

January 25, 1995

CLOSING UNNEEDED AND OBSOLETE INDEPENDENT GOVERNMENT AGENCIES

INTRODUCTION

The new Congress is promising to take a fresh look at all federal spending to meet its ambitious deficit reduction target. As part of this task, lawmakers can find a wealth of opportunity in abolishing or consolidating the scores of independent federal agencies that spend billions of taxpayer dollars on inessential, replicative, regional, or trivial activities.

The new congressional leadership seems willing to undertake a radical overhaul of government. Several members of Congress already have announced their intentions to close or consolidate many government agencies and offices. The new Chairman of the Senate Governmental Affairs Committee, Senator William Roth (R-DE), is considering reducing the number of government agencies by up to half in an effort to combat excess overhead and waste. Meanwhile, the Chairman of the Senate Budget Committee, Senator Pete Domenici (R-NM), estimates that Congress can terminate at least 100 of the roughly 3,600 federal programs and at least one major department.

The approximately 130 independent federal agencies offer budget cutters many targets of opportunity. Established over the past hundred years, these independent agencies—including such institutions as the Corporation for Public Broadcasting, the Office of Nuclear Waste Negotiator, and the Christopher Columbus Quincentenary Jubilee Commission—were created and funded to pursue objectives that appeared important at the time. But times change, and a careful review of these programs indicates that many of the services they provide are:

- ① Provided by another government department or agency.
- ② Amenable to management efficiencies through consolidation.
- ③ No longer justified in an era of competing needs and limited resources.
- ④ Of regional rather than national interest.

A review of the 130 independent agencies indicates that at least 40 meet one or more of these criteria and should be considered for termination, consolidation, or transfer to another agency or department. The potential budgetary savings of this recommendation would be as high as \$2 billion per year if all programs were terminated. Savings would be slightly less if recommended programs instead were consolidated and thus experienced significant savings in overhead from the elimination of duplicative functions. A brief discussion of each of the 40 independent agencies proposed for termination is provided in the next section of this analysis, and the five-year CBO baseline budget projection is provided for each in the appendix.

Programs Replicated Elsewhere. Illustrating the wasteful replication of public services are the several different agencies tasked with nuclear safety. These include the Nuclear Regulatory Commission, the largest and oldest of the group, the newer and much smaller Defense Nuclear Facilities Board, the Office of Nuclear Waste Negotiator, the Nuclear Waste Technical Review Board, and the Presidential Commission on Catastrophic Nuclear Disasters. In addition to these overlapping independent agencies, similar functions are performed within the Department of Energy by the Office of Nuclear Performance Assessment, the Office of Nuclear Safety Enforcement, the Office of Nuclear Safety Policy and Standards, the Office of Radiological Oversight, and the Division of Transportation and Packaging Safety.

While one could argue that there is no such thing as too much nuclear safety, this scatter-shot approach, with independent offices spread throughout Washington, D.C., means costly replication. More troublesome from a safety perspective, unintentional lapses and gaps in oversight arise because of divided responsibility, communications difficulties, and excessive overhead at the expense of safety initiatives.

Achieving Efficiency Through Consolidation. Even when the specific responsibilities of independent agencies are decidedly different, their functions still may be sufficiently similar to allow for management efficiencies through consolidation, leading to reduced costs and allowing more federal financial resources to go directly to the intended beneficiaries rather than to administering bureaucrats.

In recent years, Congress has chosen to honor some of America's great leaders, not through statues, pantheons, or memorial gardens, but through permanent scholarship funds established in their names. At present there are five independent agencies established to administer federally funded scholarship programs, including the Barry Goldwater Scholarship Foundation and the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation. While worthy in purpose, the creation of these funds with the status of independent government agencies has rendered them needlessly top-heavy with bureaucratic burdens that diminish their ability to achieve the mandated purpose. For example, in the President's FY 1995 budget, the Harry S. Truman Scholarship Foundation is projected to incur a million dollars in administrative expenses to provide just over two million dollars in scholarships, while the James Madison Memorial Fellowship Foundation will incur \$1.6 million in administrative costs to provide just \$998,000 in fellowships to students. These high rates of overhead would be unacceptable in the private sector and should be in the public sector. A better way to honor America's leaders would be to consolidate these scholarship programs within existing agencies making academic grants, such as the National Science Foundation or the Department of Education. This would reduce overhead costs substantially. Given the modest size of each of

these programs, it makes no sense to maintain five separate accounting departments, five mailrooms, five travel budgets, five costly executives, five executive assistants, and five versions of all the other offices needed to operate a scholarship program.

