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Tumultuous Week for Voting Rights, Confusing One for Voters

A series of last-minute court cases and pre-election maneuvers will likely leave many voters confused about their rights as they go to the polls today. Widespread concern surrounds electronic voting and a host of voter identification requirements that could create inequities at polling centers across the country. Legal challenges to voter requirements will not be resolved until after this election cycle, so concerned groups have launched new efforts to document voter fraud and disenfranchisement of minorities, and elderly and disabled persons.

The legal issues involved in court challenges in the four states below indicate the frustration and uncertainty surrounding today's election. In response, [EvolveStrategies](#) launched an online nonpartisan voter complaint system, [VoterStory.org](#). A number of organizations have featured the VoterStory.org "widget" on their web sites to help voters to record problems they encounter at the polls. VoterStory.org also automatically refers visitors who've faced problems to voter protection organizations for intervention and

support.

On Nov. 3, Project Vote released [two briefing papers](#) that describe anticipated election problems in 33 jurisdictions in nine states. One report focuses on the problems of voting machines in each jurisdiction. The second report highlights potential problems based on election management problems identified currently and in recent elections. The states examined are Arizona, Colorado, Florida, Maryland, Michigan, Missouri, New Jersey, Ohio and Pennsylvania.

OHIO

On Nov. 1, after a confusing series of decisions on a case challenging a new law requiring voters to show proof of identification when casting a ballot, a federal judge laid out clear rules for the upcoming election in Ohio. The order in [Northeast Ohio Coalition for the Homeless v. Blackwell](#) was a consent decree that followed 13 hours of negotiations between the unions and poverty groups that challenged Ohio's voter identification requirements and state Attorney General Jim Petro. The decision, which both sides claimed as a victory, allows people to cast provisional ballots without identification, but does not invalidate the contested law.

The court's decision only applies to this election. The court ruled that all county boards of election must count absentee or provisional ballot with a voter's name, address, date of birth, and signature, even absent the provision of a driver's license number or other form of identification required by the law. Those actually present at the polls will be allowed to cast provisional ballots if they do not have identification. The provisional ballots will be counted if they meet various requirements such as verification of address with state voter rolls. (More information on the decision is available [here](#).)

The order follows a number of contradictory lower court decisions. On Oct. 26, U.S. District Court Judge Algenon Marbley agreed the law went too far when applied to absentee voting. Petro appealed the decision to the U.S. Sixth Circuit Court of Appeals, which granted a stay on Oct. 29 and left many Ohio voters confused about the requirements for early voting. The appeals court then overturned the district court's decision on Oct. 31. Marbley arrived at the negotiated agreement on Nov. 1.

MARYLAND

Republican poll workers in Maryland received instructions to challenge the eligibility of voters in the final week before the election. The instructions, contained in a guide written by state Republican Party officials, are "tantamount to a suppression effort," according to one Democratic Party lawyer. The [Washington Post](#), which obtained a copy of the guide, printed excerpts from it on Nov. 1: "Your most important duty as a poll worker is to challenge people who present themselves to vote but who are not authorized to vote." This has heightened concerns among poll workers and observers, and a fleet of Democratic lawyers have been dispatched to investigate the possibility for black

disenfranchisement at the polls. Republican officials reject such suspicions.

An additional disturbing development in Maryland, set for closely contested senatorial and gubernatorial races, is news that someone has been calling poll workers around the state and falsely informing them that their precinct assignment had changed. This mystery further clouds an already murky election season in Maryland. On Sep. 12, primary voters complained of widespread voting machine malfunctions. The uncertainty about in-person voting has contributed to more than 175,000 absentee ballots--a record number--being requested in the state.

ARIZONA

In 2004, Arizona's voters passed Proposition 200 that requires voters to present either photo identification or two forms of approved non-photo identification in order to vote. After a series of court battles, the Ninth Circuit Court of Appeals issued an injunction to stop Proposition 200 for this election cycle, forcing everyone to return to the earlier system. On Oct. 20, just two weeks before the election, however, the U.S. Supreme Court ordered the state to proceed with implementing Proposition 200's requirements. The court's six-page opinion in [Purcell v. Gonzales](#) did not rule on the constitutionality of Proposition 200. Instead, it found the lower court applied the wrong standard to the facts of the case, sending the case back to the federal district court for review of the law's constitutionality.

