



SUMMARY

On Monday, December 2, 2019, Senator James Lankford (R-OK) released the fifth volume of his federal government waste report entitled, *Federal Fumbles: Ways the federal government dropped the ball*. The football-themed report lists billions in wasteful and inefficient federal spending. It also contains “Touchdowns” and “Forward Progress” sections that detail how progress has been made on solving the Fumbles listed in previous reports.

- Debt facts :
 - Current Debt: \$23.087 trillion
 - Fiscal year 2019 (FY19) Deficit (official): \$1.033 trillion

Eight Examples of Waste

1. **Shut Down the Shutdowns** (page 7) – Government shutdowns waste taxpayer dollars and cause significant cost increases. The three most recent shutdowns—lasting a total of 52 days—cost taxpayers at least \$4 billion.
2. **The Tent Costs How Much?** (page 12) – Customs and Border Protection (CBP) is spending \$1.17 million on soft-sided temporary facilities, each and every day.
3. **Pepperoni or Cheese? Let Uncle Sam Regulate That for You** (Page 21) – With so many federal programs, it is no surprise that American taxpayers are simultaneously paying for duplicate services, experiencing confusing fragmentation in oversight by different agencies for similar items, and even experiencing gaps in services due to the perplexing mix of federal programs. For example, there are multiple regulations for a company making frozen pizza, down to the toppings, depending on whether the pizza is cheese or pepperoni. The US Department of Agriculture (USDA) would inspect the meat for the pizza up to three times, but the Food and Drug Administration (FDA) would have jurisdiction over the cheese pizza.
4. **Stellar Sea Lions** (page 8) – While Russia meddles in our elections, our agencies are working to understand their sea lions to the tune of \$1.7 million.
5. **\$11.6 Million for Zombies** (page 17) –The Inspector General found that the Social Security Administration (SSA) paid approximately \$11.6 million in posthumous payments to 149 beneficiaries who died in Puerto Rico.
6. **Tax Extenders – Special Interest Giveaways, Funded by You** (page 13) – American taxpayers may be surprised to know that part of our increasing national debt is the result of financing freebies to special interests through the tax code. These giveaways for breweries and distilleries, movie production, and even racehorses drive up deficits and ultimately add to the debt.
7. **Unhealthy Homes for Heroes** (page 26) – In FY19 the federal government spent more than \$61 million in privatized housing that largely failed to live up to the quality standards we demand for our women and men in uniform.
8. **Transportation Troubles** (page 30) – Federal Emergency Management Agency (FEMA) financial assistance was never meant to substitute for home, flood, or auto insurance, but the agency often fails to ensure the funds it disburses are used properly. For example, FEMA failed to review disaster victims existing insurance policies or to determine whether or not they own a second car. The

Department of Homeland Security (DHS) Office of the Inspector General (OIG) recently found that FEMA mismanaged up to \$60 million throughout 2017, just in transportation assistance alone.

Touchdowns and Forward Progress

1. **The GREAT Act** — As mentioned in Volume 4 of *Federal Fumbles*, Lankford worked with Senators Gary Peters (D-MI), Maggie Hassan (D-NH), and Mike Enzi (R-WY) and Representative Virginia Foxx (R-NC) to reintroduce the GREAT Act, which requires federal data transparency to make the grant process more efficient and effective. The bill unanimously passed out of the Senate on October 22, 2019, and awaits passage in the House. Lankford plans to work with the Office of Management and Budget (OMB) and the Department of Health and Human Services (HHS) on the implementation of the GREAT Act.
2. **Trade with China** —The Trump Administration invoked Section 301 of the Trade Act of 1974 in order to impose tariffs on Chinese imports, but the strategy of imposing tariffs on Chinese imports has actually hurt the profits of many American companies and small businesses, causing some to lay off workers or close entirely. As a solution to this problem, Lankford proposed that the US Trade Representative (USTR) create an exclusion process for its tariff regime. In June 2019 the USTR officially created this exclusion process and invited businesses to submit their requests.
3. **American Burying Beetle Downgrade** — In the very first volume of *Federal Fumbles*, Lankford wrote about everyone's least favorite winged insect, the American burying beetle (ABB). Even though the ABB's population has significantly increased over the years, the bug remained listed on the endangered species list. This resulted in developers purchasing \$30,000 in beetle credits to develop on lands where the beetle may reside. A September 2019 proposal downgraded the beetle from an endangered species to a threatened species because it no longer meets the definition of an endangered species.
4. **FACE-ing Facts at FEMA** —FEMA struggles to manage advanced contracts in the aftermath of disasters. Thankfully, the Federal Advance Contracts Enhancement (FACE) Act passed the Senate on November 11, 2019.
5. **Fixing Failed Oversight at DHS** —To provide additional assistance at the border, Department of Homeland Security (DHS) funds local and state law enforcement personnel assistance under a program called Operation Stonegarden. After identifying waste and fraud within the program in Volume 4, Lankford secured language in the Committee-passed FY20 Homeland Security Appropriations bill that requires DHS to report back to Congress on how it has implemented increased oversight on Operation Stonegarden.
6. **Contraband Cell Phones** — As a former subcommittee chairman for the Senate Appropriations Committee, Lankford directed the Federal Communications Commission (FCC) and its Contraband Phone Task Force to report on its work to combat contraband cell phones in correctional facilities by using micro-jamming technology. The brief report notably highlighted the need for testing and recommended continued testing in state correctional facilities. Additionally, Lankford worked with the Appropriations Committee on language directing the Federal Bureau of Prisons (BOP), in conjunction with the National Telecommunications and Information Administration (NTIA), to report on a cost estimate to fund the testing of cell phone jamming for a full correctional facility.
7. **Reducing Regulations** — The Trump Administration has continued to roll back unnecessary and outdated regulations over the past year. In FY18 the Administration removed an estimated \$23 billion in regulatory costs by ending 12 regulations for each new regulation issued.
8. **Turkey and the F-35** — Turkey, a North Atlantic Treaty Organization (NATO) ally, decided to purchase Russian military technology known as the S-400, which is a surface-to-air missile defense system that Russia uses to target NATO aircraft near its border with Europe. Turkey has a stake in the production of the F-35 aircraft, manufacturing various parts within the supply chain and flying the F-35 from its military bases. However, Turkey's purchase of the S-400 puts US national security at risk.