Low-Priority Agencies. Other independent agencies perform functions that, while possibly of interest and importance to a few, cannot be justified in an era when available government resources are far short of what is needed to satisfy competing demands. If the Department of State and Department of Defense are fulfilling their costly functions adequately, then why must millions of dollars be spent on the Institute of Peace, the North-South Center, or the Japan-United States Friendship Commission? And does the President of the United States really need a Commission of Fine Arts, spending a half-million dollars per year in salaries and renting premium office space at \$144,000 per year, to advise him and Members of Congress on matters of architecture, painting, and sculpture?

Agencies of Regional Interest. Finally, there are those programs whose benefits are purely regional with no national impact. Examples are the several independent agencies conducting special programs for specific East Coast river basins, such as the Susquehanna River Basin Commission. These programs may have some significance for specific states or regions, but they provide little direct value beyond that. More comprehensive water and river programs exist within the Environmental Protection Agency, the Army Corps of Engineers, and the Department of the Interior. These bureaus have been tasked with national waterway responsibilities. Projects with a more specific regional focus should be the responsibility—both financially and managerially—of the affected states. Similarly, the Pennsylvania Avenue Development Corporation since 1972 has been investing millions of taxpayer dollars on a one-mile stretch of road in the District of Columbia. Although the once-seedy Pennsylvania Avenue corridor reached showpiece status in the mid-1980s, the Corporation continues to draw on the public purse—an expected \$184 million in this fiscal year—by pursuing costly commercial development better left to the private sector.

It should be noted that while this analysis proposes the abolition of just 40 of the approximately 130 independent agencies, this should not be construed as an endorsement of the activities of the other agencies or of their current levels of federal funding. Nor should their omission from this listing in any way imply or suggest that they need not be subject to close examination, funding reductions, fundamental reform, or even abolition. In most cases, the excluded agencies are of a size and significance that place them beyond the summary review nature of this study and necessitate a more exhaustive and detailed study of their operations before recommendations can be made. Such independent agencies include the Small Business Administration, the Commodity Futures Trading Corporation, the Resolution Trust Corporation, the Central Intelligence Agency, and many others of similar size and significance. Recommendations on these programs will be provided in subsequent studies.

While some may regard abolishing many independent agencies to streamline government and reduce costs as extreme, a review of recent budgetary actions regarding independent agencies indicates that terminations and consolidations often have been used in the past to eliminate agencies that have outlived their usefulness. Examples of the many agencies shut down or consolidated over the past few years include ACTION, the Advisory Commission on Conferences in Ocean Shipping, the Commission on Agriculture

Workers, the Interagency Council on the Homeless, the Civil Aeronautics Board, and the National Afro-American History and Culture Commission—to name just a few.

AGENCIES THAT SHOULD BE CLOSED DOWN

Administrative Conference of the United States

Purpose: Assists the President, Congress, and federal departments in improving the efficiency, adequacy, and fairness of the administrative procedures used within government and with private citizens.

Rationale: Given the general agreement between Congress and the executive branch, and between Republicans and Democrats, on the need for a fundamental and drastic overhaul in the way government does business and serves the public, it is apparent that the Conference has little to show for the millions of taxpayer dollars it has spent in its 30 years of existence. Significant government and administrative reform proposals are being developed through the Vice President's Reinventing Government Program and the National Performance Review. The new Congress promises a companion effort to achieve similar goals. The Commission should be abolished in favor of these more comprehensive and more promising efforts.

Advisory Commission on Intergovernmental Relations

Purpose: Examines federal, state, and local trends, events, and programs that affect intergovernmental relations and makes recommendations as appropriate.

Rationale: Despite its stated purpose, the Commission has never played a serious role in the debate over pressing issues concerning the levels of government in the federal system. Key debates and decisions on issues such as revenue sharing, unfunded mandates, interstate commerce, and transport generally have been handled elsewhere as mayors, governors, Congress, and the President interact, resolve problems, and develop policy in other forums.

Advisory Council on Historic Preservation

Purpose: Provides independent advice to the President and Congress relating to the national historic preservation program.

Rationale: Historic preservation, including the development of appropriate policies, should be a local responsibility and activity, except when landmarks are of national significance. These cases can be handled quite satisfactorily by the U.S. National Park Service and its Division of Cultural Resources.

Appalachian Regional Commission

Purpose: Provides guidance and financial assistance to the 13 Appalachian states for basic facilities and support to promote economic growth in the region. Programs focus on transportation access and on community, business, and human development.

