

Sen. Coburn Offers Amendments to Stimulus Bill

Modifies bailout to states, eliminates Hollywood bailout, other non-stimulus items

http://coburn.senate.gov/public/index.cfm?FuseAction=LatestNews.PressReleases&ContentRecord_id=3d97fd6d-802a-23ad-4656-8435b17a3a0d

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(WASHINGTON, D.C.) – U.S. Senator Tom Coburn, M.D. (R-OK) today began offering amendments to the deeply-flawed Senate stimulus bill in an effort to improve the bill and ensure that taxpayer dollars will go to solutions will stimulate economic growth.

“When the American people learn what this bill contains they will reject it. This bill is about spending money we don’t have on things we don’t need. We got into this mess by spending and investing money that didn’t exist. We won’t get out of this mess by doing more of the same. Yet, that is precisely what we are doing,” Dr. Coburn said. “Instead of delivering change, this bill celebrates the politics of the past. The bill represents both the mindless partisanship of recent decades, and the failed interventionist policies of the 1930’s. The Senate can, and must, do much better. As currently written, this bill represents the worst act of generational theft in our nation’s history.”

“The fundamental problem with this bill is that it fails to address the root problem, which continues to be toxic assets in the mortgage market. The bill also includes a reckless bailout to states that would effectively nationalize state governments. A state bailout would remove any incentive for states to make hard choices and balance their budgets. This misguided step could fundamentally and permanently alter the relationship between state and local governments. I intend to address this problem with an amendment that would turn the bailout to states into a temporary emergency loan program that would allow struggling states to borrow money at a low-interest rate,” Dr. Coburn said.

“The bill also contains numerous provisions that are about stimulating long-frustrated ideological agendas rather than the economy. Using an economic crisis to extend government’s reach into health care, for example, is not a way to build bridges between the parties,” Dr. Coburn said.

“Finally, the American people will be nauseated by the numerous and shameless special interest projects that have been slipped into this bill in spite of President Obama’s call to keep this bill free of earmarks. Including a \$246 million earmark to bailout Hollywood when Hollywood just enjoyed its biggest January ever is insulting to the millions of American families who are struggling to make ends meet. This bill also contains the biggest earmark in history – a \$2 billion handout to the not-ready-for-prime-time ‘FutureGen’ near-zero-emission power plant in Matoon, Illinois that has been called ‘prohibitively expensive’ by the Washington Post and is not supported by scientists at MIT,” Dr. Coburn said.

“If the Senate wants to have any credibility with the American people we need to shift some of our focus from finding ‘shovel ready’ projects to ‘scissor ready’ projects in this bill and throughout the budget,” Dr. Coburn said. “It is absurd that Congress has made zero effort to pay for this bill with offsets when millions of Americans are making hard and painful choices every day. Independent groups have spent decades compiling examples of wasteful spending that total more than \$300 billion dollars. The Senate could dramatically cut the cost of this package today if it made the effort.”

Initial Coburn Amendments to Stimulus bill:

1. Require that all money in the bill given to states be a loan that must be repaid.
2. Strike \$246 million “Hollywood earmark” for the purchase of motion picture film.
3. Strike “biggest earmark of all time” – \$2 billion for FutureGen clean coal power plant.
4. Sense of the Senate that the Congress should support President Obama’s “Plan for Restoring Fiscal Discipline.” (Specifically relating to cutting costs and inefficiencies of government.)
5. No funds shall be used for casinos, aquariums, zoos, museums, golf courses, or swimming pools (mirror House language).
6. No more than \$1 billion may be spent on projects for federal agencies inside the beltway.
7. Require that any contract that is awarded must be competitively bid.
8. Convert \$9 billion for broadband into loans for internet service providers/telecom companies to build infrastructure in market-sustainable areas.
9. Prohibit any Corps construction funds appropriated in this Act from being used for initial construction projects until all unfinished Corps projects have been completed.
10. No funds from the Federal Building Fund may be used to construct new federal buildings until the government reduces its inventory of surplus/excess real property by 50 percent as of the date of bill passage.
11. None of the funds made available for the National Park Service may be expended unless such funding directly reduces the deferred maintenance backlog.
12. Strike authority for the Director of Indian Health Service to spend all health information technology funds (\$85 million) at his discretion, regardless of current law (competitive awards, bidding, etc).
13. Cut \$3.25 billion in funding for Workforce Investment Act programs since WIA has not been reauthorized and GAO has found duplicative job-training programs across 8 different federal agencies.

