

January 25, 2010

Dear Colleague:

This letter is to inform Members about the earmark procedures and deadlines the Committee will follow for fiscal year 2011. You are all aware of the numerous reforms put into place over the last two years which brought unprecedented transparency to the earmark process. Those reforms will continue this coming year as will the limiting of earmarks to no more than 1% of discretionary spending.

Let me quickly review for you the changes implemented over the past two years.

**2007 Moratorium:** In January of 2007, Democrats imposed a one-year moratorium on earmarks for 2007 until a reformed process could be put in place.

**Significant Reductions:** In the 2008 bills, the total dollar amount earmarked for non-project-based accounts in appropriations bills was reduced by 43% below FY 2006 and this percentage reduction increased to 50% with the 2010 bills. The Committee will limit future earmarks to no more than 1% of total discretionary spending.

**Rules for Transparency:** Under the 2007 rules, each bill must be accompanied by a list identifying each earmark and the Member who requested it. Those lists are available online before the bill is ever voted on. In the House, each earmark on those lists is backed by a public letter from the requesting Member identifying the earmark, the entity that will receive the funds and its address, what the earmark does, and a certification stating that neither the requesting Member nor their spouse will benefit from the earmark financially. Each certification is available on the internet at least 48 hours prior to a floor vote on the bill.

**Other Measures:** All earmarks produced by conference committees which did not appear in the original House or Senate bills are clearly identified in the bill and accompanying report with an asterisk.

**Posting Requests Online:** Begun in calendar year 2009 in order to offer more opportunity for public scrutiny of earmarks, Members are now required to post information on their project requests on their websites at the time the request is made. The Member is responsible for explaining the purpose of the earmark and why it is a legitimate use of taxpayer funds.

**Early Public Disclosure:** Begun in calendar year 2009 in order to increase public scrutiny of Committee decisions, earmark disclosure tables will be made publicly available the same day as the House or Senate subcommittee markup.

**Earmarks to For-Profit Entities:** Begun in calendar year 2009, all House earmarks that are intended to benefit for-profit entities are required by law to be fully and openly competed. This gives the original designee the opportunity to be brought to the attention of an agency, but with the possibility that an alternative entity may be selected by the agency. In practical terms, it ends the practice of earmarks being the functional equivalent of sole source contracts.

**Fiscal Year 2011 process:**

The reforms and requirements outlined above remain in place for the coming year. As we prepare for the fiscal year 2011 appropriations process, Members who wish to have projects considered by the Committee should submit requests to the Appropriations Committee by **Friday, March 19, 2010**. This deadline will allow time for our subcommittees to send each request to the appropriate agency for review as was done last year.

This will be a very tight budget year, so we ask each and every member to be realistic in tendering their requests.

Members will also be asked this year to prioritize their top ten requests across all subcommittee jurisdictions so we can better identify priorities committee-wide. Identifying the top ten requests will not affect the total number of requests made to the Committee nor will it change the subcommittees' systems of evaluating and analyzing requests. Identifying these top priorities will hopefully ensure projects are requested in the correct bills and accounts, and will enable our subcommittees to make every effort to address critical district needs. Once again the database will be used to collect information about project requests, with each subcommittee tailoring questions specific to its programs or purposes.

The database, accessible only through the House intranet system, can be found at: <https://membersrequests.approps.house.gov>. Additionally, several subcommittee chairs plan to send an additional "Dear Colleague" in the coming days providing specific subcommittee direction or instructions.

Sincerely,

David R. Obey

Chairman

Committee on Appropriations