Rationale: The Commission is one of the more costly independent agencies, with an operating budget of over \$200 million in this fiscal year. There is no convincing evidence that this program, after 30 years of operation, has been effective in creating new jobs or capital investment or that it is needed to promote local or regional development. In real-

ity, it serves largely as a source of pork-barrel spending for the region's politicians. West Virginia, a focus of much of the Commission's attention, is still poor and becoming poorer relative to the rest of the country. Its citizens' income ranked 43rd in the country in 1980 but fell to 47th by 1993, and its unemployment rate is consistently the highest in the country. The Commission thus has failed in its stated goal. Its programs replicate the already extensive rural-based development and economic programs of the Departments of Agriculture, Transportation, Labor, and Housing and Urban Development.

Arms Control and Disarmament Agency

Purpose: Advises the President and Secretary of State on arms control, non-proliferation, and disarmament activities and participates in negotiations with other countries.

Rationale: As a product of the Cold War, ACDA's mission largely has been fulfilled by a series of nuclear, conventional, and chemical weapons agreements. For many years ACDA has been overshadowed by other U.S. agencies, particularly the State, Energy and Defense Departments. The Agency is outmoded and duplicative and should be abolished, with arms control issues mandated to other, more appropriate agencies.

Barry Goldwater Scholarship and Excellence in Education Foundation

Purpose: Awards scholarships to outstanding undergraduates in mathematics, science, and engineering as the sole permanent tribute to the former Senator from Arizona.

Rationale: The Foundation's independent status leads to high administrative costs relative to direct program benefits. It should be consolidated with other scholarship programs within another grant-giving, academically oriented entity in order to maintain the current level of scholarships but at far lower administrative costs.

Christopher Columbus Fellowship Foundation

Purpose: Encourages and supports research, study, and labor designed to produce new discoveries in all fields of endeavor for the benefit of mankind.

Rationale: This foundation should be consolidated with other similar fellowship programs to minimize overhead and administrative costs and maximize benefits.

Commission for the Preservation of America's Heritage Abroad

Purpose: Encourages the preservation of cemeteries, monuments, and historic buildings associated with the foreign heritage of the United States.

Rationale: To reduce overhead and administrative cost, this task should be handled through the Foreign Service and the cultural attaches in relevant U.S. embassies, using local contractors as appropriate.

Commission of Fine Arts

Purpose: Advises the President, Congress, and Department heads on matters of architecture, sculpture, painting, and other fine arts, particularly as they relate to the appearance of the National Capital.

Rationale: Congress already possesses the long-standing office of the Architect of the Capitol, whose skills, resources, and capabilities render him and his staff more than suitable to provide advisory services directly, or through referral, in the event that Members of Congress, the President, or any of the Cabinet heads need expert guidance and advice on the fine arts. The Commission does not create art; it reviews and judges the work of others.

Commission on Civil Rights

Purpose: Engages in studies concerning areas in which there may be denials of civil rights and reports on these matters to the President and Congress.

Rationale: The Commission replicates the civil rights responsibilities of the many other federal civil rights offices, including the Equal Employment Opportunity Commission, the Civil Rights Division of the Justice Department, and the Division of Fair Housing and Equal Opportunity in the Department of Housing and Urban Development. There also are specialized offices within these divisions. HUD, for instance, has an Office of Fair Housing Initiatives and Voluntary Programs, an Office of Investigations, an Office of Program Compliance, an Office of Affirmative Action and Equal Employment Opportunity, and an Office of Regulatory Initiatives and Federal Coordination. In the Department of Labor, civil rights issues are pursued by the Directorate of Civil Rights through its Office of Equal Employment Opportunity and Affirmative Action and Office of Program Compliance and Enforcement. Similar Offices and Divisions are lodged at the Department of Health and Human Services and the Department of Education, which has an extensive series of offices covering numerous civil rights issues.

Commission on National Community Service

Purpose: Established in 1990 to encourage all citizens, especially young people, to engage in community service. Makes grants to states and other entities to create service opportunities for students and out-of-school youth.

Rationale: America has a extensive tradition of volunteer work and charitable giving, most of which is oriented toward locally based community service organizations. It is a waste of taxpayer dollars for the federal government to encourage Americans to do what they already are doing in great numbers.

Corporation for National and Community Service

Purpose: Engages Americans of all ages and backgrounds in community-based service focusing on the nation's educational, human, public safety, and environmental needs.

