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## *News from Rapoza Associates ...*

### **House Eliminates For-Profit Earmarks from FY2011 Appropriations Bills**

Today Chairman of the House Appropriations Committee David Obey (D-WI) and new Chairman of the House Defense Appropriations Subcommittee Norm Dicks (D-WA) announced new rules for how the House will address earmark requests. Leaders in the House announced they will tighten up rules on issuing earmarks in the FY11 appropriations bills by eliminating all earmarks that would go to for-profit companies.

Earmarks to non-profit entities will remain eligible in FY11. The new rules do require agency Inspectors General to audit at least 5% of earmarks to non-profit entities to ensure use of funds for purposes intended and to “prevent for-profits from masquerading as non-profits.”

These measures are, in large part, due to the previous glut of no-bid contracts awarded through the Defense appropriations bill. The restrictions announced today will principally affect the Defense Appropriations bill, which regularly earmarks funds to for-profit defense contractors.

Click for the [press release](#) and [fact sheet](#) on new rules.