Congress slated $5.6B in bills for private sector

Earmarks for companies increase potential for corruption, critics say

By Matt Kelley
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WASHINGTON — Congress steered $5.6 billion to private companies in 2005 — more than state and local governments combined — through its power to add special-interest items to spending bills, a new government database shows.

The database, completed by the White House Office of Management and Budget this month, identifies nearly 15,000 earmarks totaling almost $19 billion. Earmarks, which are inserted into spending legislation at a lawmaker's request for specific programs or projects, have been involved in recent scandals at the Capitol.

Critics say earmarks to private companies are particularly prone to improper influence or outright graft.

"It creates a lot of room for mischief, a lot of temptation for doing wrong. It's corrupted our system," says Sen. Jim DeMint, R-S.C.

Defenders of earmarks say they're an important exercise of Congress' power over spending.

"Reducing earmarks tilts power toward the president and away from Congress," says Richard Kogan of the non-partisan Center for Budget and Policy Priorities. "In the broadest sense, to say you don't like earmarks is to say we don't think our elected representatives should decide where the money should go, our appointed ones should."

Earmarks are coming under intense scrutiny in Washington this year. President Bush called on Congress to cut earmark spending in half. The OMB's database is to be the administration's benchmark for the 2008 spending bills.

The OMB's database shows about $37 million went to companies involved in the bribery scandal that toppled Rep. Randy "Duke" Cunningham, R-Calif. Cunningham, a former member of the House Appropriations Committee, is serving an eight-year prison term for taking more than $2 million in bribes from defense contractors in exchange for directing earmarks to their companies.

Democrats, who regained control of Congress in part because of the Cunningham case and other scandals, have been more involved in recent earmarks than Republicans were in the past.

Some of the companies receiving earmarks have been involved in recent scandals.

"It's a lot of money, but it's also a lot of money that's not going to be reimbursed," says Rep. Dave Camp, R-Mich., the chairman of the House Ways and Means Committee.

One problem, too, is that some companies altered the documents for the earmarks.

"They didn't change the title or story every time, but the story was more accurate," said Steve Stipe, House general counsel.

The Environmental Protection Agency case may be a test. Democrats seek to subpoena Karl Rove and other officials in the EPA's administration. The president and law or court rulings can force testimony from a top presidential aide, according to some legal experts.

The scope of testimony continues Wednesday. The subcommittee's authorization to subpoena Monica Goodling, another top aide, is a new development. The subcommittee also voted to allow a live, unbracketed political director to be questioned about her testimony about the FBI.

At the same time, the Committee on Government Reform's testimony of Condeleeza Rice on the administration's pursuit of enrichment at the panel's subpoena power Republi-