Rationale: Again, given America's proud tradition of volunteerism and charitable giving, much of it oriented toward locally based community service organizations, it is a waste of federal dollars to encourage Americans to do what they already do in great numbers.

Corporation for Public Broadcasting

Purpose: Provides grants to qualified public television and radio stations to be used at their discretion for purposes related to program production and acquisition. Established in 1968 to provide additional programming and support to the many noncommercial radio and television stations that had been established throughout the country — beginning in 1917 for radio and 1953 for television. Public broadcasting now includes nearly

600 radio stations and 340 television stations, and this extensive nationwide system receives more than 80 percent of its support from sources other than the federal government, with contributions from subscribers and business accounting for the largest and second-largest sources of income.

Rationale: The CPB now provides only 14 percent of the public broadcasting system's total financial support, the loss of which could be offset by greater reliance on other financial sources, improved management and administrative efficiency, and elimination of low-priority programming and grant activities. The loss of federal dollars also could be offset by selling commercial air time, particularly in time slots now devoted to CPB promotion and self-justification. Although this would violate the goal of noncommercial broadcasting, it would not interfere with the quality programming objective. The Arts & Entertainment Network, the Discovery Channel, the Learning Channel, National Empowerment Television, and the new History Channel demonstrate that quality educational programming can be maintained in a commercial format and without federal financial support.

To date, the CPB has enjoyed extraordinarily generous federal support. Since 1985, during a time when many government programs have been restrained or reduced, federal spending on the CPB rose by 94 percent, compared with a 60 percent increase in the budget as a whole. It is time for the CPB to make its long overdue fair-share sacrifice and to become financially independent of the U.S. taxpayer and competitive with existing, privately funded educational networks.

Defense Nuclear Facilities Board

Purpose: Responsible for evaluating the content and implementation of standards related to defense nuclear facilities of the Department of Energy. Also investigates events or practices at defense nuclear facilities that may affect public health adversely.

Rationale: The Board is one of five independent agencies concerned with nuclear safety issues. The others are the Nuclear Regulatory Commission, the Office of Nuclear Waste Negotiator, the Nuclear Waste Technical Review Board, and the President's Commission on Catastrophic Disaster. There also are seven separate offices within the Department of Energy—the Offices of Nuclear Safety Enforcement, Nuclear Performance Assessment, Nuclear Safety Enforcement, Risk and Policy Analysis, Nuclear Safety Policy and Standards, Civilian Radioactive Waste Management, and Radiological Oversight. In addition, a number of similar offices and responsibilities are lodged within the Department of Defense in the Office of Atomic Energy, the Defense Nuclear Agency, and the On-Site Inspection Agency. It makes little sense, from either a management or a financial perspective, to have more than a dozen overlapping agencies pursuing similar responsibilities. The Board's responsibilities, as well as those of several of the other independent bodies concerned with nuclear arms and energy, should be consolidated within the appropriate office of the relevant department to improve both congressional and executive oversight at less cost to the budget.

Delaware River Basin Commission

Purpose: Participates jointly with basin states — New Jersey, New York, Pennsylvania, and Delaware — in the development of water and related resources of the region.

Rationale: The benefits of the Commission's activities accrue mostly to the states in the river basin. If those benefits are deemed valuable, then contiguous states should fund the program in its entirety. Otherwise, there is no reason for federal taxpayers to fund costly programs of strictly regional interest and benefit. Moreover, such programs invariably become vehicles for pork-barrel spending. To the extent that there are pressing river basin issues of national concern, existing programs and resources of the EPA and Army Corps of Engineers would be sufficient to meet them.

East-West Center

Purpose: Promotes better relations between the U.S. and the nations of Asia and the Pacific through cooperative programs of study, research, and training.

Rationale: The resources and talents of the State Department, which maintains a network of embassies and consulates in Asian and Pacific nations, should be more than sufficient to maintain good diplomatic relations with these countries. In addition, good general relationships are achieved and maintained best through the extensive private contacts that occur independently of government, thanks to business, the academic community, cultural exchanges, and tourism. Any deficiencies that remain in the quality of U.S. relationships with these nations are not likely to be rectified by the cooperative programs of the Center.

FDIC Affordable Housing and Bank Enterprise

Purpose: Enterprise offers select properties in inventory to eligible households and organizations for low-income housing.