14. No funds in the Act may go to a public or private institution of high education that has an endowment of more than \$15 billion and/or spends more than \$100,000 on lobbying annually..

15. Make the “making work pay” tax credit non-refundable (the plan to give \$500 or \$1,000 checks of every family).

Wasteful and Non-Stimulus Spending Provisions

- \$2 billion earmark to re-start FutureGen, a near-zero emissions coal power plant in Illinois that the Dept. of Energy defunded last year because the project was inefficient
- A \$246 million tax break for Hollywood movie producers to buy motion picture film
- \$650 million for the digital television (DTV) converter box coupon program
- \$88 million for the Coast Guard to design a new polar icebreaker (arctic ship)
- \$448 million for constructing the Dept. of Homeland Security headquarters
- \$248 million for furniture at the new Dept. of Homeland Security headquarters
- \$600 million to buy hybrid vehicles for federal employees
- \$400 million for the CDC to screen and prevent STD's
- \$1.4 billion for a rural waste disposal programs
- \$150 million for Smithsonian museum facilities
- \$1 billion for the 2010 Census, which has a projected cost overrun of \$3 billion
- \$75 million for “smoking cessation activities”
- \$200 million for public computer centers at community colleges
- \$75 million for salaries of employees at the FBI
- \$25 million for tribal alcohol and substance abuse reduction
- \$10 million to inspect canals in urban areas
- \$6 billion to turn federal buildings into “green” buildings
- \$500 million for state and local fire stations
- \$650 million for wildland fire management on Forest Service lands
- \$150 million for Smithsonian museum facilities
- \$1.2 billion for “youth activities,” including youth summer job programs
- \$88 million for renovating the headquarters of the Public Health Service
- \$412 million for CDC buildings and property
- \$500 million for building and repairing NIH facilities in Bethesda, MD
- \$160 million for “paid volunteers” at the Corporation for National and Community Service
- \$5.5 million for “energy efficiency initiatives” at the VA “National Cemetery Administration”
- \$850 million for Amtrak
- \$100 million for reducing the hazard of lead-based paint
- \$75M to construct a new “security training” facility for State Dept Security officers when they can be trained at existing facilities of other agencies.
- \$110 million to the Farm Service Agency to upgrade computer systems
- \$200 million in funding for the lease of alternative energy vehicles for use on military installations.
- State Medicaid Bailout: \$87.7 billion Through 3 different mechanisms, the bill would provide additional federal funds to state Medicaid programs over the next 3 years. This is

nearly \$70 billion more than the governors asked President Obama for in December, and should be a loan to be repaid by the states.

Questionable Policy

- Eliminates fees on loans from the Small Business Administration, thus pushing private capital toward unproductive businesses and away from productive businesses.
- Increases the definition of “youth” for certain summer job programs from age 21 to age 24.
- \$160 million to the Job Corps program at the Dept. of Labor, but not for job programs – rather, to construct, alter or repair buildings.
- Requires a government study on the impact of minimum wage laws on the Northern Mariana Islands and American Samoa.
- \$79 billion State Fiscal Stabilization (slush) Fund to bailout the States by providing billions of dollars for “education” costs of any kind.
- \$47.843 billion is appropriated for a variety of energy programs that are primarily focused on renewable energy development and energy conservation/efficiency. Not one dollar is appropriated to make fossil fuels more affordable in the near future. More than \$6 billion of these funds go to environmental clean ups.
- Increases eligibility for “weatherization” assistance to households 200 percent above the poverty level.
- The “Making Work Pay” credit of \$500 to every individual making less than \$75,000 (or \$1000 to couples making \$150,000 or less) would pay people whether they are productive or not – akin to welfare..
- The Supplemental Nutrition Assistance Program (SNAP – food stamps) would temporarily suspend the 3-month limit for non-working adults to receive SNAP benefits, thus giving incentives not to find a job.
- Installs government as the creator of broadband deployment regardless of whether the specific local/regional market can sustain it.
- Funds new “green jobs” job-training program without eliminating inefficient job-training programs or consolidating duplicative job-training programs.
- \$890 million to the Social Security Administration without any provisions to reduce improper payments, or any plan to increase solvency of the trust fund.
- Nothing requires the products that are purchased with these funds be here in America. Lithium ion batteries, for instance, are primarily made in Asia.