret Service National Special Security Event Fund. The Secret Service helps coordinate major events, such as the presidential inauguration, national political conventions, international summits like the 2004 G-8 conference, the Olympics when hosted by the United States, and even Super Bowls. There's nothing patriotic about spending our tax dollars to protect the New England Patriots.

FISCAL YEAR 2004

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The fiscal 2004 Homeland Security Bill marks the first time that Congress has passed an appropriations bill to fund this department. Before passage, appropriators promised to pass a pork-free bill. However, they found a way to stick some bacon into the bill, which contained 18 pork projects amounting to \$423 million.

\$60,000,000 for the Homeland Security Fellowship Program for students and universities. These awards are intended for students interested in pursuing the basic science and technology innovations that can be applied to the department's mission. This marks an attempt by the Department of Homeland Security to develop a strong science and technology human resources base, but could become a slush fund in the future for politicians' pet projects.

\$20,000,000 added by the Senate for the Nebraska Avenue Headquarters of the Department of Homeland Security (as opposed to the \$30,000,000 that the Department requested). The House did not provide funding for this project, expressing multiple reservations about this request. For example, there were a number of alternatives that had yet to be considered or were then being reviewed. Therefore, giving the agency money for this project was deemed premature. "The Committee is also concerned that the Department may be proceeding in advance of required authorizations."