JONI K. ERNST IOWA

CHAIRMAN,
REPUBLICAN POLICY COMMITTEE

Washington, DC Office 260 Russell Senate Office Building Washington, DC 20510 Phone: 202–224–3254 Fax: 202–224–9369

WWW.ERNST.SENATE.GOV

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SMALL BUSINESS
AND ENTREPRENEURSHIP

June 20, 2024

Honorable Shalanda D. Young Director White House Office of Management and Budget Eisenhower Executive Office Building 1650 Pennsylvania Avenue, NW Washington, DC 20503

Dear Director Young,

For years I've been attempting to show Americans how Washington spends their hard-earned tax dollars by requiring a price tag displaying the cost be placed on public documents related to every government-funded project. This allows Americans to see the return on their tax dollars and judge the value of every expenditure for themselves. Despite authoring numerous "COST Act" laws, however, nearly every federal agency refuses to provide price transparency to taxpayers as required by law.

I recently sent a letter to the Secretary of Defense demanding to know why the provision I wrote into the National Defense Authorization Act that became law in 2021 has still not been enacted. This year's government funding bill also contains a directive for the Department of Defense (DOD) to provide a detailed plan for doing so.²

I've called on the Department of Health and Human Services (HHS) Office of Inspector General to investigate why that department is not enforcing a similar law.³

And after numerous exchanges, the Small Business Administration (SBA) recently informed me the agency would now start providing price information to taxpayers as required.⁴

Other agencies and departments are continuing to ignore the law by hiding costs from taxpayers.

It's frustrating fighting government agencies to get them to comply with the law.

¹ Correspondence from Senator Joni Ernst to Secretary of Defense Lloyd Austin, April 18, 2024.

² Senate Report 118-81 accompanying S. 2587, Department of Defense Appropriations Bill, 2024, July 27, 2023; www.congress.gov/118/crpt/srpt81/CRPT-118srpt81.pdf.

³ Correspondence from Senator Joni Ernst to Department of Health and Human Services Office of Inspector General, March 11, 2021; https://www.ernst.senate.gov/imo/media/doc/2021-03-12%20Letter%20to%20HHS%20OIG%20Stevens%20Amendment%20Request.pdf.

⁴ Correspondence from the Small Business Administration to Senator Joni Ernst, April 16, 2024.

If you check Section 632 of Division B, Title VI of Public Law 118-47, the Further Consolidated Appropriations Act, 2024 (Public Law 118-47),⁵ you will notice the COST Act requirements also apply to your office:

DIVISION B—FINANCIAL SERVICES AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2024 TITLE VI GENERAL PROVISIONS—THIS ACT SEC. 632. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, shall clearly state— (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

So, you can imagine my surprise that the Executive Office of the President is "strongly" encouraging all federal agencies to post signs alongside publicly financed projects declaring they were funded, not by taxpayers, but rather by President Joe Biden,⁶ and omitting any mention of the costs.

A February 24, 2023 alert memorandum explains:

"The purpose of this Controller Alert is to suggest strategies, including the use of public signage, to increase the transparency of projects funded in whole or in part by the following legislation: the American Rescue Plan Act of 2021 (ARP); the Infrastructure Investment and Jobs Act of 2021, also known as the Bipartisan Infrastructure Law (BIL); the Creating Helpful Incentives to Produce Semiconductors and Science Act of 2022 (CHIPS and Science Act); and the Inflation Reduction Act of 2022 (IRA) and other appropriations as appropriate. Such strategies can make visible to the public the effectiveness of Government efforts to invest in our Nation's infrastructure and competitiveness. Providing common and prominent signage on projects with Federal funding under these laws is consistent with the Government's commitment to transparency and accountability to the American public.

"The Administration believes that clear and prominent signage on projects is one of several ways to inform taxpayers about how Federal funds from these laws are being spent and advance the goals of accountability and transparency of Federal spending. Similarly, consistent acknowledgement of the role of Federal financial support in agency press releases, statements, presentations, commemorative items (i.e., plaques), and other

⁵ Public Law 118-47, H.R.2882, "Further Consolidated Appropriations Act, 2024," signed by President March 23, 2024; https://www.congress.gov/bill/118th-congress/house-bill/2882.

