

FRIDAY, OCTOBER 7, 2005

**HOMELAND  
SECURITY AND  
GOVERNMENTAL  
AFFAIRS  
COMMITTEE  
APPROVES  
COLLINS-  
LIEBERMAN BILL  
TO HELP ENSURE  
RESPONSIBLE  
GOVERNMENT  
PURCHASES  
RELATED TO  
HURRICANE  
KATRINA**

WASHINGTON, DC– Senator Susan Collins, Chairman of the Homeland Security and Governmental Affairs Committee, and Ranking Member Joseph Lieberman, have coauthored legislation, which was unanimously approved by the Committee earlier today, to help ensure that federal expenditures related to Hurricane Katrina are free from waste and abuse. The Senators’ legislation repeals a provision that was recently signed into law related to “micro-purchases” by federal employees via government-issued purchase cards. A provision in the second Katrina supplemental spending bill increased the limit for such credit card purchases from \$2,500 to \$250,000. The Collins-Lieberman bill repeals this increase for normal, routine purchases and provides for a \$15,000 spending limit for emergency purchases.

The increase in the micropurchase spending limit was originally requested by the Administration to help expedite relief efforts during the immediate aftermath of Hurricane Katrina. However, since the immediate crisis has subsided, concerns have been raised by the Administration and Members of Congress from both sides of the aisle, that keeping the higher spending limit in place leaves the system vulnerable to waste, fraud, and abuse.

“When Hurricane Katrina hit the Gulf Coast, it caused devastation that will be felt by our nation for years to come. Our priority must be to help those affected get back on their feet and to put a roof over their heads. At the same time, we must ensure that federal dollars are being spent on their intended purpose—to help the victims of Hurricane Katrina. And this excessive and unneeded increase in the micro-purchase limit hinders us from doing so,” said Senators Collins and Lieberman.

“Over 300,000 federal employees have government purchase cards. A spending limit of \$250,000 opens the door to misuse and abuse of these cards. We should not allow the needs of the disaster to trump the need for oversight and accountability for the spending that will occur by using these purchase cards. Wasting money does nothing to help Katrina victims,” the Senators added.