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Congress Should Not Lard Up the War Supplemental Bill

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President Bush has proposed \$99.6 billion in supplemental spending for the global war on terrorism and an additional \$3.4 billion for Hurricane Katrina-related reconstruction. As Congress prepares for its annual ritual of larding up emergency bills with unrelated domestic spending, President Bush should draw a clear line in the sand and vow to veto any supplemental bill that would spend more than his requested total.

Lawmakers have already begun assembling a laundry list of additional spending to add to the war on terrorism spending bill. Among the rumored add-ons are:¹

- Farm subsidies (\$5 billion to \$7 billion),
- The State Children's Health Insurance Program (SCHIP, perhaps \$1 billion),
- The Low-Income Home Energy Assistance Program (LIHEAP, \$1 billion),
- Community Development Block Grants (CDBG, perhaps \$1 billion),
- The Army Corps of Engineers (at least \$1.3 billion),
- The Federal Emergency Management Agency (FEMA, \$1 billion), and
- Base Realignment and Closure (BRAC, \$3.1 billion).

This comes to an additional \$13 billion to \$15 billion in unrelated add-ons that could be piled on to this important national security legislation.

Busting All Budget Caps. Lawmakers have bragged that the recent Continuing Resolution-Omnibus spending bill passed in mid-February limited fiscal year 2007 discretionary spending (excluding emergencies) to the President's cap of \$873 billion, an increase of "only" 3.5 percent. But these figures become meaningless if Congress turns around and attaches billions more to an emergency bill in order to evade the budget caps. After all, classifying additional farm subsidies or CDBG spending as an "emergency" doesn't save taxpayers from their costs. It merely allows Congress to deny that it is busting the budget caps by simply not counting all the additional spending. Annual budget caps are designed to force Congress to set priorities and make trade-offs in order to rein in the cost of government. Abusing the "emergency" loophole for regular spending makes a mockery of these caps and the new leadership's pledges of fiscal discipline.

Congress should have real budgetary debates about spending priorities and trade-offs in order to live within the budget caps it set in the CR/Omnibus, rather than treat the supplemental as a spending gift. Sadly, this Congress appears ready to continue previous Congresses' penchant for spend-

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ing without fiscal discipline by using the supplemental war funding bill to circumvent substantive debate over the budget. Congress should separately consider the pros and cons of any spending adjustments to FY 2007 spending levels in an honest budget discussion. Extra funding for Base Realignment and Closure to achieve significant savings down the road is a priority that makes sense, but it is not an emergency. Nor is it a federal emergency to bail out states for their lack of fiscal discipline when they vastly exceeded SCHIP guidelines. Such initiatives should require a rigorous discussion to determine if they are sound policies.²

Furthermore, discretionary programs have not been 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 as fast as defense and homeland security spending.³ In particular, recent discretionary spending increases for education and health have been among the largest ever. Furthermore, 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.⁴ The combination of recent spending increases and wasteful spending mean Congress should be able to work within the actual discretionary spending caps set in the CR/Omnibus.

Separate Funding for Separate Defense Efforts.

Troops abroad fighting to protect our nation deserve to have the resources they need to do the job right. While some question the nation's continuing involvement in the war, the supplemental is not the

place to debate war strategy. Delaying approval of war funding only disrupts other vital military programs and undercuts readiness, while jeopardizing adequate and consistent resources for the troops on the frontline. Funding for the troops should be accomplished in short order.⁵

In times of war, there is always the challenge of not letting the requirements for conducting current operations undermine the ability of the military to fulfill its commitment to field first-rate forces in the future. The Bush Administration has recognized this challenge and responded by using supplemental appropriations to fund ongoing operations to fight the war against Islamic fascists. This has served the purpose of keeping these expenditures from crowding out funding for core investments in the future defense program. If the costs of current operations had been incorporated into the annual defense budget, the temptation to rob future military capabilities to fund current operations would have been overwhelming.

Congress, therefore, should continue the practice of recent years of funding current contingency operations through supplemental appropriations. A 4 percent of GDP benchmark for the defense budget will protect the core defense program and future defense capabilities.⁶ This means that the roughly \$400 billion Congress should add to the defense budget to maintain a 4 percent of GDP benchmark for defense between 2009 and 2012 will go to both supplemental appropriations and the annual defense appropriations bill. If the funding requirements for ongoing operations start to decline, therefore, the resources should be shifted over to the core program. By the same token, the Bush Administra-

1. Liriel Higa and John Donnelly, "Clashes Loom Over War Spending Bill," *CQ Today*, February 20, 2007.
2. See Nina Owcharencko, "The Truth about SCHIP Shortfalls," Heritage Foundation *WebMemo* No. 1381, March 5, 2007, at www.heritage.org/Research/HealthCare/wm1381.cfm.
3. Brian Riedl, "Federal Spending By the Numbers," The Heritage Foundation, forthcoming
4. 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.
5. James Jay Carafano, Ph.D., Mackenzie M. Eaglen, and Baker Spring, "Evaluating Emergency Supplemental Spending: Advice for Congress," Heritage Foundation *WebMemo* No. 1288, December 15, 2006, at www.heritage.org/Research/NationalSecurity/wm1288.cfm.
6. Baker Spring, "An Adequate Defense Budget That Must Be Sustained into the Future," Heritage Foundation *WebMemo* No. 1342, February 5, 2007, at www.heritage.org/Research/NationalSecurity/wm1342.cfm.

tion and Congress should resist the temptation to fund elements of the core defense program out of supplemental appropriations bills. Doing so will have the effect of binding enduring defense programs to a funding source that could easily decline in future years.

As its first order of business, Congress should move quickly to fund the troops fighting abroad in a clean supplemental that funds only operational war-related needs.

Conclusion: Building on Last Year's Progress.

Taxpayers have seen this all before. Last March, the Senate took the President's \$92 billion war on terrorism supplemental bill and attached \$14 billion in additional unrelated spending. This included \$4 billion in farm subsidies (even as farm incomes reached record highs), \$15 million for "seafood promotion strategies," \$594 million in national highway projects, and even \$700 million to re-route a functioning rail line several miles away, reportedly to help private developers build casinos near its

present location.⁷ After a firm veto threat from the President, Congress relented and stripped away the wasteful spending.

This year, the new congressional leadership must resist the temptation to lard up a vital bill for ongoing operations in Iraq and Afghanistan with unrelated, non-emergency spending. If Congress wavers, President Bush should repeat last year's move by making clear to Congress that he will veto any unrelated spending.

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7. Brian M. Riedl and Alison Acosta Fraser, "The Senate's Deadly Sin: Larding Up Emergency Appropriations," Heritage Foundation Webmemo No. 1038, April 17, 2006 at www.heritage.org/Research/Budget/wm1038.cfm.