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United States Senate

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July 25, 2008

Honorable Harry Reid
Senate Majority Leader
S-221 Capitol
Washington, DC 20510

Dear Senator Reid:

Thank you for your letter regarding S. 3297, the 400-page authorization omnibus comprised of 35 different bills.

The Congressional Budget Office (CBO) today released an estimate outlining the cost to implement this legislation, which would create more than 35 new programs and require at least 43 written reports to Congress from various entities and government agencies. According to CBO, S. 3297 would authorize \$10 billion over five years. This authorization level represents the intent of Congress to provide this level of funding for these programs through the annual appropriations process.

Your July 18 letter stated, "If the non-partisan CBO says these bills will truly increase spending and the deficit, I will work with you to insure [sic] that you have an opportunity to address this problem in a consent agreement."

It is now clear that if the intent of Congress is to implement this bill, it would cost \$10 billion. Since no spending cuts are authorized anywhere within the bill, it can only be assumed that this spending would be added to current spending levels. It would, therefore, increase our \$9.5 trillion national debt, which the Senate will vote tomorrow to authorize increasing to \$10.6 trillion.

Families across the country, who unlike Congress must balance their budgets, simply cannot afford to send even more of their hard-earned money to Washington only to watch it be wasted on duplicative and ineffective federal programs and parochial provisions benefitting only a few.

In light of these circumstances as well as the enormous cost of this bill, the following is an outline of \$45 billion in government waste and inefficient federal programs that could be eliminated to compensate the taxpayers for the \$10 billion authorized by this legislation. While I would prefer that the Senate would eliminate all \$45 billion in wasteful spending, I will defer to you to choose the \$10 billion from the following menu to offset the costs of the bill.

- **Eliminate Farm Payments to Dead Farmers.** According to the Government Accountability Office (GAO), there were over \$1.1 billion in payments to deceased farmers in the most recent seven-year period, and that 40 percent of those payments were to people dead more than three years. Eliminating this abuse will save the taxpayers millions every year. **Savings: \$400 million.**
- **Eliminate Daily Printing of the Congressional Record (CR).** The Government Printing Office (GPO) prints approximately 5,600 copies of the Congressional Record for each day Congress is in session. This cost the American taxpayer over \$6.5 million annually. The CR is available online and previous Congressional Records are available online dating back to 1989. **Savings: \$32 million.**
- **Eliminate Unused NIH Facility in Baltimore.** NIH currently pays \$1.3 million each month to rent a laboratory in Southeast Baltimore, which cannot actually be used because vibrations in the facility would negatively affect any NIH research taking place there. **Savings: \$78 million.**
- **Eliminate Unneeded Federal Buildings.** The federal government currently owns 21,000 buildings that it says it no longer needs, which are all together worth \$18 billion. At the Department of Energy alone, the unneeded property is equivalent to three times the amount of square footage in the Pentagon – the largest building in the world. Unfortunately, the rules and regulations in place make it nearly impossible for federal agencies to sell these buildings in a timely manner on the open market. This process should be reformed to expedite the sale of these properties on the open market. **Savings: \$18 billion.**
- **Reduce IRS Mailings to Taxpayers.** The IRS spends millions each year mailing documents to taxpayers. As we continue to become a “paperless” society, the IRS and other government agencies can save money on printing, paper and postage by using digital means to communicate with taxpayers. **Savings: \$100 million.**
- **Eliminate Weed & Seed Initiative.** The Department of Justice (DOJ) “Weed & Seed” provides federal grants to local law enforcement entities for educational prevention programs, but is duplicative of many current federal programs, including the Edward Byrne Memorial Justice Assistance program, COPS, and the Center for Substance Abuse Treatment. **Savings: \$310 million.**
- **Eliminate Undeserved Bonuses for Federal Employees.** The Government Accountability Office has found the Defense Department “has issued billions in award and incentive fees regardless of acquisition outcome.” DoD should be prohibited from issuing financial awards and incentive fees to contractors with below-satisfactory performance or performance that does not meet the basic requirements of a contract. **Savings: \$1 billion.**
- **Reduce DOJ Conference Budget by 50%.** According to DOJ, the Department spent approximately \$312 million on conferences between 2000 and 2006. In 2006, DOJ spent at least \$46 million to send 26,164 employees to 2,199 conferences. **Savings: \$115 million.**

