



Highlights of [GAO-08-209](#), a report to congressional addressees

Why GAO Did This Study

In recent years, congressional concern and public debate have increased about the nature and growing number of earmarks. This report seeks to provide Congress and the public with an understanding of how agencies respond to congressional funding directions by examining how selected executive branch agencies translate these directions from Congress into governmental activities.

There have been numerous calls in and out of Congress for earmark reform in response to concerns about the nature and number of earmarks. Both Houses of Congress have taken steps to increase disclosure requirements. The President has also called for earmark reform. In January 2007, the Office of Management and Budget (OMB) directed agencies to collect and submit data to it on fiscal year 2005 earmarks in appropriations bills and certain authorization bills.

GAO collected and analyzed information on four agencies' processes (i.e., the Department of Defense, Department of Energy, Department of Transportation, and U.S. Army Corps of Engineers' Civil Works programs). Our objectives were to identify, for these agencies, (1) their processes for identifying and categorizing congressional directives; (2) their processes for tracking, implementing, and reporting on congressional directives; and (3) agency officials' views on the trends and impact of congressional directives.

To view the full product, including the scope and methodology, click on [GAO-08-209](#). For more information, contact Susan J. Irving at (202) 512-9142 or irvings@gao.gov.

CONGRESSIONAL DIRECTIVES

Selected Agencies' Processes for Responding to Funding Instructions

What GAO Found

Congress or its committees may use formal vehicles to provide written funding instructions for agencies or to express preferences to agencies on the use of funding. These formal vehicles include statutes (i.e., authorization or appropriations acts) or House, Senate, and conference reports comprising significant parts of the legislative history for a given statute. Often referred to as "earmarks," these written instructions range from broad directions on policy priorities to specific instructions.

The U.S. Constitution gives Congress the power to levy taxes, to finance government operations through appropriations, and to prescribe the conditions governing the use of those appropriations. This power is referred to generally as the congressional "power of the purse" and derives from various provisions of the Constitution. Government agencies may not draw money out of the Treasury to fund operations unless Congress has appropriated the money. At its most basic level, this means that it is up to Congress to decide whether to provide funds for a particular program or activity and to fix the level of that funding. It is also well established that Congress can, within constitutional limits, determine the terms and conditions under which an appropriation may be used. In this manner, Congress may use its appropriation power to accomplish policy objectives and to establish priorities among federal programs.

Our review of four federal agencies' processes for responding to written directives from Congress regarding the use of funds found that each of the selected agencies responds to congressional directives in a manner consistent with the nature of its programs and operations and in response to the desires of its own authorizing and appropriations committees in Congress. Agencies differ in terms of the specific processes followed to respond to congressional directives, and they have also adopted their own approaches for responding to the 2007 request for data on earmarks from OMB. OMB's guidance to agencies excludes from its definition of earmarks funds requested in the President's Budget.

With a few exceptions, officials representing the selected agencies generally expressed the view that the number of congressional directives had increased over time. Agency officials provided a range of views on the impact of congressional directives on budget and program execution. Some agency officials said that congressional directives had a limited impact on their mission requirements or ability to accomplish their goals. Other agency officials reported that implementation of these directives can displace agencies' program priorities as the agencies redirect resources to comply with these directives. Some told us that congressional directives provided money for projects they wanted but had been unable to get funded through budget requests. Agency officials also reported that directives can add uncertainty as agencies respond to congressional priorities identified months later than their planning for items in the President's Budget.