On Nov. 1, a federal judge required election officials to count the number of people who do not meet the requirements of Proposition 200 and leave without voting, but would not allow other observers inside voting stations to monitor the count. Opponents of Proposition 200 wanted to have observers present at the polls to count those turned away for failing to meet the identification requirements. U.S. District Judge Roslyn Silver [ordered](#) state election officials to keep count of those who are turned away, reasoning that Arizona state law limits the number of people at polling places to prevent intimidation and harassment. Critics object to the decision saying it creates a conflict of interest, and that the officials will likely not perform the count as rigorously as their own workers. Local election officials for their part complain about the last-minute ruling for adding yet another wrinkle to their taxing responsibilities.

TEXAS

On Nov. 4, the U.S. Supreme Court [refused to hear a request](#) to prevent Texas Attorney General Greg Abbott from prosecuting people who help elderly and disabled voters cast mail-in ballots. This was a day after a federal appeals court overturned a lower court's preliminary injunction against enforcement of a law making it a crime to help another vote. Abbott will now be allowed to continue his policy of prosecuting third parties who assist others in the act of voting. Opponents of the law include the Mexican American Legal Defense and Educational Fund and the Texas NAACP, who contend that it is a common practice for the elderly to vote absentee and designate a person or persons to

turn in the ballots for them.

On Oct. 31, a federal district judge ordered Abbott to stop prosecuting Texas citizens who help their elderly and disabled neighbors to vote. After the appeals court overturned this decision, the Texas Democratic Party and affected individuals filed a [petition](#) asking the Supreme Court to intervene.

ACORN Voter Registration Drive Investigated

Voter registration drives sponsored by the Association of Community Organizations for Reform Now ([ACORN](#)) are being investigated by federal authorities and the Senate Finance Committee after allegations that fraudulent voter registration cards were submitted in four of its 17 state efforts. The group is cooperating with authorities and says misconduct by temporary workers appears to be at the root of the problem.

ACORN, founded in 1970, is primarily dedicated to advocating for low-income Americans. It has been particularly active in registering low-income voters, and this year ran registration drives in 17 states. In October, allegations of problems with voter registration cards surfaced in Ohio, Pennsylvania, and Colorado. According to the [Associated Press](#), "In Franklin County [Ohio], prosecutors are looking at almost 400 cards the county elections board said included already registered voters or people with the wrong address." In Philadelphia, about 3,000 cards were rejected because of missing information or invalid addresses.

On Nov. 2, the U.S. Attorney's office in St. Louis, MO, indicted four former-temporary voter registration workers employed by ACORN on felony voter fraud charges. In a [Nov. 6 press release](#), ACORN announced it fired all four after an October internal review revealed problems and reported it to authorities. It has cooperated with the FBI inquiry with officials announcing, "Now we want to see these folks prosecuted to the full extent of the law." On Nov. 2, the [Associated Press](#) reported that election officials in St. Louis have found at least 1,500 cards that could have been fraudulent, including ones for dead and underage people.

In Ohio, a dozen people have been subpoenaed in an investigation of fraudulent registration cards, and three may be charged with felony election fraud. ACORN has referred problem registrations to election authorities for investigation and has cleared suspicion from some forms with additional information. ACORN organizer Barbara Clark told the [Columbus Dispatch](#) that the group "provided photos of homes at addresses thought not to exist, and it discovered one potential voter who purposely listed an incorrect Social Security number because he feared identity theft." In Denver, CO, election officials sent about 200 voter registration cards with identical handwriting on signatures to the secretary of state's office for investigation.

