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WHAT DEFICIT CRISIS? CONGRESS CONTINUES ITS PORK-LADEN SPENDING SPREE

(Updating *Backgrounder* No.780, "While Talking About A Deficit Crisis, Congress Proposes Billions in New Spending," July 25,1990.)

How is Congress responding to George Bush's broken no-new-tax pledge? With visions of new revenues dancing in its head, Congress has gone on a spending spree that will push the federal budget and the tax burden on the American people to record highs. While many in Congress thus publicly wring their hands and gnash their teeth about what they call the deficit crisis, what they really seem to care about is only more spending. Examples: On July 18, the House of Representatives passed a \$50.34 billion Rural Development/Agriculture appropriations bill, which is \$5.18 billion or 11.46 percent higher than the 1990 amount. On July 19 the House approved a \$170.44 billion Labor/Health and Human Services appropriations bill, which increases spending by \$17.31 billion or 11.3 percent over last year's level.

With only eight of the thirteen appropriations bills passed so far, the House already has spent \$403.09 billion, or \$41 billion over 1990 levels, an increase of 11.4 percent. This is \$68 billion over 1989 levels, an increase of 20 percent.

**Table 1
Appropriations Bills
(\$billions for Fiscal Year)**

BILL	1989 Approps.	1990 Approps.	1991 Bush Proposal	1991 Approps.	\$ Change 90 - 91	% Change 89 - 91	% Change 90 - 91
Commerce/ Justice	14.85	11.70	11.10	10.50	-1.20	-29.30	-10.20
Energy/Water	17.83	18.43	20.20	20.77	+ 2.40	+ 16.52	+ 12.70
Foreign Operations	14.29	15.52	15.52	15.78	+ 0.30	+ 10.46	+ 1.69
VA/HUD	59.39	71.28	78.78	83.57	+ 12.30	+ 40.72	+ 17.25
Transportation	25.67	28.17	26.73	30.94	+ 2.70	+ 20.54	+ 9.50
Treasury/P.O.	16.02	18.45	20.71	20.72	+ 2.27	+ 29.34	+ 12.30
Labor/HHS	140.37	153.13	166.23	170.44	+ 17.31	+ 21.42	+ 11.30
Agriculture	46.61	45.17	50.43	50.35	+ 5.18	+ 8.00	+ 11.46
TOTALS	335.03	361.85	390.00	403.09	+ 41.24	+ 20.00	+ 11.40

Note: Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

If the House continues at this record pace in the remaining five appropriations bills and if both the Senate and President approve, spending will rise by nearly \$75 billion over similar fiscal year 1990 levels. This dramatic increase is of particular concern because the 13 appropriations bills represent only about 60 percent of all federal spending. When combined with the automatic increases in entitlement programs and interest on the national debt, which comprise the remaining 40 percent of the budget, fiscal 1991 spending could top last year's levels by nearly \$110.

George Bush is partly to blame for this spending spree. He ignited it by bowing to pressure from Budget Director Richard Darman and Treasury Secretary Nicholas Brady to agree to a budget summit with Congressional leaders in which all issues, including taxes, were on the table. And taking the cue from Darman and Brady again, Bush threw open the floodgates on June 26 when he announced that it was clear to him that "tax revenue increases" would be needed to bring the deficit in line. Smelling blood in the water, the liberal-dominated House of Representatives went on a feeding frenzy. It rejected proposals by some House members to reduce the rate of spending increases on the Agriculture appropriations bill and the Labor/HHS appropriations bill. It defeated eleven such amendments by wide margins. Six amendments that would have slowed spending across the board were offered by Republican representatives William Dannemeyer, from California, and Bill Frenzel, from Minnesota, in addition to Timothy Penny, the Minnesota Democrat. The House even rejected the symbolic amendment by Robert S. Walker, the Pennsylvania Republican; it would have trimmed the overall level of spending in the Agriculture bill by just \$19.90 – a piddling 0.0000000002 percent.

Table 2
(\$ billions for Fiscal Year)

Bill	1990 Approps.	Penny ¹ (9.5%)	Frenzel ²	Dannemeyer ³	Penny ⁴ (2%)	1991 Approps.
Agriculture	45.17	46.01	46.65	47.95	49.39	50.35
Labor/HHS	153.13	N/A	163.74	N/A	169.90	170.44

1. There were two amendments offered by Representative Penny to the Agriculture Bill. The first was an across-the-board 9.5 percent cut on the proposed 1991 appropriations, which was actually an amendment to Frenzel's 7.7 percent cut. This amendment contained an exemption to the cut, the Women and Infant Children program, which was not cut at all.

2. The Frenzel amendments were an across-the-board 7.7 percent cut on the Agriculture bill, and an across-the-board 15.2 percent cut on proposed HHS spending bill. This cut on the HHS bill amounts to only a little over 3 percent of the total bill when the unauthorized funds are added in.