⁶ "CA-23-6, Enhancing Transparency Through Use of the Investing in America Emblem on Signs (UPDATED)," The White House Executive Office of the President, Office of Management and Budget, February 24, 2023; https://www.cfo.gov/assets/files/CA-23-

 $[\]underline{06_Enhancing\%20Transparency\%20Through\%20Use\%20of\%20the\%20Investing\%20in\%20America\%20Emblem\%20on\%20Signs.pdf.}$

public communications involving projects and activities enabled in whole or in part by funding provided through these laws will improve public visibility into the effectiveness of Government efforts to rebuild our Nation's infrastructure and invest in U.S. competitiveness. As such, this alert encourages the use of public signage on projects funded by these laws as well as acknowledgement of such Federal funding in other public materials as appropriate, in furtherance of openness and transparency."⁷

A White House guidebook provides a variety of templates for the Biden campaign signs, including this one:⁸

PROJECT FUNDED BY

President Joe Biden's [Insert Name of Law]







Not fooled by their intentionally misleading titles, I voted against "The Inflation Reduction Act," which has dramatically increased inflation, and "The Bipartisan Infrastructure Law," that is paying for projects so unrelated to roads or bridges even the liberal CNN admits, "the President has stretched the definition of infrastructure." But who would have ever guessed the meaning would be stretched so far as to include public financing for the president's own campaign infrastructure?

⁷ "CA-23-6, Enhancing Transparency Through Use of the Investing in America Emblem on Signs (UPDATED)," The White House Executive Office of the President, Office of Management and Budget, February 24, 2023; https://www.cfo.gov/assets/files/CA-23-

 $[\]frac{06\ Enhancing\%20 Transparency\%20 Through\%20 Use\%20 of\%20 the\%20 Investing\%20 in\%20 America\%20 Emblem \underline{\%20 on\%20 Signs.pdf}.$

⁸ "Investing In America Signage Guidelines," White House Office of Digital Strategy, as updated March 2, 2023; https://www.whitehouse.gov/wp-content/uploads/2023/02/Investing-in-America-Brand-Guide.pdf.

⁹ Stephen Collinson, "The fight to define infrastructure could change America," CNN, April 6, 2021; https://www.cnn.com/2021/04/06/politics/joe-biden-infrastructure-us-debate/index.html.

Yet, at the White House's direction, the Department of Transportation, ¹⁰ Army Corps of Engineers, ¹¹ U.S. Department of Agriculture, ¹² and other agencies are treating taxpayer money like campaign donations, purchasing and placing thousands of campaign signs along roadsides and other public works sites. ¹³

The Environmental Protection Agency (EPA) is demanding that "for construction projects funded in whole or in part by the Bipartisan Infrastructure Law or Inflation Reduction Act through the U.S. Environmental Protection Agency, recipients must place a sign at construction sites that display the Investing in America emblem and identify the project as a 'project funded by President Biden's Bipartisan Infrastructure Law' or 'project funded by President Biden's Inflation Reduction Act.' The sign must be in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period."¹⁴



Investing in America Signage

For construction projects funded in whole or in part by the <u>Bipartisan Infrastructure Law</u> or <u>Inflation Reduction Act</u> through the U.S. Environmental Protection Agency, recipients must place a sign at construction sites that display the Investing in America emblem and identify the project as a "project funded by President Biden's Bipartisan Infrastructure Law" or "project funded by President Biden's Inflation Reduction Act." The sign must be in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

¹⁰ "Investing in America Signage," United States Department of Transportation, Federal Transit Administration website, as updated July 24, 2023 and accessed May 28, 2024; https://www.transit.dot.gov/investing-america-signage.

¹¹ "Signage for Bipartisan Infrastructure Law," U.S. Army Corps of Engineers Memorandum for Commanders, Major Subordinate Commands, Chiefs, and Operations Divisions, , November 3, 2022; https://corpslakes.erdc.dren.mil/employees/cecwon/pdfs/22Nov10-BipartisanInfrastructure.pdf.

¹² "Investing in America Signage Guidelines," U.S. Department of Agriculture website, accessed May 30, 2024; https://www.usda.gov/style-guide/signage-guidelines.

¹³ Kayla Tausche and Kevin Liptak, "Biden is putting his name on economic progress, but will voters just drive right by?," CNN, August 4, 2023; https://www.cnn.com/2023/08/04/politics/biden-signs-claim-credit-for-economy/index.html.

¹⁴ "Investing in America Signage," United States Environmental Protection Agency website, as last updated April 9, 2024 and accessed May 29, 2024; https://www.epa.gov/invest/investing-america-signage.

Political campaign signs are not infrastructure. They do nothing to improve our roads or bridges and it's obvious their real intent is only to pave the way for Biden's re-election.