News of these charges caught the attention of Senate Finance Committee Chair Charles

Grassley (R-IA), who has been active in investigating nonprofit organizations. Grassley proceeded to [write](#) ACORN National President Maude Hurd, asking 62 questions to determine whether or not the organization violated the law that grants nonprofits their tax-exempt status. Grassley expressed concern that "misuse of tax-exempt organizations for political and lobbying activities is a widespread problem." His letter also drew a connection between ACORN and the misuse of nonprofit organizations by disgraced lobbyist Jack Abramoff and his associates. Grassley requested ACORN provide vast information in a searchable, electronic format within *nine days*, and many of his questions had no apparent relationship to the organization's voter registration activities.

The investigation's outcome remains unclear. Serious concerns have been raised about quality control in large scale voter registration drives such as those carried out by ACORN. Still equally serious concerns are raised that nonprofits will be discouraged from conducting voter registration drives, fearful of investigations if mistakes are made.

The revelations of voter fraud may have a ripple effect on nonprofit speech rights. For example, a Nov. 6 [opinion piece](#) by Terence Scanlon of the Capital Research Center ran in *The Examiner*, maintaining that the incidents justify legislation that would disqualify any nonprofit that conducts voter registration drives or lobbies from applying for funds from a proposed federal affordable housing fund. ACORN has an affiliated community development corporation that has received federal housing funds in the past. The legislation referred to by Scanlon passed the House last year, but has not moved in the Senate. For more information on this proposal see [OMB Watch Resource Center: New Nonprofit Gag Provision in GSE Bill](#).

ACORN has been operating large-scale voter registration drives for a number of years. In 2004, the group registered over 1 million voters. ACORN was accused of fraud in 2004 for activities in Ohio, Florida, Minnesota, North Carolina and Virginia and in 2003 in Missouri. According to a [statement](#) from the organization, however, these allegations were proven false. "In Ohio, allegations against ACORN (and other organizations helping minorities register to vote) were contained in a lawsuit funded by the Free Enterprise Coalition. The plaintiffs withdrew the suit as ACORN began discovery." In 2004, as in 2006, they cooperated with prosecutors to convict employees who submitted duplicate registrations or other problematic cards.

Nonprofits Call for Release of Frozen Funds for Humanitarian Efforts

In a letter sent Nov. 6, a group of charities and nonprofit sector leaders asked the Treasury Department to release frozen funds belonging to charities designated as supporters of terrorism "to trustworthy aid agencies that can ensure the funds are used for their intended charitable purposes." According to the letter, the request "takes no position on whether these designations were appropriate. Instead, [the authors'] concern

is with ensuring that charitable funds are put to good use."

The Treasury Department's Office of Foreign Assets Control (OFAC) lists 43 charities as supporters of terrorism on its [Specially Designated Nationals list](#), including five U.S.-based charities. In its [2005 Terrorist Assets Report to Congress](#) the Treasury Department estimated that these designations have resulted in more than \$13.7 million in frozen assets. Research of public sources indicates that none of these blocked funds have been released for charitable purposes.

The Treasury Department has rejected several requests from designated U.S. charities to have funds released for charitable purposes:

- In 2002, the Benevolence International Foundation asked that its funds be transferred to a children's hospital in Tajikistan and Charity Women's Hospital in Dagestan, with appropriate safeguards to ensure safe delivery of the funds.
- In 2004, the Holy Land Foundation asked that \$50,000 of its funds be transferred to the Palestine Children's Relief Fund.
- In 2006, KindHearts for Charitable Humanitarian Development asked that its funds be spent on charitable works through the USAID program or any other nongovernmental organization, and requested priority be given to refugees of the 2005 Pakistani earthquake, since most of the funds had been earmarked for that purpose.

The letter from 20 organizations and two philanthropy experts notes that "[m]ost of these funds come from relatively small donors who intended to provide food, medical care, shelter, education and other basic needs to refugees, people displaced by war or famine and others in need. Many of these donors are Muslims whose giving fulfills a religious obligation." Noting that humanitarian need continues to grow and substantial time has passed since many of the funds were frozen, the letter calls on the Treasury Department to update its policy.

