

HOW EARMARKS SUBSIDIZE FAILURE IN CALIFORNIA

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September 16, 2025

There are many reasons for members of Congress to be wary of earmarks included in the Senate's draft appropriations bills for fiscal year (FY) 2026. Some funnel tax dollars to [left-wing activists](#). Others support [medical groups](#) that perform abortions and facilitate transgender procedures on minors. Many are wasteful [boondoggles](#).

An additional consideration for legislators is that earmarks, which primarily fund local projects, can enable poor governance. If Washington covers the cost of core [state and local responsibilities](#), that can make it easier for elected officials to misuse state and local tax dollars.

California is rapidly becoming the prime example of poor governance in the United States. It spends [astronomical amounts](#) in both absolute and per capita terms, including a multi-billion dollar scheme to launder federal Medicaid payments to give [medical benefits to illegal immigrants](#). Heavy regulations and high taxes cause hundreds of thousands of Californians to [flee the](#) state every year despite its natural beauty.

In this context, Congress giving earmarks of questionable national value to California serves to subsidize governmental failure in the Golden State. As Sacramento struggles to avoid [big budget deficits](#), its representatives hope for as many handouts from Uncle Sam as possible.

Legislators should not be pressured into rubber-stamping wasteful and corruptive earmarks as part of the process of funding the federal government. Holding national defense, border security, and other core duties hostage to pork barrel requests would represent the worst aspects of Washington D.C.'s political culture. In addition, with the federal budget on an unsustainable trajectory due to [excessive spending](#), there is no excuse for Congress to single out questionable projects as funding priorities.

While California would receive dozens of earmarks if Congress approves the Senate's FY 2026 "[Congressionally Directed Spending](#)" items, two examples particularly highlight the ways in which federal funding could serve to enable and encourage misgovernance.

1. Pedestrian Signals and the Homeless Industrial Complex

Sen. Alex Padilla (D-CA) wants the federal government to give California a \$1.5 million earmark for pedestrian safety signals in San Francisco.

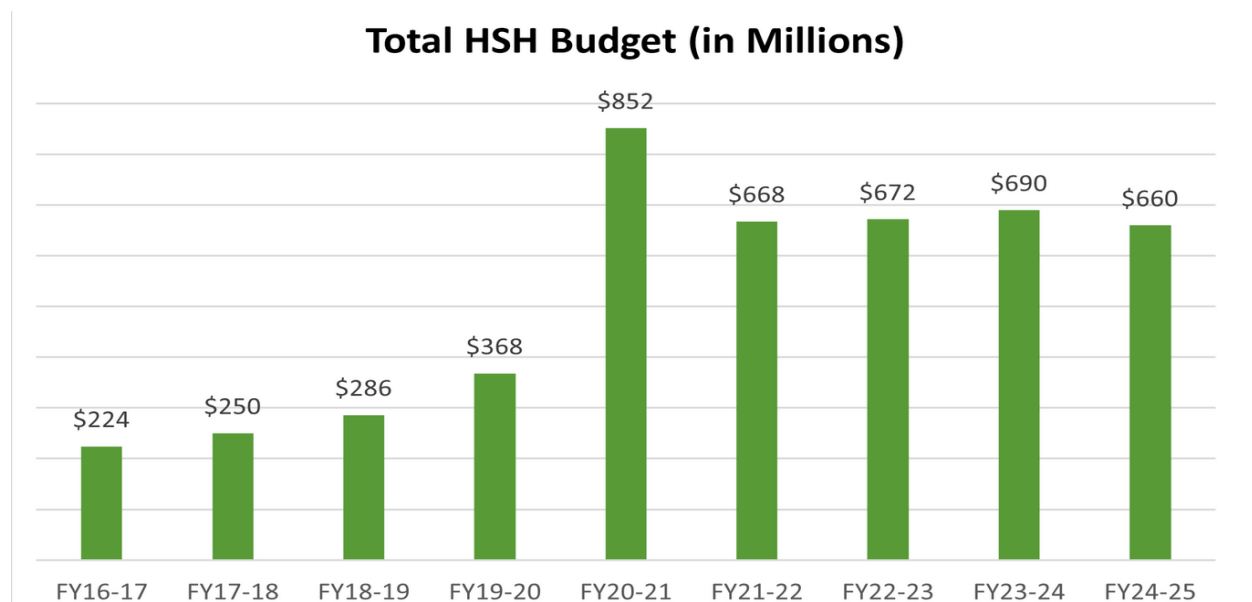
That this project would be funded through Highway Infrastructure Programs is telling. Congress has allowed the [Highway Trust Fund](#)'s focus to degrade, with local responsibilities such as street crossings and sidewalks qualifying for "highway" dollars.