Rationale: The Enterprise competes directly with the objectives and programs of HUD, as well as numerous state and local programs with a similar purpose. Experience demonstrates that the Federal Deposit Insurance Corporation (FDIC) has had a difficult enough time pursuing its main purpose—promoting the safety and soundness of banks—and ought not to involve itself in the difficult task of attempting to house the poor. The FDIC should focus instead on making secure the bank deposits of Americans, while HUD should continue to focus primarily on America's housing needs. The Enterprise should be terminated and consolidated with similar HUD programs which Vice President Gore's National Performance Review recommends for privatization.

Franklin Delano Roosevelt Memorial Commission

Purpose: Responsible for formulating plans for a memorial to FDR.

Rationale: Before his death President Roosevelt requested that any memorial to him be simple, no larger than his desk, and placed near the National Archives. Although this request was fulfilled many years ago, Congress has persisted in trying to erect something grander. The Congress should honor President Roosevelt by adhering to his request.

Harry S. Truman Scholarship Foundation

Purpose: Awards scholarships to students who demonstrate outstanding potential for and interest in careers in public service at the state, local, and federal level.

Rationale: As with all other federal scholarship programs, direct benefits are limited by high overhead and administration costs. According to the President's FY1995 budget, the Foundation incurs one dollar of overhead costs for every two dollars of scholarship money provided. The scholarship budget should be consolidated with other similar programs and transferred to the National Science Foundation or to the Department of Education for less costly operation.

Institute of American Indian and Alaska Native Culture and Arts

Purpose: Provides Native Americans with an opportunity to obtain postsecondary education in various fields of Indian art and culture.

Rationale: It is unwise for the federal government to be in the business of directly funding studies in one culture in preference to others. Existing student loan and grant programs can be used to support postsecondary education for eligible students through accredited institutions of learning. The program either should be terminated or consolidated with other scholarship funds or related programs, such as the Indian Arts and Crafts Board affiliated with the U.S. Department of the Interior or existing Indian Education programs within the Department of Education. This would save overhead and administrative costs.

Interstate Commission on the Potomac River Basin

Purpose: Created on behalf of the four states and the District of Columbia in the Potomac River basin for water pollution abatement and control and for the management of water and land resources.

Rationale: The responsibility for the funding and management of this commission should rest with the District and the affected states. Programs with primarily regional benefits are the responsibility of the states, not the federal government. Any national interest that does need to be served can be met by existing programs of the Environmental Protection Agency and the Army Corps of Engineers. Federal involvement should be limited to those activities that are truly national in scope and that lead to broad benefits for all Americans.

James Madison Memorial Fellowship Foundation

Purpose: Encourages graduate study of the framing, principles, and history of the American Constitution.

Rationale: This Foundation has the highest ratio of administrative costs to scholarship benefits of any of the independent scholarship programs funded directly by the federal government: according to President Clinton's FY 1995 budget estimates, just 62 cents of direct scholarship money for every dollar of administrative costs incurred. The Foundation should be consolidated with other similar programs to reduce overhead costs.

Japan-United States Friendship Commission

Purpose: Makes grants to promote scholarly, cultural, and artistic activities between Japan and the United States.

Rationale: Given the extensive business, cultural, academic, diplomatic, and political relationships between the United States and Japan, there is no shortage of interaction between the citizens and institutions of these two countries. The Friendship Commission's activities are therefore both redundant and a waste of money.

Legal Services Corporation

Purpose: Funds private attorneys, non-profit organizations, and state and local agencies to provide free civil legal assistance to the poor.

Rationale: Despite years of controversy surrounding the misuse of funds by Corporation-supported lawyers and grantees to pursue political and lobbying activities at the expense of direct legal representation for the poor, federal spending on the Corporation has soared under the Clinton Administration, rising by more in the first year of this Administration as in the seven years preceding it. The Corporation, for example, has funded legal opposition to welfare reform, Proposition 187, and state and local tax reductions. Given its history of political activism and the substantial funding the legal services system receives from non-federal sources, taxpayer support should be terminated and the Corporation privatized.

At present, the Corporation serves largely as a conduit of federal money to approximately 323 locally based grantees—such as the Legal Aid Society of Central Texas and the Food Research Action Center—that do the actual work. In addition to the taxpayers' money these grantees collectively received from the Corporation in 1993, they received an additional \$245 million from other sources, including IOLTA (Interest on Lawyers Trust Accounts) fund, state and local grants, and private and non-profit contributions. Moreover, the legal profession provides significant amounts of *pro bono* work for needy clients and social issues. The New York Bar Association, for example, reported in 1992 that its members had provided 2,080,000 hours of *pro bono* work, which, if valued at \$100 per hour, amounts to more than \$200 million of free legal services just in New York State. A privatized Corporation easily could build on this extensive funding base and work with state, national, and local bar associations to secure and enhance IOLTA and other private or non-profit funding for grantees and to provide a tighter focus for their representational work.