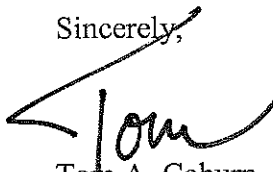
- **Eliminate Ineffective Programs Funded in the Labor-HHS-Education Appropriations Bill.** Many members on both sides of the aisle have called for the elimination of numerous ineffective programs at the Departments of Labor, Health and Human Services, and Education, including the following: Reading First, Historic Whaling and Trading Partners, the Denali Commission, and Even Start. **Savings: \$1.1 billion.**
- **Eliminate the Presidential Election Campaign Fund.** Every four years taxpayers provide millions of dollars to the political parties that is used for the extravagant presidential nominating conventions, which amount to nothing more than a week-long party for rich donors, free prime-time press for the already-decided presidential nominees, and the famous balloon-drop. **Savings: \$250 million.**
- **Eliminate the Ethanol Blender Tax Credit and Small Ethanol Producer Credit.** The federal government mandates the production of billions of gallons of ethanol *and* heavily subsidizes its production. In other words, we subsidize supply and artificially force demand. Worse, ethanol is a third less efficient than regular fuel. In addition, food prices have skyrocketed, in part, because of failed ethanol policy. **Savings: Estimated \$7 billion.**
- **Eliminate Funding for Science Fiction Weapons.** Since the Vietnam War, the Army has tried to develop a “science fiction leap-ahead” program to develop new, futuristic weapons---they have gone so far as to hire science fiction writers to dream up these weapons. However, no weapon imagined or designed through this process has been fielded. **Savings: \$431 million.**
- **Eliminate U.S. Travel and Tourism.** The Department of Commerce uses taxpayer funds to promote traveling to and within the United States. This is clearly not a federal priority, and many states already spend millions each year promoting their own state as a tourist destination. In addition, eliminating this program would allow taxpayers to keep some of their own money to actually spend on travel, if they choose. **Savings: \$20 million.**
- **Eliminate Taxpayer-funded Junkets for Teachers.** The Department of Education hands out millions of dollars each year to teachers to pay for “educational” travel to places such as California, New York, Boston, and New Orleans. Although such travel may be beneficial, it is certainly not a federal priority at a time when the federal budget is growing at exponential rates. **Savings: \$589 million.**
- **Eliminate Subsidy for Ghost Housing.** In the last nine months, the federal government has spent more than \$2 million on a vacant public housing complex located in Cincinnati, Ohio. Although it has been empty for two years, the local housing authority continues to receive taxpayer from the Department of Housing and Urban Development. **Savings: \$2.1 million.**
- **Eliminate the Essential Air Service (EAS).** The EAS gives subsidies to air carriers providing service to approximately 115 small communities, roughly one-third of which are located in just one state (Alaska). The President has repeatedly

called for the elimination of this program which serves a small population and has a very high per-passenger cost. **Savings: \$560 million.**

- **Eliminate Unneeded Properties at DoD.** According to the Government Accountability Office, the Department of Defense spends billions each year on maintaining buildings it doesn't even need any more. A 2003 report estimated that DOD spends **\$3-\$4 billion each year** to maintain those unneeded properties. While it has had some success in getting rid of these properties through the Base Realignment and Closure (BRAC) process, there are still many buildings that are no longer needed and are costly to maintain. **Savings: \$4 billion.**
- **Eliminate the Legal Services Corporation (LSC).** Intended to provide legal assistance to those in need, the LSC has repeatedly used taxpayer funding for less than noble purposes. Recent abuses include \$55,135 board of director's meetings in Puerto Rico and \$423 chauffeured rides for LSC executives, and defending a former Michigan state legislator in a personal real estate case. LSC also pays rent significantly higher than other tenants in the same building as its spacious Georgetown headquarters. **Savings: \$1.7 billion.**
- **Scale Back Conservation Security Program (CSP)/Conservation Stewardship Program.** CSP provides technical ongoing assistance to farmers for promoting soil and water conservation. By scaling back the program to assist only new enrollees, taxpayers would no longer be providing assistance to farmers who have already implemented and maintain such practices. **Savings: \$1.6 billion.**
- **Reform DoD Contracts Bonus System.** According to GAO, DoD has handed out \$8 billion in award fees for contractors that were not earned by performance standards. GAO found that DoD has been improperly paying awards and incentives attached to contracts. These are supposed to only be paid out for outstanding performances on contracts, but are routinely paid out without regard to performance. **Savings: \$8 billion.**
- **Eliminate Compensation for Lost Transportation Bids.** The Department of Transportation provides funding to engineering firms that *lose* contract bids, in order to compensate for the costs of submitting proposals on large projects. DOT records indicate that since 2001, the agency has paid out roughly \$6.2 million to losing bidders. **Savings: \$6.2 million.**

The Senate and the taxpayers should be permitted a full and open debate with the opportunity to offer amendments. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom", with a large, sweeping flourish extending to the left.

Tom A. Coburn, M.D.
U.S. Senator