

# WebMemo



Published by The Heritage Foundation

No. 1397  
March 15, 2007

## Congress Hijacks Troop Funding for Pork

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As federal spending nears \$24,000 per household, the House of Representatives took the President's vital national security supplemental bill and larded it up with \$21 billion in unrelated spending, bringing its total cost to \$124 billion.<sup>1</sup> This blatant abuse of the emergency spending budget tool is a strong signal that the new congressional leadership's pledge of fiscal restraint will be short-lived. This legislation holds U.S. troops hostage to a host of special interest spending. With an average cost of \$721 million per each of its 172 pages, this bill could be the most expensive emergency legislation in American history. Moreover, Congress is using this vital troop spending bill as a vehicle to debate war strategy. Instead of getting bogged down in that debate, Congress need to focus on getting needed funds to the troops on the front lines.

It was barely a month ago that Congress passed a budget limiting fiscal year 2007 discretionary spending (excluding emergencies) to the President's cap of \$873 billion. This represented an increase of *only* 3.5 percent over last year's budget. The new leadership's repeated pledges that it would exercise spending restraint to curb the budget deficit and enact serious pay-as-you-go budget rules to enforce discipline have already been broken by this new spending bill. Declaring an additional \$21 billion for unrelated measures as "emergency" spending allows Congress exclude it from the budget caps. This accounting gimmick may hide the spending from budget documents, but taxpayers will still be on the hook for it on April 15.

The troops in Iraq and Afghanistan, for whose benefit this legislation was intended, have become merely a bargaining chip for an additional \$21 billion in spending that could never pass on its own. Lawmakers are effectively telling President Bush that the troops in Iraq and Afghanistan cannot have their body armor unless Congress gets \$16 million for additional office space for the House of Representatives. Is it any wonder that polls show 80 percent of Americans disapprove of Congress's performance on federal spending?

**Another Farm Bailout.** After averaging \$10 billion throughout the 1990s, annual spending on farm subsidies has doubled to an average of \$20 billion in the current decade following the passage of the most expensive farm bill in American history in 2002. Despite that net farm income broke records between 2003 and 2006, the supplemental would provide \$4 billion *more* in nationwide agriculture disaster assistance. These funds were not requested by the Department of Agriculture (USDA).

It is also noteworthy that Washington is subsidizing farmers whose average income is \$81,588, well above the national average income.<sup>2</sup> Furthermore, the majority of farm subsidies are distributed to commercial farmers, who report an average household income of \$191,115.<sup>3</sup>

This paper, in its entirety, can be found at:  
[www.heritage.org/research/budget/wm1397.cfm](http://www.heritage.org/research/budget/wm1397.cfm)

Produced by the Thomas A. Roe Institute  
for Economic Policy Studies

Published by The Heritage Foundation  
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Washington, DC 20002-4999  
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And that \$4 billion in subsidies is not all. Congress would also provide:

- \$25 million for spinach growers;
- \$100 million for citrus growers;
- \$25 million for livestock farmers;
- \$74 million for peanut storage; and
- \$283 million in milk subsidies.

In addition to being wasteful, these payments are also duplicative. Assistance for livestock farmers and specialty crop growers are already covered by Section 32 disaster payments. Dairy assistance is already funded under the Milk Income Loss Contract (MILC) program. Finally, the USDA may have to spend millions of dollars to administer this complex law, because it may require farmers to submit large amounts of additional paperwork.

**Other Subsidies.** The spending spree extends well beyond farm subsidies. It also includes:

- \$120 million for the shrimp and menhaden fishing industries;
- \$60 million for fisheries;
- \$35 million for NASA;
- \$5 million for those engaged in “breeding, rearing, or transporting live fish”;
- \$6.4 million for additional salaries and expenses for the House of Representatives; and
- \$16 million for additional office space for the House of Representatives.

The supplemental would also provide approximately \$735 million for the State Children’s Health Insurance Program (SCHIP). Under this provision, the 14 states that chose to expand SCHIP coverage without ensuring that they had resources to pay for it would be rewarded with a huge bailout from the

36 states that planned responsibly. The clear result would be to encourage more states to make massive new financial commitments and then wait for Washington—using money from taxpayers in other states—to bail them out.<sup>4</sup>

A \$400 million appropriation for the Low-Income Home Energy Assistance Program (LIHEAP) represents the taxpayer bill for gimmicks Congress employed last year. One year ago, Congress voted to take \$1 billion in LIHEAP funding designated for 2007 and use it in 2006. When asked if this policy would simply create a 2007 shortfall that taxpayers would have to make up, proponents such as Olympia Snowe (R-ME) promised that the shift would not cost taxpayers a dime.<sup>5</sup> Now in 2007, right on cue, Congress is calling for \$400 million to replenish the “LIHEAP shortfall.” Congress’s spending gimmicks almost always cost taxpayers millions.