Marine Mammal Commission

Purpose: Coordinates America's marine mammal policy, reviews the status of the marine mammal population, and recommends conservation steps to relevant government departments.

Rationale: No other form of non-human life, endangered or otherwise, has its own commission. This costly precedent should be terminated. Existing federal programs such as NOAA's Coastal Ecosystems Health and Recovering Protected Species programs are tasked to perform similar responsibilities, as is the Interior Department's Fish and Wildlife Service. Disparate and competing agencies performing similar or identical functions waste money, replicate duties, and deter effective oversight and management.

Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation

Purpose: Provides educational resources to promote studies in the natural environment and Native American public health and tribal policy and to fund the Udall Center for Studies in Public Policy at the University of Arizona.

Rationale: Like the several other scholarship programs that honor outstanding Americans, the Foundation should be consolidated into an existing department or agency with significant academic grant-giving experience. This would reduce overhead and maximize financial benefits to program scholars.

National Capital Arts and Cultural Affairs

Purpose: Provides payments for general operating support to Washington, D.C., arts and other cultural organizations.

Rationale: Citizens of and visitors to Washington, D.C., and the metropolitan area already are the beneficiaries of major federally supported arts and cultural programs, including the Smithsonian complex of museums, the Kennedy Center, the National Symphony, the Folger Theater, the Marine Band, Wolf Trap, and Carter-Barron. Washington's culturally rich environment would scarcely notice the loss of this \$7 million taxpayer-funded program.

National Capital Planning Commission

Purpose: Central planning agency for the federal government in the national capital.

Rationale: Washington, D.C., is unique among U.S. cities in having a federally funded planning commission to help guide its development. Despite whatever expertise this Commission may bring to bear, the economic and social environment of Washington continues to deteriorate. Crime is endemic, business and residents continue to flee, poverty remains unrelieved, and the federal-local relationship remains strained. The Commission should be terminated to give the new Congress and the mayor the opportunity to establish a fresh approach to the relationship unhindered by the attitudes, prejudices, and ineffective institutions of the past.

National Commission on Libraries and Information Science

Purpose: The Commission is responsible for developing plans for meeting the library and information needs of the nation, and for coordinating federal, state, and local government activities to meet these needs.

Rationale: America's system of libraries—most of them locally based and supported—is the envy of the world. The rapid technological advances taking place within the information industries promise unprecedented access to a wealth of information at modest cost. Much of this rapid change is driven by the profit-seeking private sector, and there is little need for government involvement, financial support, or expert guidance. Libraries gain from this rapid innovation in the private sector. The federal government's greatest contribution would be to get out of the way and not try to "coordinate" the explosive innovations in information technology.

National Foundation on the Arts and Humanities

Purpose: Umbrella organization for the National Endowment for the Arts (NEA) and National Endowment for the Humanities (NEH) as well as the Institute of Museum Services. The NEA provides grants to and contracts with groups, individuals with exceptional talent, and state and regional organizations engaged in or concerned with the arts. The NEH funds activities intended to improve the quality of education and teaching in the humanities.

Rationale: In recent years, Americans have had good reason to be concerned about projects funded by the NEA, as well as other official efforts to inflict government-sanctioned art upon them. From public commissions to approve or reject architectural design, to requirements that some portion of a building's construction budget be devoted to art, to the bureaucratically approved and funded art of the NEA, the result has been an apparent preference for the bizarre that has widened rather than narrowed the gap between art and the average citizen. The NEA should be closed down and American artists encouraged to turn their energies to creative endeavors rather than political grantsmanship.

Similarly, the NEH recently has demonstrated questionable judgment in producing a distorted curriculum for the teaching of American history, thereby confirming the worst fears of those who argued that federal involvement in education would be used more for purposes of propaganda than as part of the search for truth. It is time to terminate the NEH before more amateurish efforts like the National Committee for History Standards further undermine education and the appreciation of American culture.

Neighborhood Reinvestment Corporation

Purpose: Performs a number of functions intended to reverse neighborhood decline, develop housing strategies, and replicate successful neighborhood preservation strategies.

Rationale: Programs of the Corporation duplicate those of HUD, particularly now that HUD has established its Empowerment Zones and Enterprise Communities program to focus resources more precisely on impoverished neighborhoods. The Corporation's programs should be transferred to HUD to avoid duplication and excess overhead.