What makes this project stand out from similar transportation earmarks is its location: the Tenderloin neighborhood. Situated in one of the wealthiest urban areas in human history, the Tenderloin neighborhood is notorious as a focal point of [crime](#), [homelessness](#), [drug use](#), [public defecation](#), and other types of disorder.

This is not due to neglect or a lack of taxpayer-funded resources – quite the opposite. California spends [billions of dollars](#) per year on homelessness.

HUD spends \$72 billion a year, mostly on affordable housing, and progressive states spend billions more each year. [California spent \\$24 billion to reduce homelessness in the last five years, but there are more homeless.](#) The Administration even [granted California a waiver to use federal Medicaid funds to help the homeless obtain housing.](#) Meantime, drug rehab centers in the state are closing because of inadequate government reimbursements.

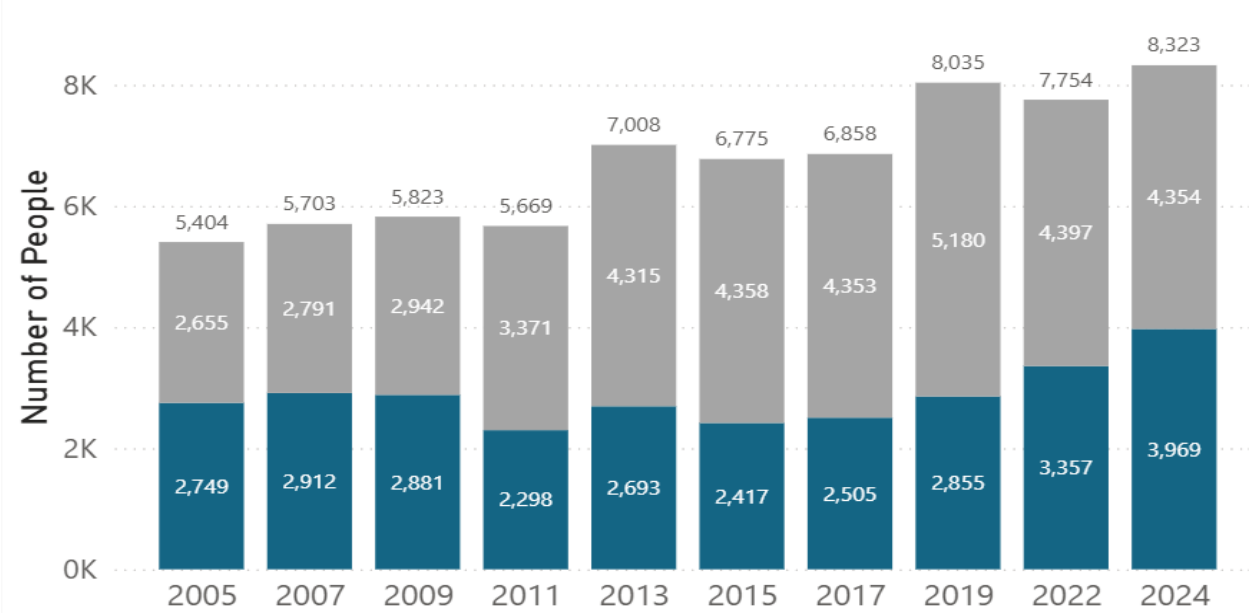
San Francisco's Homelessness and Supportive Housing (HSH) department has received a [budgetary windfall](#) in recent years.



The spending is remarkably high when compared to the [number of homeless individuals](#) in San Francisco. The HSH department's budget is roughly \$80,000 per year per homeless person.