3. The Dannemeyer amendment to the Agriculture bill was an across-the-board cut of 5 percent, but again, this percentage only would have an effect on discretionary spending. The percentage of the total bill was much less.

4. The second Penny amendment to the Agriculture bill was an across-the-board 2 percent cut. The Penny amendment to the HHS bill was also a 2 percent across-the-board cut, but it excluded certain programs such as Chapter 1 Compensatory Education, Education for the Handicapped, and Higher Education.

Other amendments were offered to prevent spending increasing above fiscal 1990 levels on specific programs. Walker proposed four amendments to test the House's resolve for holding the line on spending increases. The first amendment would have prevented a \$65,000 increase for the \$4,935,000 Law School Clinical Experience program; the second would have prevented \$10,000,000 from being spent on a new "Education Summit Follow-Up" study; the third would have prevented a \$65,000 increase in the \$3,806,000 Physician Payment Review Commission; and the fourth would

have prevented a \$450,000 increase for the \$7,550,000 United States Institute of Peace. As could have been expected by that time, all of these proposed cuts were defeated.

Lastly, an amendment offered by Representative George Miller, the California Democrat, would have reduced salaries and expenses in the Department of Labor by \$2 million, reduced funds for general departmental management in the Department of Health and Human Services by \$2.8 million, and cut by \$2 million funds for program administration in the Department of Education. This too was defeated. The result: the entire measly \$6.8 million in cuts was defeated.

Congress went “hog wild” when George Bush was convinced by Richard Darman and Nicholas Brady to betray the “no-new-tax” pledge and put the issue of “new tax revenues” on the budget summit table. The House is now on track to spend any new taxes before the money even reaches the Treasury. This follows the decades-old pattern of Congress spending \$1.50 for each new dollar of taxes collected. If Bush needs any more evidence of how Congress will never use a tax increase toward deficit reduction, he need look no further than how the House of Representatives reacted when he put taxes “on the table.”

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APPENDIX

Rural Development, Agriculture, and Related Agencies

The appropriations levels in the 1991 Rural Development/Agriculture bill are 11.46 percent, or \$5.2 billion, higher than fiscal 1990 levels. The big gainers in the bill are Agriculture programs, increased by \$846.7 million; Rural Development Programs, increased by \$1.43 billion; and, Domestic Food Programs, increased by \$2.77 billion.

Of the thirteen appropriations bills, the agriculture appropriations bill is by far laden with the most pork barrel projects. There is not a county in the nation that does not in some fashion benefit from this bill, and nearly every university in the nation receives "research" funds from this bill. Congress should begin trimming the fat from this bill by looking at the following programs:

Department of Agriculture

Economic Research Service: \$54,400,000

National Agricultural Statistics Service: \$76,451,000

World Agricultural Outlook Board: \$2,196,000

Advisory Committees: \$1,407,000

Examples:

National Advisory Council on Commodity Distribution: \$81,428

National Arboretum Advisory Council: \$13,654

Committee of Nine: \$39,300

Federal Grain Inspection Service Advisory Committee: \$65,586

Nat.Ad.Comm. on Microbiological Qual.Standards for Food: \$50,252

Advisory Comm. on Foreign Animal and Poultry Diseases: \$26,503

National Advisory Committee on Animal Damage Control: \$38,950

Scrappie Negotiated Rulemaking Advisory Committee: \$45,220

Agricultural Research Service: \$633,708,000

Examples:

Plant germ plasma: \$30,304,000

Plant genome research: \$3,773,000

Narcotic plants: \$6,484,000

Animal germ plasma: \$6,501,000

Renovation of the Beltsville Agriculture Research center: \$7,250,000

Dwarf bunt research: \$130,000

Potato scab research: \$190,000

Hawaii fruit fly research: \$2,667,000

National Sedimentation Laboratory: \$44,891,000

Kenaf: \$1,106,000

Soybean-based ink: \$426,000

Aflatoxin research: \$5,849,000

Turkey osteomyelitis: \$200,000

Agricultural Research Service Buildings and Facilities: \$26,039,000

Examples:

National Seed Storage Lab, CO: \$2,000,000

Salinity Lab, Riverside, CA: \$5,050,000

Plant Stress Lab, Texas Tech, TX: \$600,000

National Animal Disease Center, Incinerator, Ames, IA (post mortem facility): \$300,000

Special Research Grants: \$56,909,000

Examples:

Cool season legume research (IA, WA): \$250,000

Animal waste disposal (MI): \$75,000

Blueberry shoestring virus (MI): \$92,000

Broom snakeweed (NM): \$150,000

Grasshopper biocontrol (ND): \$71,000

Nematode resistance through genetic engineering (NM): \$150,000

Cooperative state research service buildings and facilities at
over thirty U.S. universities: \$45,361,000

Packers and Stockyard Administration: \$10,687,000

Rural water and waste disposal grants: \$300,000,000

Delta Commission (proposal for prison expansion in the Mississippi delta): \$50,000