Under the Code of Federal Regulations, the Treasury Department has the legal authority to release frozen funds pursuant to a special license application from the designated organization. (See 31 CFR 501 and 597.) The recent letter specifies that funds should only be released when the governing body of the designated group makes such a request. Where the group is no longer active and no legal owner of the funds can be identified, the letter asks the Treasury Department to develop a process that will "ultimately allow these funds to fulfill their charitable purposes."

The letter reflects growing concern over the chilling impact of Treasury Department policies on international grant making and charitable giving. Donors may choose not to give because they cannot be certain that their contributions will reach those people and causes they seek to assist. This chilling impact is most keenly felt by Muslim-American communities, where the religious obligation to give to charity is frustrated by fear of government reprisal. [The New York Times](#) recently reported drastic reductions in giving

during this year's Muslim holy month of Ramadan. Signatories of the recent letter called for reforms that will not only allow more funds to achieve their intended charitable purposes but that may also help reinvigorate Muslim charitable giving.

The signatories requested a meeting with Treasury Department officials to discuss the proposal in more detail. Among the letter's organizational signers were the Council on Foundations, the Center for Global Justice and Reconciliation, Independent Sector, the Global Fund for Women, the Muslim Public Affairs Council and OMB Watch.

Declassification Board: Bulwark Against Excessive Secrecy or Executive 'Puppet'?

Controversy was sparked this week over how much authority the newly-funded Public Interest Declassification Board (PIDB) has to investigate excessive secrecy. A bipartisan group of Senators from the Senate Intelligence Committee requested that the board review two reports on intelligence failures leading up to the U.S. invasion of Iraq for possible over-classification. In an interim response, the board maintained it can only review a document after receiving authorization from the president. If this decision stands, PIDB will hold no independent power to review potential abuses of power and cases of unnecessary secrecy.

Set up to "promote the fullest possible public access to a thorough, accurate, and reliable documentary record of significant United States national security decisions and significant United States security activities," PIDB was the recommendation of the late-Sen. Patrick Moynihan's (D-NY) Commission on Protecting and Reducing Government Secrecy to be enacted. Though the board was created in 2000, its first members were appointed in 2004, and it did not receive funding until 2005.

Congress's first request for an investigation was sent to the board on Sept. 19, 2006 by Sens. Ron Wyden (D-OR), Kit Bond (R-MO), Dianne Feinstein (D-CA), Mike DeWine (R-OH), Russ Feingold (D-WI), Orrin Hatch (R-UT), and Jay Rockefeller (D-WV).

"The Senate Select Committee on Intelligence, on which we serve, recently released two reports addressing prewar intelligence issues regarding Iraq. We believe that portions of these two reports remain unnecessarily classified," stated the senators' request. "We ask that the Board review these two documents and evaluate whether any of the currently classified portions could be made public without negatively impacting national security."

In response, L. Britt Snider, chairman of the Public Interest Declassification Board, wrote, "The president must request that the board undertake such a review before it can proceed." In the Intelligence Reform Act of 2004, Congress reauthorized the board which was set to sunset in 2004 and also revised the statutory language governing the board to include what some have interpreted to be two contradictory provisions. The bill states that PIDB is authorized to "review and make recommendations to the President in

a timely manner with respect to any congressional request, made by the committee of jurisdiction, to declassify certain records." At the same time, the bill states that, "If requested by the President, the Board shall review in a timely manner certain records or declinations to declassify specific records, the declassification of which has been the subject of specific congressional request."

In its interim response, the PIDB stated that the latter provision takes precedence, and the Board's review of a classified document can thus only be triggered by the president, even if a congressional committee with jurisdiction requests a review. Speaking to [United Press International](#) in late October, Steven Aftergood of the Federation of American Scientists warned that the board is in danger of becoming a "White House puppet." Aftergood went on, stating, "The board needs the capacity for independent action; otherwise, it might as well not exist."

