

Murphy's Blackwater Bill Approved in Iraq Package

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WASHINGTON, D.C. - Today, Congressman Chris Murphy's (CT-5) bipartisan legislation to provide transparency concerning the amount of money corporations make off of federal government contracts was approved and sent to the Senate for the second time.

Murphy's bill was first approved by the House on April 23rd and included in today's legislation as Congress works to ensure that there is increased accountability on government contractors who have been given billions in contracts since the war began.

"As the President requests billions more with no strings attached for his war in Iraq, it's imperative that contractors that are making hundreds of millions off war contracts funded by taxpayer dollars, are held accountable to the American people" said Murphy.

Several months ago, the CEO of Blackwater USA, Erik Prince, testified before the House Oversight and Government Reform Committee, and refused to answer Murphy's questions regarding how much profit Blackwater makes off of government contracts. Discovering that the government often has no idea how much profit is being skimmed off of government contracts, Murphy introduced legislation, H.R. 3928, the Government Funding Transparency Act of 2008, to require firms like Blackwater - those that make more than 80% of their revenue from taxpayer dollars and who have contracts worth more than \$25 million in any fiscal year - must disclose executive compensation, just like any publicly traded company.

The disclosure would be required to be posted on an Office of Management and Budget (OMB) operated website - www.USAspending.gov - which was authorized as part of the Federal Funding Accountability and Transparency Act adopted in 2006.

According to the OMB-run website, the federal government has granted an increasing number of contracts that were not competed at all. And yet, with such a substantial increase in government funding going to companies that win the funding through a no-bid process and are virtually subsidiaries of the United States government, we know very little about the private companies that are reaping the windfall.

Since 2001, Blackwater has had a meteoric rise in profits due to the hundreds of millions of dollars in government contracts, often won through no-bid processes. From 2001 through 2006, Blackwater contracts increased by 80,000%, from \$736,906 in 2001 to \$593,601,952 in 2006.

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