Rural Electrification Administration

Budget authority: \$266,603,000

Loan authorization: \$1,794,375,000

River basin surveys and investigations: \$12,783,000

Great Plains Conservation Program: \$24,637,000

Foreign Agricultural Service: \$105,048,000

Ameri Flora '92 Exposition: \$500,000

Departments of Labor, HHS, Education and Related Agencies

The House has appropriated \$17.31 billion more for 1991 in Labor/HHS bill than in 1990, an increase of 11.3 percent; and \$30 billion more than in 1989, an increase of 21.42 percent. The big winners in this bill are the Department of Health and Human Services with an increase of \$13.23 billion, and the Department of Education with an increase of \$3.0 billion. Specifically, the failed Job Corps will receive an additional \$101 million in fiscal 1991, and the National Institute of Health's budget will increase by \$1.04 billion.

While the appropriations committee reports that \$126 billion, or 74 percent, of this bill's total appropriations is dedicated toward entitlement programs, Congress should look seriously at reforming or terminating the following discretionary programs:

Department of Labor

Job Training Partnership Act: \$4,210,687,000

Community Service Employment for Older Americans: \$400,000,000

Employment Standards Administration:

Salaries and expenses: \$222,388,000

Longshore and Harbor Workers' Compensation Act: \$1,016,000

Occupational Safety and Health Administration: \$291,243,000

Mine Safety and Health Administration: \$177,767,000

Bureau of Labor Statistics: \$207,274,000

Assistant Secretary for Veterans Employment and Training: \$172,031,000

Department of Health and Human Services

Health Resources and Services: \$1,627,375,000

Examples:

General Dentistry Residencies: \$3,929,000

Physician Assistants Program: \$4,789,000

Health Professions Data Analysis: \$1,846,000

Geriatric Training and Research: \$14,047,000

Native Hawaiian Health Care: \$1,283,000

Nurse Practitioners: \$13,432,000

Nurse Anesthetists: \$1,130,000

Nurse Disadvantaged Assistance: \$4,000,000

Organ Transplantation: \$4,257,000

Rural Health Research: \$4,380,000

Adult Health Care Demonstrations: \$27,200,000

Centers of Disease Control: \$997,701,000

Examples:

Lead Poisoning Prevention: \$8,000,000

Sexually Transmitted Diseases: \$90,000,000

Injury Control Program: \$25,000,000

Occupational Safety and Health: \$87,020,000

Epidemic Services: \$70,000,000

National Institutes of Health: \$8,317,654,000

Examples:

Dental Research: \$134,000,000

Allergy and Infectious Diseases: \$869,000,000

Environmental Health Sciences: \$244,842,000

John E. Fogarty International Center: \$18,682,000

President's Council on Physical Fitness and Sports: \$1,499,000

Health Care Financing Administration

Research and Demonstration Projects: \$69,000,000

Rural Hospital Transition Grant Program: \$23,000,000

Social Security Administration

Special Benefits for Disabled Coal Miners: \$841,081,000

Department of Education

Compensatory Education for the Disadvantaged: \$6,225,250,000

Examples:

Administrative Assistance to State Agencies: \$60,000,000

Evaluation and Technical Assistance: \$15,000,000

Rural Technical Assistance Centers: \$4,500,000

Impact Aid: \$800,000,000

School Improvements Programs: \$1,474,745,000

Examples:

National Diffusion Network: \$14,000,000

Arts in Education: \$4,500,000

Law-Related Education: \$5,000,000

Blue Ribbon Schools Program: \$900,000

Leadership in Education Administration: \$3,845,000

Mid-career Teacher Training: \$1,000,000

Fund for Innovation in Education: \$25,000,000

Dropout Prevention Demonstration: \$30,000,000

Education for Native Hawaiians: \$6,400,000
Bilingual and Immigrant Education: \$205,000,000

Student Financial Assistance: \$6,777,000,000

Examples:

Work-Study: \$600,000,000

Income Contingent Loans: \$10,000,000

State Student Incentive Grant: \$60,000,000

(Loan Defaults: \$2 billion)

Grant to Gallaudet University: \$74,047,000

Higher Education: \$763,616,000

Examples:

Strengthening Developing Institutions: \$87,500,000

Strengthening Historically Black Colleges and Universities: \$87,500,000

Strengthening Historically Black Graduate Institutions: \$12,000,000

Innovative Projects for Community Services: \$1,481,000

International Education and Foreign Language Studies: \$46,000,000

Law School Clinical Experience: \$5,000,000

Interest Subsidy Grants: \$20,900,000

Grant to Howard University: \$200,036,000

Grant to Howard University Hospital: \$29,000,000

College Housing and Academic Facilities Loans: \$38,449,000

Independent Agencies

Corporation for Public Broadcasting: \$259,565,000

Federal Mediation and Conciliation Service: \$27,705,000

National Mediation Board: \$6,675,000

United States Institute of Peace: \$8,000,000