Number of People Experiencing Homelessness during each PIT Count, 2005-2024

Sheltered/Unsheltered: ● Sheltered ● Unsheltered



This spending, however, is not addressing the problem effectively. The city government expects that only one in four homeless people entering the system will become housed.

HSH estimates 4 households become homeless for every 1 household housed



The cause of this remarkable and ineffective expense is a combination of bureaucratic overlap and a collection of [non-governmental organizations](#) (NGOs) often referred to as the [Homeless Industrial Complex](#).

Presently, besides the Department of Homelessness and Supportive Housing, at least five other departments work with the homeless population.

And there are more than 200 nonprofits working with the homeless that are funded by city agencies.

The homelessness NGOs have become a [political force](#) in the city. Taxpayers and businesses in the area are [pushing back](#) against activities such as handing out [drug consumption tools](#), which attracts addicts to distribution locations.

Tenderloin residents sue SF in effort to stop distribution of harm reduction kits

By [Lyanne Melendez](#) 

Monday, September 8, 2025 2:11AM



Federal legislators should understand that paying for local responsibilities such as street infrastructure makes it easier for irresponsible governments to waste money elsewhere. Thus, while the \$1.5 million Tenderloin safety signal project is not a direct subsidy for the cadres of ineffective NGOs operating in and around the neighborhood, it has the same effect.

The question is not whether there should be functional pedestrian crossings in San Francisco's Tenderloin neighborhood. Instead, the question ought to be who should pay for the infrastructure. San Francisco has sufficient resources to cover the cost, yet it has inappropriately sought Sen. Padilla's help in securing federal funds.

[Earmark Details](#)

Bill: Senate [Transportation, Housing & Urban Development](#)

Program: Highway Infrastructure

Recipient: California

Project: \$1.5 million for pedestrian safety signal upgrades in Tenderloin neighborhood

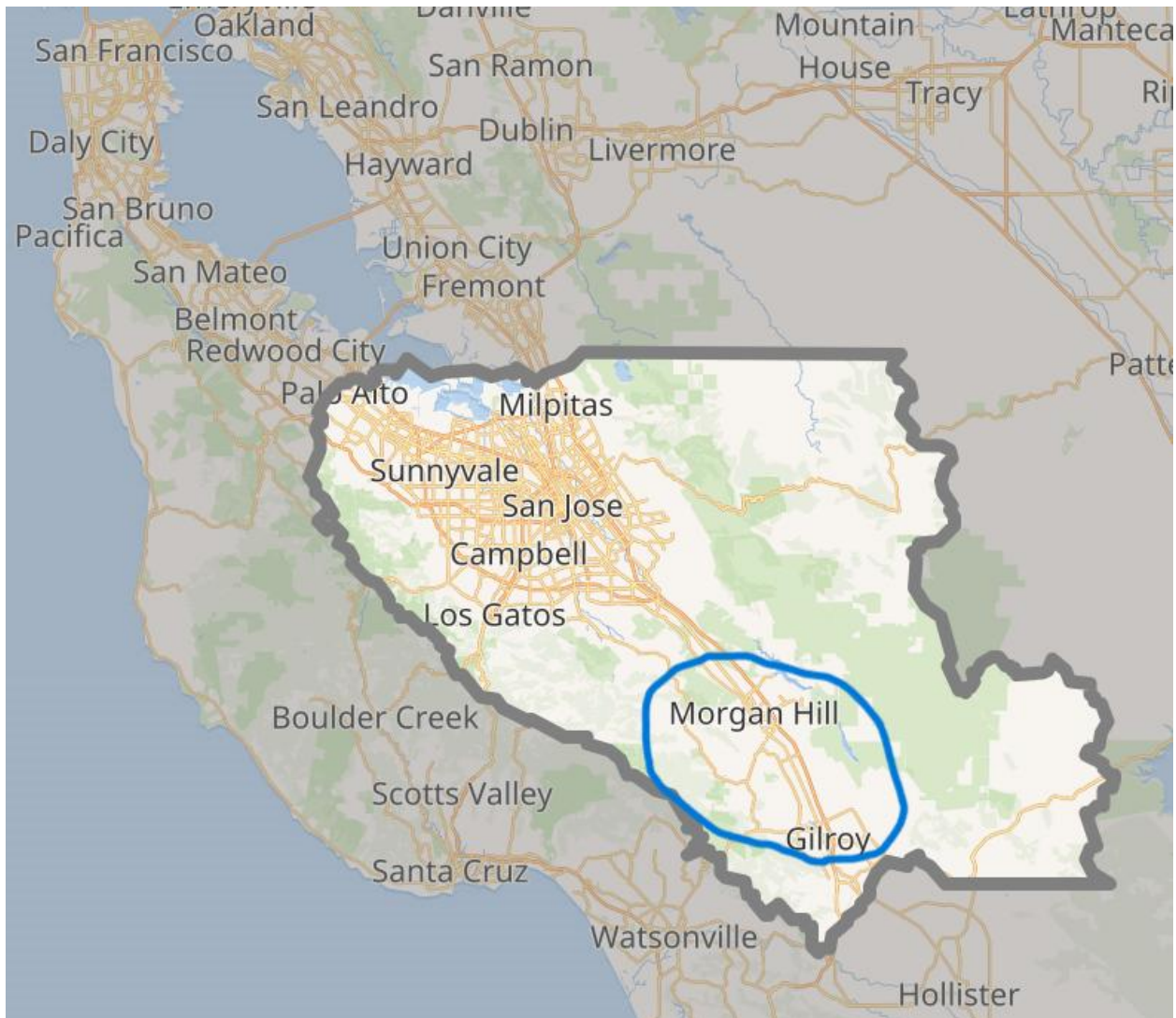
Sponsor: Sen. Alex Padilla (D-CA)

