

Congress of the United States

House of Representatives

Washington, DC 20515-0301

March 16, 2016

The Honorable Rodney Frelinghuysen
Chairman
Committee on Appropriations
Subcommittee on Defense
U.S. House of Representatives
H-405 The Capitol
Washington, DC 20515

The Honorable Pete Visclosky
Ranking Member
Committee on Appropriations
Subcommittee on Defense
U.S. House of Representatives
1016 Longworth HOB
Washington, DC 20515

Dear Chairman Frelinghuysen and Ranking Member Visclosky:

As you begin work on the fiscal year (FY) 2017 Defense Appropriations bill, we urge you to retain language contained in Sec. 8131 that would prohibit DoD travel card funds from being used for gambling and adult entertainment. This language is identical to language that was unanimously adopted by the House during FY 2016 in the form of H.AMDT.496 to H.R.2685.

We applaud the Committee's leadership and fiscal prudence last year that saved taxpayer money by prohibiting such abuse during FY 2016. Unfortunately, the President's FY 2017 budget request does not retain this language and proposes removing this rider. The administration's misguided request is an affront to hard-working taxpayers nationwide.

As such, we write to request that the following language be retained in the FY 2017 Department of Defense Appropriations Act:

SEC. _____. None of the funds appropriated or otherwise made available by this Act may be used to pay for expenses incurred on a Government travel charge card by any member of the Armed Forces or Department of Defense civilian employee for gaming or for the purchase of entertainment that includes topless or nude entertainers or participants, as prohibited by Department of Defense FMR, Volume 9, Chapter 3 and Department of Defense Instruction 1015.10 (enclosure 3, 14a and 14b).

On May 19, 2015 the DoD Inspector General (IG) issued a 48-page report entitled *DoD Cardholders Used Their Government Travel Cards for Personal Use at Casinos and Adult Entertainment Establishments*.

During the investigation documented by this report, the IG found that cardholders frequently used their official government cards to gamble at casinos and at adult entertainment establishments. Specifically, the IG found that from July 1, 2013 to June 30, 2014, cardholders made 4,437 transactions totaling nearly a million dollars on their government issued travel cards at casinos for personal use. During that same period, there were also 900 other government

transactions totaling about \$100,000 at adult entertainment establishments.

As always, it should go without saying that spending taxpayer money in this fashion is inexcusable. Unfortunately, there seems to be a constant stream of a small number of bad actors making poor decisions and making their colleagues look bad. Such actions prompt Congress to act.

Unfortunately, DoD does not appear to recognize the importance of preventing this type of abuse as the agency has proposed dropping the rider and refused to implement several recommendations made by the IG in the May 2015 report including:

1a: 'Establishing a working group with the Military Services, Defense agencies and bank representatives to determine what tools, technologies or techniques are most appropriate to prevent or identify personal use of the Government travel card at casinos and adult entertainment establishments.'

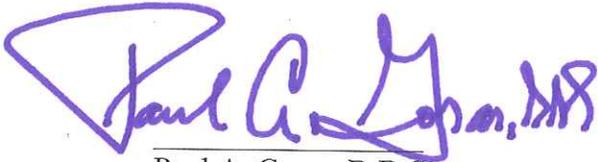
1c: 'Revise the DoD Financial Management Regulation, volume 9, chapter 3, to include examples of merchant categories that are high risk for personal use, such as casinos and adult entertainment establishments.'

1d1: 'Require APCs to review the declined authorization report at least monthly.'

We are also troubled by DoD's statement, "...Additionally, based on the extremely low percentage of transactions and related spend[ing] in the report, personal use at casinos and/or adult establishments, while high risk in nature, does not appear to be a critical problem within the DoD travel card program."

In our opinion, 5,337 transactions squandering more than a million gambling at casinos and at adult entertainment establishments in less than a year is a critical problem within the DoD travel card program.

Again, we ask that you maintain the language contained in Sec. 8131 that would prohibit funds from being used on DoD travel cards for gambling and adult entertainment. We thank you for your consideration of this request, and for your leadership on the committee.



Paul A. Gosar, D.D.S
Member of Congress

Sincerely,



Ruben Gallego
Member of Congress



Beto O'Rourke
Member of Congress



Walter B. Jones
Member of Congress



John Fleming
Member of Congress