The PIDB is expected to meet next week further discussion before issuing a final response to the Senate request. As the first major one its kind, the PIDB decision will have a lasting impact on the power and authority of the board to effectively oversee classification decisions and maintain government openness and accountability on matters of national security. With the 9/11 Commission and a number of national security experts concluding that the government's failure to adequately share information and its propensity toward over-classification are ongoing barriers to national security, PIDB has a unique opportunity to help reverse the tide of government secrecy and its counterproductive effects.

Nuclear Commission Re-proposes Secrecy Rule

The Nuclear Regulatory Commission (NRC) has once again proposed a [revision](#) to its rules on information that should be withheld from the public under a category called Safeguards Information (SGI). The rule was originally proposed in February 2005. Now based on public comments and changes to the Energy Policy Act of 2005, the NRC has proposed additional changes. While apparently narrowing the scope of some provisions, making it harder to withhold information, the amended rule would significantly expand SGI's definition, inserting language and add a new category of covered information -- Safeguards Information-Modified Handling (SGI-M).

The SGI category was created under the [Atomic Energy Act of 1954](#) to prevent inadvertent release and unauthorized disclosure of "sensitive but unclassified" information that might compromise the security of nuclear facilities and materials. Most SGI information was only released on a "need-to-know" basis. On Feb. 11, 2005, the NRC proposed a rule to broaden the already expansive SGI regulations to withhold any information about emergency planning procedures, safety analyses, or defense capabilities. The NRC also proposed the addition of Safeguards Information-Modified Handling (SGI-M), a new sensitive but unclassified designation that would allow nuclear materials producers already using SGI regulations to hide additional types of regulated

information. This proposal is in spite of the agency's own estimations that SGI-M data carries a lower risk if released to the general public.

OMB Watch and other public interest groups [submitted comments](#) last year criticizing the February 2005 NRC proposal for including overly vague provisions that could hide vast amounts of information from public purview, thereby reducing access and accountability. In the newest proposal, the agency made slight improvements in response to these criticisms improving language and definitions to reduce the possibility that the new categories withhold emergency planning and public accountability information. Unfortunately, the improvements notwithstanding, the agency rejected most of the larger complaints and continues to propose expanding the amount of information restricted as SGI and SGI-M with few oversight provisions to protect against overuse.

NRC is accepting public comments on the revised proposed rule until Jan. 2, 2007. OMB Watch and other members of the public interest community will undoubtedly again push for common sense disclosure that protects communities and first responders.

Intelligence Agencies Go Wiki

John Negroponte, director of National Intelligence, announced that federal intelligence agencies have implemented a new Wikipedia-like tool to share information across agencies. Intellipedia allows 16 intelligence agencies to access, update and revise pages on matters of national security. This cutting-edge venture in government information management is a welcome development for agencies that have often been stymied by turf warfare and other impediments to information sharing.

Among the major problems affecting intelligence agencies is information "silo affect," by which agencies across the federal and state levels fail to share information with each other. The 9/11 Commission cited silo effect as a contributing factor to the failure of U.S. intelligence and law enforcement agencies to track down the terrorists involved in the 9/11 attacks. By enabling users to access different parts of the Intellipedia that contains information designated sensitive but unclassified, secret, or top secret, this new tool may help remedy this problem and encourage collaboration among federal and state officials. In its first 7 months of use, Intellipedia has ballooned to over 28,000 pages and 3,600 users. "The real question is whether or not people will really use it - and the initial answer seems to be that they're off to a good start," the blogger Techdirt recently observed.

Another problem associated with intelligence agencies has been the "group-think" phenomenon in which the opinions of powerful members of a group become dominant and sidelines valid but contradictory views. Many analysts have cited group-think as contributing to intelligence failures in the lead-up to the Iraq war. According to the [Washington Post](#), officials are also looking into extending access to intelligence agencies

in Britain, Canada and Australia. Parts of the Intellipedia network could also be extended to doctors and emergency responders to enable collaboration and enhanced information access on possible pandemics and terrorist attacks. Inclusion of and enhanced access to such diverse views may help alleviate the problem of group-think.