2. Wi-fi Coverage for Barely Used Train Segment

Sen. Alex Padilla (D-CA) wants the federal government to give California's Santa Clara County a \$1.1 million earmark to provide wi-fi service to Caltrain passengers in the southern part of the county. While this project would be funded by the Transit Infrastructure Grants program, that funding is still derived from the Highway Trust Fund, even though transit users do not pay into the fund.

| | | |
|--|--|--------------------------|
| Peninsula Corridor Joint Powers Board (Caltrain) | Project will help provide access to Wi-Fi for passengers on Caltrain service in southern Santa Clara County. | County of Santa Clara CA |
|--|--|--------------------------|

While the northern portion of the county is home to the high wealth "Silicon Valley" technology hub, the southern portion is much less dense.

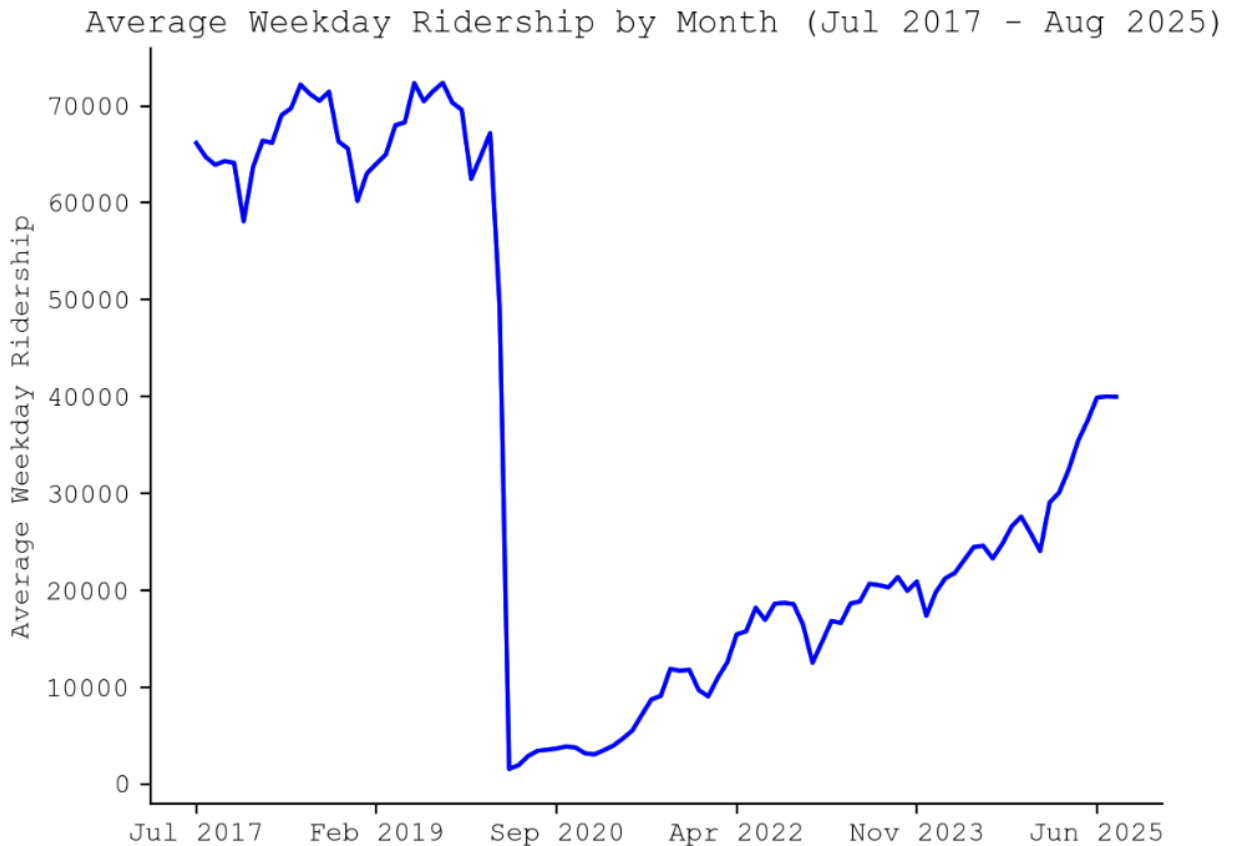


The Caltrain passenger rail system offers [commuter service](#) from San Francisco to Gilroy. However, ridership is far from evenly distributed. Stations in the area covered by the earmark request average [100 or fewer passengers](#) per day, meaning relatively few people would benefit.

Table 5: Average Mid-Week Ridership by Station, FY2024 & 2019 Passenger Count

| Origin Station | 2019 Count Rank | 2019 Count AMWR | FY2024 Rank | FY2024 AMWR | Difference in Rank |
|----------------|-----------------|-----------------|-------------|-------------|--------------------|
| Morgan Hill | 24 | 251 | 23 | 100 | +1 |
| Gilroy | 25 | 187 | 24 | 95 | +1 |
| Bayshore | 23 | 260 | 25 | 95 | -2 |
| Blossom Hill | 26 | 159 | 26 | 57 | 0 |
| College Park | 27 | 103 | 27 | 43 | 0 |