In additional to misusing official government resources for political purposes, these roadside eyesores violate the spirit of the Highway Beautification Act, which restricts billboards and limits other posts along federal highways to directional signs or notices of natural wonders and scenic or historical attractions.¹⁵

The signs also conveniently omit the costs of the projects to taxpayers.

Why is there no billboard next to the seven electric vehicle charging stations built over the past two years boasting that they were bought by the Biden administration with \$7.5 billion?¹⁶ Such a sign could proudly declare, "This billion dollar boondoggle brought to you by President Biden!" Now, that would give everyone, no matter what kind of vehicle they drive, a real charge.

A similar sign should be posted alongside the route of the 1.3-mile San Francisco rail extension¹⁷ the Biden administration has committed at least \$3.4 billion to build, which is only a fraction of the megaproject's ballooning \$8.3 billion price tag.¹⁸ This gravy train is on track to be one of the most expensive transit projects in the world.¹⁹ That certainly makes it qualify as a historical attraction deserving of a sign for public recognition.

¹⁶ Shannon Osaka, "Biden's \$7.5 billion investment in EV charging has only produced 7 stations in two years," Washington Post, March 28, 2024; https://www.washingtonpost.com/climate-solutions/2024/03/28/ev-charging-stations-slow-rollout/.



CLIMATE SOLUTIONS

Biden's \$7.5 billion investment in EV charging has only produced 7 stations in two years

The network of fast chargers promised by the Biden administration has had a painfully slow rollout



¹⁷ "The Portal/DTX," Transbay Joint Powers Authority website, accessed June 4, 2024; https://www.tjpa.org/portaldtx/about-portal.

¹⁵ The Highway Beautification Act of 1965, Public Law 89-285; https://www.congress.gov/89/statute/STATUTE-79/STATUTE-79-Pg1028.pdf.

¹⁸ "TJPA CELEBRATES \$3.4 BILLION FEDERAL COMMITMENT FOR THE PORTAL," Transbay Joint Powers Authority, May 20, 2024; https://www.tjpa.org/about-tjpa/news-information/press-releases/tjpa-celebrates-34-billion-federal-commitment-portal.

[&]quot;Downtown Rail Extension (DTX)," Transbay Joint Powers Authority website, accessed May 29, 2024; https://www.tjpa.org/media/30450#:~:text=The%20DTX%20will%20extend%20the,Francisco%20to%20Los%20Angeles%2FAnaheim.

¹⁹ Eliyahu Kamisher, "New \$6.7 billion price tag makes Caltrain's SF extension among costliest in the world; The 1.3-mile stretch would extend the commuter train to the Salesforce Tower," The Mercury News, January 21, 2023; https://www.mercurynews.com/2023/01/21/new-6-7-billion-price-tag-makes-caltrains-sf-extension-among-costliest-in-the-world/.

Since my taxpayer price transparency provision now covers projects supported by OMB, the Departments of HHS, Education, Labor, and Treasury, DOD research and development grants, SBA, and other agencies, I would encourage you to issue guidance expanding it to *all* projects funded by *every* department, agency, and office. This would make your efforts to "inform taxpayers about how Federal funds ... are being spent and advance the goals of accountability and transparency of Federal spending" more meaningful, without wasting taxpayer money to purchase or post any fancy signs.

To advance the goals of accountability and transparency of federal spending, please provide the following information:

- 1. What actions have been taken or are planned by OMB to enact the provisions of Public Law 118-47 requiring all projects funded by the White House and other agencies and departments with taxpayer dollars to disclose the cost in public documents? Please provide any guidance that has been or is planned to be issued from your office.
- 2. What is the total number of "Funded by President Joe Biden" signs, billboards, placards, and other posters that have been paid for, in whole or in part, with taxpayer funds appropriated or authorized by the Bipartisan Infrastructure Law, the Inflation Reduction Act, the American Rescue Plan Act, the CHIPS and Science Act, or other bills? Please provide a breakdown of the total cost by agency and department.
- 3. What is the total cost to design, produce, purchase, supply, and install all this signage? Please provide a breakdown of these numbers by agency and department.
- 4. Was a legal determination made as to whether these taxpayer-funded campaign advertisements and billboards misuse official government resources for political campaign purposes? If so, please provide the documentation.
- 5. Was a legal determination made as to whether these taxpayer-funded campaign advertisements and billboards violate the Highway Beautification Act? If so, please provide the documentation.

Thank you for providing a response no later than August 1, 2024.

Sincerely,

<mark>o</mark>ni K. Ernst

United States Senator