[*U.S. News and World Report*](#) reports that Negroponte has also overseen implementation of internal blogging by intelligence agents. Originally these intelligence blogs numbered as many as 1,500, but their numbers have fallen to around 125. These blogs also create the potential for increased access to otherwise sidelined opinions, they can, however, also lead to information cascades in which false beliefs become dominant merely because others promote them. Nevertheless, the implementation and use of new methods of information sharing and aggregation are refreshing given the recent intelligence failures of Iraq and 9/11. Use of these technologies, while not a cure-all for false intelligence or inadequate collection methods, may help alleviate some of the systemic problems affecting intelligence agencies in recent years.

Tax Policy on the Campaign Trail

During the current campaign season, both Democrats and Republicans have allowed election-year rhetoric to distort the true nature and outcomes of current tax policy.

The administration and Republicans across the country assert that Democrats plan to raise taxes for most citizens and that these "tax increases" would devastate the economy. At a recent campaign rally in Colorado, [Bush was direct in asserting this view:](#)

And the American people must understand the facts; if you vote Democrat you're voting for a tax increase.

It is a powerful statement without any facts supporting it. First, the simple claim "you're voting for a tax increase" misrepresents the current state of federal taxes.

Provisions in the current tax code, if not proactively altered by Congress, will expire in 2010. Bush might be claiming that a Democratic Congress would seek to pass new legislation that would increase taxes, although Democrats have not suggested this. On the other hand, Bush may also be claiming that a Democratic Congress would fail to re-pass Bush's first-term tax cuts set to expire--a tax hike in the mind of Bush and his compatriots. In fact, the sunset provisions of the current tax code are politically advantageous for those who originally drafted them: a Republican Congress could claim to cut taxes by making the tax cuts permanent, while a Democratic Congress could be blamed for raising taxes by allowing the law to remain as written.

But Republicans are not alone in using the temporary nature of recent tax laws to accuse the opposition of "raising taxes." Senate Minority Leader Harry Reid (D-NV) issued a [statement](#) in October accusing Republicans of "raising taxes on the middle class and on

businesses" by not passing an "extenders" bill for certain tax credits- the very same tactics currently being used by Bush and other Republicans to confuse the issue.

In addition, statements by Bush and other candidates generalize about the impact of the expiration of those tax cuts, assuming all Americans will be effected equally. Not all tax code changes are equal, and any future change would affect different taxpayers in different ways. For instance, a change in the rate for capital gains or dividend taxes would mainly affect the [richest 10 percent of the population - the owners of 70 percent of American wealth](#).

Some Democrats have been severely critical of the entire package of tax cuts passed by the Bush administration - including many cuts that do help middle-income families like the child tax credit, marriage penalty relief, and college tuition deduction. House Ways and Mean Ranking Member Charlie Rangel (D-NY) recently told [Bloomberg News](#) that he could "not think of one" of Bush's tax cuts that would merit renewal."

Despite Rangel's statement, it remains unclear what position Democrats will take on many of the Bush's first-term tax cuts should they take power in Congress. Most Democratic candidates have been largely silent on the issue, although many have spoken out on addressing economic problems and on the fact that the rich are getting richer. The Democrats' position is also difficult to gauge because of the virtually limitless permutations of tax code changes that are possible under new leadership.

Certain Democrats, especially Reid and Sen. Max Baucus (D-MT), have been among the most vocal supporters of the "[extenders](#)" tax cut package that stagnated in Congress this year, including a combination of business tax cuts and a more cosmopolitan collection of populist cuts, including expansion of the child tax credit, the college tuition tax credit, the state and local tax credit, the teacher credit, and marriage penalty relief.

Democrats may seize the opportunity to change the tax code, but the provisions that impact most Americans are unlikely to change much. The only likely difference would be that the Democrats may extend many of the popular tax breaks passed under Bush, but would offset their cost elsewhere - a position supported by almost all Democrats and more than a few Republicans. Additionally, there is the explosive issue of the Alternative Minimum Tax, which was designed to make sure that super-wealthy taxpayers pay at least a minimum amount of tax, but which now affects many upper-middle-income taxpayers. The cost of fixing the tax is becoming increasingly expensive each year, and if Democrats hold true to their promises to offset the cost of a reform proposal, it could mean significant cuts to spending or increases in other taxes.