| Capitol | 29 | 71 | 28 | 38 | +1 |
| San Martin | 28 | 84 | 29 | 29 | -1 |

Meanwhile, Caltrain ridership is still [markedly below](#) pre-pandemic levels.



The judiciousness of federal funding of a new amenity for commuter train riders in California is especially questionable when considering that the Sacramento [recently announced](#) a 20 year tax-and-spend agreement to fund the state’s notorious “high-speed rail” [boondoggle](#).

California legislative leaders and Gov. Gavin Newsom reached a deal this week to fund the state’s beleaguered statewide train project with [\\$1 billion every year through 2045](#).

High Speed Rail Authority chief executive Ian Choudri said the Legislature had agreed to fund the rail system project as part of [a deal brokered to renew the cap-and-trade program](#), California’s signature vehicle to reduce greenhouse gas emissions.

While the federal Department of Transportation has wisely [removed support](#) for the high-speed rail debacle, paying for low-value initiatives such as the Santa Clara wi-fi earmark makes it easier for California to continue wasting tax dollars elsewhere.

[Earmark Details](#)

Bill: Senate [Transportation, Housing & Urban Development](#)

Program: Transit Infrastructure

Recipient: Santa Clara County

Project: \$1.1 million for South County Service wi-fi project

Sponsor: Sen. Alex Padilla (D-CA)

Congress should not only reject earmarks that enable poor governance in states such as California but also reject [earmark political culture](#) generally. With the [gross national debt](#) surging ever higher, foregoing earmark pork would signal that legislators are finally taking the problem of wasteful spending seriously.