**Not Emergencies.** Congress should have real budgetary debates about spending priorities and trade-offs in order to live within the budget caps it set in the Continuing Resolution/Omnibus rather than treat the supplemental as a spending gift. Sadly, this Congress appears ready to continue previous Congresses’ penchant for evading fiscal discipline by using war supplementals to circumvent substantive debate over the budget. Congress should separately consider the merits of any adjustments to FY 2007 spending levels in an honest budget discussion. For example, extra funding for Base Realignment and Closure to achieve significant future savings is a sensible priority, but it is not an emergency. Nor is it a federal emergency to bail out states for their lack of fiscal discipline in vastly exceeding SCHIP guidelines. Such initiatives require rigorous discussion to determine if they are sound policies.

1. See Brian M. Riedl, “Federal Spending by the Numbers,” Heritage Foundation *WebMemo* No. 1390, March 8, 2007, at [www.heritage.org/Research/Budget/wm1390.cfm](http://www.heritage.org/Research/Budget/wm1390.cfm).
2. U.S. Department of Agriculture “Farm Household Economics and Well-Being: Income Forecasts and Income in Perspective,” February 14, 2007, at [www.ers.usda.gov/Briefing/WellBeing/farmhouseincome.htm](http://www.ers.usda.gov/Briefing/WellBeing/farmhouseincome.htm).
3. *Economic Report of the President* (Washington, D.C.: U.S. Government Printing Office, 2007), at [www.gpoaccess.gov/eop/2007/2007\\_erp.pdf](http://www.gpoaccess.gov/eop/2007/2007_erp.pdf).
4. See Nina Owcharenko, “The Truth about SCHIP Shortfalls,” Heritage Foundation *WebMemo* No. 1381, March 5, 2007, at [www.heritage.org/Research/HealthCare/wm1381.cfm](http://www.heritage.org/Research/HealthCare/wm1381.cfm).
5. Senator Olympia Snowe (R-ME), *Congressional Record*, March 2, 2006, p. S1632.

Furthermore, discretionary programs are not starved for funding. From 2001 through 2006, non-security discretionary spending has increased by 40 percent (21 percent after inflation). In fact, since 1990, non-security discretionary spending has increased three times faster than defense and homeland security spending.<sup>6</sup> In particular, recent discretionary spending increases for education and health have been among the largest ever. At the same time, Congress continues to appropriate money to wasteful and unnecessary programs like the Advanced Technology Program, which spends much of its \$150 million budget subsidizing Fortune 500 companies.<sup>7</sup> The combination of recent spending increases and wasteful spending mean Congress should have plenty of room to be able to work within the actual discretionary spending caps that it set in the CR/Omnibus.

**Recommendations for Congress and the President.** Congress should show that its promises of fiscal restraint were not just hot air by providing a clean supplemental bill for President Bush to sign. Specifically, Congress should:

- Reject all spending that deviates from the purposes of the bill, funding the wars in Iraq and Afghanistan;

- Keep within the funding level requested by the President;
- Identify offsets to pay for new spending; and
- Ensure that the troops receive needed funding quickly by not getting bogged down in a debate over war strategy.

Thus far, Congress has failed to meet these standards for fiscal responsibility.

The President must not allow Congress to hold troop funding hostage to pork-barrel spending. The President should promise to veto any legislation that contains spending beyond the scope or amount he requested, regardless of its intended beneficiaries. If Congress fails to repair the supplemental itself, the President must bring out the veto pen. In addition, the President should veto any legislation that contains wasteful earmarks. Finally, the President should work with Congress to identify lower-priority programs that can be reduced to offset new spending.

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6. Riedl, "Federal Spending by the Numbers."

7. Brian M. Riedl, "Congress Should Follow the President and Eliminate the Advanced Technology Program," Heritage Foundation *Backgrounder* No. 1828, March 1, 2005, at [www.heritage.org/Research/Budget/bg1828.cfm](http://www.heritage.org/Research/Budget/bg1828.cfm).