Tax Policy and the Economy

In an attempt to credit his tax policies with kick-starting the economy, Bush has declared an unambiguous connection between current economic expansion and his tax cuts:

Well, the facts are in. The tax cuts have led to a strong and growing economy...And if

you're voting Republican you're voting for low taxes and a strong economy.

Bush is warning voters that if his tax cuts are allowed to expire, it will have direct and detrimental consequences for economic growth. Yet, not all of the facts support the president's claims. There were six-and-a-half years of enormous economic growth and widely shared prosperity after President Clinton raised taxes in 1993. If one assumes tax policy is the prime mover of the economy, as Bush is wont to do, then a comparison of the years after President Clinton's tax increase and Bush's tax cuts reveals that tax increases are a far superior method of increasing economic growth. Between 1996 and 2000, the economy grew 18 percent and resulted in a \$236 billion budget *surplus*. In the years following the Bush tax cuts (2001-2005), on the other hand, the economy grew 13 percent and resulted in \$318 billion budget *deficit*.

The current recovery is not just weak compared to that of the 1990s. It is also incredibly weak by historical standards. In a recent [report from the Center for American Progress](#), John Irons and Mirra Levitt point out that, when compared to other recoveries, the current one is rather dismal. Average GDP growth of the previous 10 recoveries has been 19 percent. The current Bush recovery has seen the economy grow 15 percent, ranking seventh out of the past 10 recoveries. Employment growth has been considerably paltry, as well. In the previous 10 recoveries, employment increased, on average, 7.9 percent; Bush's "strong and growing" economy has resulted in an increase in employment of just *1.9 percent*, placing Bush job-growth tally in ninth place.

While tax policy, the federal budget, and the economy are favorite campaign-speech fodder for the president and congressional incumbents, a detailed examination of election-year rhetoric reveals how disingenuous politicians are about fiscal policy. The federal budget deficit is on track to expand even more in future years; inflation pressures continue to rise; the economy is sputtering along at a below-average pace for most Americans; and there remain many daunting long-term fiscal challenges. Americans deserve leaders who are upfront about fiscal and economic policy, whether it is an election year or not.

Congress Continues Insufficient Oversight of Federal Contracts

Even as reports of contracting fraud and contractor malfeasance continue to stack up, Congress has taken steps to reduce the federal government's capacity to investigate and oversee how government contracts are awarded and administered.

Last month, the House Appropriations Committee announced it had eliminated the jobs of [60 investigators](#) charged with closely monitoring defense contracting and intelligence spending. Congress also threw a last-minute provision into the [2007 Defense authorization bill](#) that effectively abolishes the office of the Special Inspector General for

Iraqi Reconstruction, which had focused on contractor abuses in Iraq.

Congress could in effect be crippling its own capacity to hold contractors accountable. Typically, only government officials have the authority and resources to perform comprehensive reviews of government contracts. Were it not for these offices, much of what Congress and the public now know about contract abuse may never have emerged.

For instance, the Special Inspector General for Iraqi Reconstruction was responsible for providing the factual basis of many recent media accounts on contracting waste and abuse. One [attention-getting report](#) found that Halliburton-subsiary Kellogg, Brown and Root (KBR) claimed exorbitant overhead and administrative fees in its contracts. In some cases, KBR took in fees that consumed more than half of a contract's budget, and KBR overhead charges were generally a full 10 percent higher than those reportedly charged by other companies.

The Inspector General also found that the [Parsons Corporation](#) had failed to complete numerous projects it had been awarded contracts for. In one vivid example, Parsons had constructed a building to house an Iraqi police academy that was built so badly - with waste from defective plumbing flowing through floors - that it has never been occupied.

Thanks to the oversight role of Inspector's General investigations, some federal program administrators have held faulted contractors accountable. In fact, after reports emerged of Parsons Corp.'s failures, the Army Corp of Engineers canceled more than \$300 million worth of contracts with the company.