North-South Center

Purpose: Promotes better relations between the United States and the nations of Latin America and the Caribbean and Canada by bringing together scholars and students for cooperative study, training, and research.

Rationale: The program should be terminated in favor of long-standing activities of the State Department to sustain and improve relations within the Western Hemisphere. With improved commercial links, helped by the U.S.-Canada Free Trade Agreement and the NAFTA, increased private contacts by business people, academics, journalists, and tourists render the Center unnecessary.

Nuclear Waste Technical Review Board

Purpose: Directed to evaluate the technical and scientific validity of the activities of the Department of Energy's nuclear waste disposal program.

Rationale: As in the case of the Defense Nuclear Facilities Board, the responsibilities of this Board should be consolidated with another agency, such as the Nuclear Regulatory Commission, already tasked with nuclear safety responsibilities or with the many similar offices and divisions of the Departments of Energy and Defense.

Office of Government Ethics

Purpose: Provides overall direction of executive branch policies designed to prevent conflicts of interest and ensure high ethical standards.

Rationale: Recent significant ethical lapses within the executive branch suggest that the Office has been less than effective in imposing a higher ethical standard on government officials, notwithstanding the more than \$8 million in taxpayer dollars it will expend this fiscal year. The enhancement of ethical conduct should be internal to each agency and the monitoring of ethical standards should be the direct responsibility of the inspector general and general counsel of each department and agency. This ineffective Office should be terminated, and Congress and the executive branch jointly should review existing procedures to insure that government officials are held to a much higher ethical standard in the future.

Office of Nuclear Waste Negotiator

Purpose: Directed to attempt to find a state or Indian tribe willing to host a nuclear waste site.

Rationale: As with other independent agencies concerned with nuclear issues, the Negotiator's office should be consolidated with another independent agency, such as the Nuclear Regulatory Commission, or with the appropriate division within the Department of Energy or the Environmental Protection Agency.

Pennsylvania Avenue Development Corporation

Purpose: Performs a variety of functions, including design, land acquisition, and construction of projects related to the improvement of the Pennsylvania Avenue corridor connecting the White House with the Capitol.

Rationale: Since its creation in 1972, the Corporation has invested millions of taxpayer dollars on this one-mile stretch of road, best known to Americans as the route of the inaugural parade, turning the once-decrepit strip of deteriorated buildings into an attractive urban showpiece, named by *Scenic America* as one of America's ten "Most Scenic Byways." Although this primary task has been fulfilled, the Corporation continues to exist and draw down substantial public funds—an estimated \$184 million in FY 1995—for commercial real estate development activities best left to the private sector. The Corporation has achieved its goal. All federal financial support should be terminated, and the Corporation should become a wholly private entity subject to a payback plan to recover federal loans, accrued interest, and investments.

State Justice Institute

Purpose: Established in 1984 to make grants and undertake activities to improve the administration of justice in the United States.

Rationale: Rapidly escalating crime rates and growing public disappointment in the behavior of the court system over the past several years suggest that the Institute has not much to show for its costly ten-year effort to improve America's administration of justice. Rather than an Institute, what is needed is new federal and state legislation.

Susquehanna River Basin Commission

Purpose: Participates jointly with affected states in the development of water and related resources in the basin.

Rationale: As with similar commissions, the responsibility for funding and management should be turned over to the contiguous states. Programs whose benefits are largely regional should be the responsibility of the states, not the federal government. Existing programs of the Environmental Protection Agency and the Army Corps of Engineers, whose scope is national, should be responsible for waterways and related issues.

Thomas Jefferson Commemorative Commission

Purpose: Established to honor the 250th anniversary of Jefferson's birth — an anniversary which occurred in 1993.

Rationale: Despite the passing of the anniversary, \$600,000 is scheduled to be spent in FY 1995 and another \$700,000 is committed for FY 1996 in post-birthday events. Having met its stated objective, the Commission should be terminated.

United States Institute of Peace

Purpose: Conducts and supports research and scholarship in the fields of international peace and conflict resolution.

Rationale: Although the world remains a dangerous place, responsibility for maintaining and enhancing peace should remain with the State Department and Department of Defense, in cooperation with Congress and the multilateral organizations of which the United States is a member. Moreover, the scholarly endeavors of the Peace Institute merely replicate, at taxpayer expense, the efforts of academics and private research organizations concerned with international relations.