American aircraft (and the proprietary technology that goes with it) should not be used in conjunction with a Russian system designed to shoot down the F-35. When Lankford first began raising concerns about this issue two years ago, the Administration and most of Congress did not agree. However, Lankford moved forward with introducing the Protecting NATO Skies Act. Within a week of its introduction, DOD announced it would halve the shipment of F-35 parts to Turkey, and the language from Lankford's bill was included in the Senate-passed FY20 National Defense Authorization Act (NDAA).

9. **UN Peacekeeping** — There is a statutory requirement preventing US contributions from exceeding 25 percent of the overall UN peacekeeping budget. Unfortunately, Congress has too often failed to abide by that standard since it was codified in 1994. As a member of the Senate Appropriations Committee, Lankford advocated for holding our nation's contributions to the 25-percent cap outlined in the law. We have held to the 25 percent cap on US contributions to the UN peacekeeping budget for three straight years. The Senate has once again taken the lead on this issue by sticking to the 25 percent cap in its FY20 State and Foreign Operations bill.
10. **VA MISSION ACT** — In 2014 the VA experienced the largest scandal it had seen in its history. Ground zero of the scandal was the VA Health Services Center in Phoenix, AZ, where whistleblowers alleged that 40 veterans died while waiting for care due to a "secret waiting list," which led to a VA OIG report. After this initial report, systemic issues were found across the entire VA enterprise at medical facilities nationwide that, unfortunately, also plagued our VA facilities in Oklahoma. The delays highlighted by the 2014 Office of Inspector General (OIG) report led Congress to pass the Choice Act to make it easier for veterans to receive care outside the VA, which would then be paid for by the VA similar to other insurance plans. However, to fix the flaws of the Choice Act and further improve veterans' access to the healthcare services they needed, Congress passed the Maintaining Internal Systems and Strengthening Outside Networks (MISSION) Act in June of 2018, which was finally rolled out in June 2019. The MISSION Act provides veterans with greater choice in their health care and gives them greater control in how and where they receive that care, especially in urgent cases or for routine labs or radiology.

Top 10 Fumbles by Cost

1. **D for Default Rates** (page 29) – \$163 billion of nearly \$1.4 trillion in outstanding federal student loan debt was in default as of June 2018.
2. **Contingent on What?** (page 4) – \$162.1 billion was created out of thin air by taking advantage of a loophole meant to ensure military readiness.
3. **Disaster Relief Fund** (page 5) – Since 2011 more than \$129 billion has been allocated to the Disaster Relief Fund (DRF). Here's the kicker: \$124 billion of that allocation has been appropriated completely outside the caps, and only \$5 billion of it remained inside the statutory budget limits.
4. **Cost of 301 Tariffs on US the Economy** (page 16) – China has been a problem for US businesses for decades. The Communist Party encourages theft of US intellectual property (IP) and maintains unfair joint venture requirements. China's 301 tariffs on the US have cost taxpayers roughly \$34 billion and counting.
5. **Generic Tiering in Medicare Part D** (page 20) – Failing to properly tier generic drugs—or not tiering them at all—has resulted in seniors paying nearly \$22 billion more in out-of-pocket costs in recent years for their medications.
6. **Energy Tax Extenders** (page 14) – Usually the point of temporary federal tax policy is to incentivize individuals or companies to adopt a certain technology before it has proven beneficial and is able to stand on its own. Once that is achieved, usually the temporary tax is eliminated—*usually* being the operative word. This has not been the case for several temporary energy tax provisions that continue to waste \$21.7 billion in taxpayers' money.

7. **Flooded by Red Ink** (page 32) – To prevent the National Flood Insurance Program (NFIP) from collapsing, Congress subsequently cancelled \$16 billion of NFIP debt. Despite the cancellation, NFIP was then allowed to borrow an additional \$6.1 billion and currently has \$20.5 billion in outstanding debt.
8. **Hopping Off the Harbor** (page 2) – \$1.67 billion will automatically be added to our national debt in FY20 in the name of waterway infrastructure. But the additional debt is actually not for waterway infrastructure.
9. **Debris Removal** (page 31) – A recent OIG report claimed that current FEMA guidance does not ensure adequate oversight of debris removal, the cost of which has reached \$1.5 billion for Hurricane Irma alone. That’s \$1.5 billion of taxpayer dollars that received little to no oversight, coupled with a program that has been notorious for fraud, waste, and abuse.
10. **This Land (Backlog) Is Your Land (Backlog), Round II** (page 3) – Congress appropriated \$435 million from the Land and Water Conservation Fund (LWCF) to spend on buying new lands in FY19. A proposal put forward earlier this year would change the way the LWCF operates by providing mandatory instead of discretionary funding. That means the LWCF would not be subject to annual budget caps, and Congress could add \$435 million in more debt while giving the appearance of staying within the budget.