Sadly, these instances of successful oversight are the exception, rather than the rule. Administrative and congressional inaction has been the order of the day recently. In a [June 2006 report](#), the Special Investigations Division of the House Committee on Government Reform found few contractors have been punished for known abuse, and many contractors who have been cited for abuses or failures have obtained additional contracts nonetheless.

Congressional neglect has extended to its investigative responsibilities. The House Appropriations Committee investigative team found it difficult to get the committee interested in oversight even before the staff firings. "There wasn't anybody down there who gave a hoot about intelligence spending," Scott Wyman, a former investigator, told [CQ Today](#).

The recent staff cut-backs also attest to the disinterest among House Appropriations Committee leaders in informing the public of the true extent of our government's failures during the Hurricane Katrina recovery effort. The team conducted extensive investigations of government contracts related in the recovery. Yet Chairman Jerry Lewis (R-CA), who ordered the firings and is the target of an FBI corruption investigation, has refused to release any of these reports. The investigative team was also on track to complete a final report on the Katrina contracts, which Lewis had promised would be

released to the public, but the staff shortage has made it impossible to finish this report.

Fortunately, neither of these harmful decisions may be difficult to undo. [Senate Republicans](#) have already begun discussing ways to restore the authorization of the Special Inspector General's office, and a new House Appropriations Committee chair could decide to hire back the fired members of the investigative team, or recruit new ones.

Congressional leaders who made these decisions, however, are unlikely to reverse them. As it becomes increasingly clear that more oversight is needed, Congress has acted to make it harder for itself and the executive branch to keep up even the current, grossly inadequate, level of oversight.

EPA Falters on Commitment to Environmental Justice

Less than two months after the Inspector General for the Environmental Protection Agency issued a report critical of the agency's commitment to environmental justice, EPA closes the doors of one of its regional offices for minority advocacy.

EPA Fails to Conduct Environmental Justice Reviews

In September, EPA's acting inspector general (IG), Bill A. Roderick, issued a [report](#) revealing that EPA had frequently failed to perform environmental justice reviews of its programs and regulations. In a survey of 15 regional and program offices, nine out of 15 responding administrators said they had not performed environmental justice reviews and 13 out of 15 claimed EPA had not directed them to do so. According to the IG, "though some offices may not be subject to an environmental justice review, the respondents expressed a need for further guidance to conduct reviews, including protocols, a framework, or additional directions. Until these program and regional offices perform environmental justice reviews, the Agency cannot determine whether its programs cause disproportionately high and adverse human health or environmental effects on minority and low-income populations."

As a result of the report's findings, the IG recommended that EPA programs and regional offices evaluate which "programs, policies, and activities need environmental justice reviews" and to perform reviews to "determine whether the programs, policies, and activities may have a disproportionately high and adverse health or environmental impact on minority and low-income populations." The IG also recommended that EPA offices develop guidance for conducting environmental justice reviews and designate an environmental justice office to "compile the results of environmental justice reviews," and "recommend appropriate actions to review findings and make recommendations to the decisionmaking office's senior leadership."

EPA is required to perform environmental justice reviews under Executive Order 12898, Federal Actions To Address Environmental Justice in Minority Populations and Low-

Income Populations, which states,

To the greatest extent practicable and permitted by law ... each Federal agency shall make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations in the United States.

Signed Feb. 11, 1994, E.O. 12898 came in response to findings that minority and low-income populations were disproportionately impacted by environmental harms. Blacks are 79 percent more likely than whites to live in polluted areas, according to [a December 2005 analysis](#) by the Associated Press.

EPA Closes Doors of Northwest Minority Advocacy Office

Less than two months after agreeing to the recommendations of the IG, EPA announced that it will close its Region 10 environmental justice office, which serves Idaho, Oregon, Washington and Alaska. The Office of Civil Rights and Environmental Justice assists minority and low-income groups with environmental clean-up, advocacy and education. According to local environmental groups, the office has been instrumental in providing information and support to the community. Region 10 will be the first EPA regional office without dedicated staff to address environmental justice issues.

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