Ronald D. Utt, Ph.D.
Visiting Fellow

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APPENDIX

Select Independent Agency Outlays: \$10.6 Billion in Possible Budget Cuts

Function	Independent Agency	Millions of Dollars					Total Savings 1995-99
		1995	1996	1997	1998	1999	
751	Administrative Conference of the United States	\$1.9	\$2.0	\$2.0	\$2.1	\$2.2	\$10.1
808	Advisory Commission on Intergovernmental Relations	1.0	1.1	1.1	1.2	1.2	5.6
303	Advisory Council on Historic Preservation	3.1	3.2	3.4	3.5	3.6	16.8
452	Appalachian Regional Commission	201.0	225.8	242.3	255.0	267.4	1,191.4
153	Arms Control and Disarmament Agency	54.2	56.4	58.3	60.3	62.3	291.5
502	Barry Goldwater Scholarship Foundation	2.9	3.0	3.1	3.2	3.3	15.4
502	Christopher Columbus Fellowship Foundation	0.6	0.7	0.7	0.7	0.7	3.4
153	Commission for the Preservation of America's Heritage Abroad	0.2	0.2	0.2	0.2	0.2	1.0
451	Commission of Fine Arts	0.8	0.8	0.9	0.9	1.0	4.4
751	Commission on Civil Rights	8.1	8.4	8.8	9.1	9.5	43.9
808	Commission on National Community Service	54.4	27.2	—	—	—	81.6
506	Corporation for National and Community Service	268.1	339.9	370.3	391.0	407.1	1,776.4
503	Corporation for Public Broadcasting	292.6	312.0	320.4	329.1	338.0	1,592.1
053	Defense Nuclear Facilities Board	17.1	17.7	18.4	19.1	19.8	92.1
301	Delaware River Basin Commission	0.3	0.4	0.4	0.4	0.4	1.9
154	East-West Center	26.7	27.4	28.1	28.9	29.7	140.8
604	FDIC Affordable Housing and Bank Enterprise	7.1	7.3	7.5	7.7	7.9	37.5
808	Franklin Delano Roosevelt Memorial Commission	0.1	0.1	0.1	0.1	0.1	0.3
502	Harry S. Truman Scholarship Foundation	3.2	3.3	3.3	3.3	3.3	16.4
502	Institute of American Indian and Alaska Native Culture and Arts	12.9	13.2	13.6	14.0	14.4	68.1
304	Interstate Commission on the Potomac River Basin	0.5	0.5	0.5	0.6	0.6	2.7
502	James Madison Memorial Fellowship Foundation	2.6	2.7	2.7	2.7	2.7	13.4
154	Japan-United States Friendship Commission	1.7	1.8	1.5	1.5	1.5	8.0
752	Legal Services Corporation	409.0	420.0	431.9	443.4	455.4	2,159.7
302	Marine Mammal Commission	1.3	1.4	—	1.5	1.5	7.1
502	Morris K. Udall Scholarship and Excellence in Nat. Envir. Pol. Found.	2.6	2.7	—	—	—	5.3
503	National Capital Arts and Cultural Affairs	7.7	7.9	—	8.3	8.6	40.6
451	National Capital Planning Commission	6.1	6.3	—	6.8	7.0	32.8
505	National Commission on Libraries and Information Sciences	0.9	1.0	—	1.1	1.1	5.1
503	National Foundation on the Arts and Humanities	384.6	390.5	400.6	411.9	423.6	2,011.2
451	Neighborhood Reinvestment Corporation	32.8	33.7	34.7	35.6	36.6	173.4
154	North-South Center	7.8	8.0	—	8.4	8.7	41.1
271	Nuclear Waste Technical Review Board	2.2	2.3	—	2.5	2.6	12.0
805	Office of Government Ethics	8.6	9.0	—	9.8	10.2	47.0
271	Office of Nuclear Waste Negotiator	1.0	1.1	—	1.2	1.2	5.6
451	Pennsylvania Avenue Development Corporation	184.4	124.8	90.2	55.7	46.1	501.2
752	State Justice Institute	13.6	13.9	14.3	14.7	15.1	71.6
301	Susquehanna River Basin Commission	0.6	0.6	—	0.7	0.7	3.3
808	Thomas Jefferson Commemorative Commission	0.1	0.1	—	0.1	0.1	0.3
153	United States Institute of Peace	11.3	11.7	12.1	12.5	12.9	60.5
TOTALS		\$2,035.6	\$2,089.9	\$2,110.2	\$2,148.7	\$2,208.2	\$10,592.6

Note: Figures represent projected outlays. Figures may not add up due to rounding.

Source: Congressional Budget Office, Baseline, August 1994.