

Policy Alert

House Appropriations Committee Announces Ban on Earmarks Directed to For-Profit Entities

March 10, 2010

On March 10, 2010, Rep. Dave Obey, chairman of the House Appropriations Committee, and Rep. Norm Dicks, the new chairman of the House Appropriations Subcommittee on Defense, announced that the Committee will no longer approve requests for earmarks that are directed to for-profit entities. There will be House conference meetings this afternoon to explain the new policy to members of Congress.

The Committee will also require agency inspectors general to audit at least 5 percent of all earmarks directed to nonprofit entities. This requirement is meant to ensure that earmarks go to their intended purposes and to prevent for-profits from masquerading as nonprofits. The Committee will establish an online “one-stop” link to all House members’ appropriations earmark requests to enable the public to easily view them.

The chairmen plan to establish a program to provide an opportunity for businesses—especially small, start-up companies with no inside Pentagon connections—to present their ideas and products to the Defense Department.

House Republicans will meet on Thursday to discuss whether or not to ban all earmarks for one year.

We will provide further information about the for-profit ban on earmarks—and Republican plans for a complete ban on earmarks—as it becomes available.

CONTACT INFORMATION

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