



Taxpayers for Common Sense Recommendations to the President for Earmark Reform

At Taxpayers for Common Sense, we believe that all funding decisions must be made on the basis of merit, federal priorities and national need. By its nature, the current earmark system defies these principles and undercuts the ability of both Congress and federal agencies to make smart funding decisions. Moreover, earmarks have become part and parcel of a pay to play system in Washington, leading to both actual instances of corruption and a continuing erosion of public confidence in the federal government overall.

We recognize that the gap between the 11,780 congressional earmarks worth \$18.3 billion we found in the FY08 spending bills and a rigorous, merit-based competitive award process for funding is too broad to be closed in one fell swoop. Furthermore, after years of being dictated to by earmarks, federal agencies and programs have allowed the merit based award systems to atrophy and these decision-making muscles will have to be strengthened again. Ultimately, Congress must take decisive steps to reforming the earmark process. But the President and the administration can implement a number of reforms that will reduce the likelihood of wasteful spending through the earmarking process, give taxpayers greater confidence that their money is being spent wisely and appropriately, and create a climate that pressures Congress to reform itself.

Complete, true transparency – *All background, request, funding and tracking information on earmarks must be made available on the internet in an easily usable, searchable, sortable, and downloadable format.* Over the last two years, more information has been revealed about each earmark: name of the sponsor, released in a searchable format, amplifying background information on House of Representatives earmarks and soon copies of all appropriations earmark request letters. However, lists of projects and earmark disclosure letters on 535 different member web sites is not adequately transparent. Each year TCS converts the list of earmarks into usable spreadsheets that the public can query to manipulate the data to learn more about how their taxpayer dollars are being spent. While OMB has taken on the task of completing databases after the enactment of spending bills, these databases do not include member information and OMB has the resources to develop tools that centralize earmark information even if Congress won't.

Full budget accountability – *Require that all earmarks be tracked, documenting use of funds, justification, historical spending patterns, and results.* Items in the President's budget are required to be submitted with budget justification sheets that provide amplifying information on the project, spending history, and prognosis. Beyond simple one-paragraph request letters from lawmakers, none of this information is available for earmarks. Some projects are funded year after year without any evaluation of merit or when the project will be completed. This information is critical for informed budget decision-making. Agencies and OMB can track performance of earmarked projects and make the information easily available to the public.

Reduce the incentives for earmarking - Strengthen competitive, merit-based, or formula-based funding system at agencies.

Strong and transparent funding systems at the agency level will help reduce the appetite and pressure to earmark. In addition, the administration should invite Congress to work with the executive agencies to set criteria in heavily earmarked programs.

Draw the Line at the Defense bill- Veto any Defense spending bill with earmarks. With our nation's men and women in harms way, the stakes are too high to allow national security decisions to be driven by parochial politics. Moreover, earmarks in the defense bill are the most likely to be steered towards private companies, creating special opportunities for pay-to-play transactions. Let Congress know you are serious about earmark reform by promising to veto any defense spending bill that includes earmarks.

To be truly transparent there should be hundreds of earmarks instead of thousands. Furthermore, we recognize that lawmakers will continue to fight for resources for their districts and for the policies and programs they want most to thrive. Simply banning earmarks could easily drive Congressional attempts to influence agency spending further out of the public view. The responsible approach will be to create systems to allocate our precious taxpayer dollars to the highest priority, most meritorious projects in the national interest.