

# LATE

**Testimony on SB 659**  
**Jamie Story, President, Grassroot Institute of Hawaii**  
**February 5, 2009**

- The Grassroot Institute of Hawaii is in full support of government transparency and accountability, and has been pursuing a major initiative to this end over the past year. We support this effort to shed greater light on awards made by the state of Hawaii.
- First and foremost, we believe that taxpayers should have the ability to see how their own money is being spent. We believe this ability will accomplish a number of different results:
  - Taxpayers who utilize the site can almost act as volunteer auditors, performing closer reviews that the government may not have the resources to perform.
  - It opens up a dialogue for taxpayers to raise flags regarding questionable awards, and for government officials to either explain why they are justified, or save taxpayer dollars by putting a stop to unjustified awards.
  - By recognizing and empowering taxpayers as stakeholders, they may become more involved in voting and the political process.
- The Federal Funding Accountability and Transparency Act of 2006 (sponsored by Senators Ted Coburn and now-President Barack Obama) created [USASpending.org](http://USASpending.org), a single searchable website, accessible by the public for free that includes information for each Federal award. The Congressional Budget Office estimated that implementation of [USASpending.org](http://USASpending.org) would cost about \$4 million initially in 2007 and about \$15 million more over the 2007-2011 period. Actual costs were much lower, at \$1 million.<sup>[1]</sup> The database details \$1.2 trillion in FY 2008, and about \$19 trillion overall since FY 2000.
- Missouri Accountability Portal (<http://mapyourtaxes.mo.gov/MAP/Portal/Default.aspx>) is a searchable database that is updated in real time and available 24 hours online. Eight years of searchable data is archived by Agency, Category, Contract, or Vendor. Salaries of state employees are all posted. Tax credits issued by the Department of Economic Development can also be viewed. The site was established by Executive Order under Governor Matt Blunt in July 2007.
- According to the Center for Fiscal Accountability, Missouri's site was constructed at no cost to taxpayers by reallocating existing resources and staff time ([http://www.fiscalaccountability.org/index.php?content=aia\\_faq](http://www.fiscalaccountability.org/index.php?content=aia_faq)).
- (In July 2007, when searchable expenditures became available, the MAP site registered one million hits in less than 2 months. By August 2008, the site had 10 million hits—nearly twice the state's population!)
- Oklahoma operates Open Books (<http://www.ok.gov/okaa/>). Agency expenditures, payroll, funding, and tax credit information are all available on Open Books. In Oklahoma, the fiscal note for the legislation that created Open Books estimated that the site would cost \$300,000-\$400,000 for construction and \$260,000 for maintenance and upgrades ([http://www.fiscalaccountability.org/index.php?content=aia\\_faq](http://www.fiscalaccountability.org/index.php?content=aia_faq)). However, the costs ended up being much less than projected as software was purchased for \$8,000 and the website was built by reallocating staff time at no extra cost.

- South Carolina's transparency site (<https://ssl.sc.gov/SpendingTransparency/BudgetTransparencyMain.aspx>) is operated at no cost to the public (<https://ssl.sc.gov/SpendingTransparency/FAQ.aspx>). Annual summary spending, monthly detailed spending, procurement information, and state employee salaries are all accessible. Monthly reports include travel, contractual services, and supplies.
- The Texas site (<http://www.window.state.tx.us/comptrol/expendlist/cashdrill.php>) was created with no additional cost to taxpayers. (The state comptroller, Susan Combs, was able to create the database utilizing existing personnel.) Here's a link to a PDF that gives the basic steps of how they accomplished it, and also includes contact information if you'd like to learn more:  
<http://www.window.state.tx.us/comptrol/checkup/documents/where-the-money-goes.pdf>.
- The Center for Fiscal Accountability has found that OMB Watch of the Office of Management and Budget (OMB) offers its software used in transparency sites for free.
- Other examples can be found on the attached table
- Recommendation: Include all state expenditures, not just awards higher than \$25,000.

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## Open government

### Track my tax dollars

Feb 5th 2009 | AUSTIN  
 From The Economist print edition

#### A worthy idea whose time has come

THE taxpayers do their part, and faithfully fling their hard-earned treasure into the gaping public maw. Surely they should be allowed to know what happens to it. So why not put government spending online?

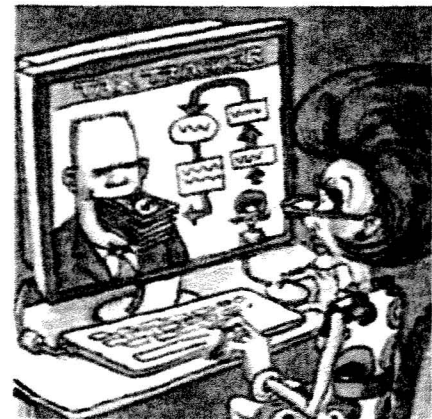
It is a good idea that began in Congress, of all places. In 2006 Barack Obama and Tom Coburn, then freshman senators from Illinois and Oklahoma, sponsored a bill calling for an online database of federal contracts and awards. Robert Byrd of West Virginia and Ted Stevens of Alaska, both notorious for pork, briefly blocked the idea with an old Senate trick, the anonymous hold. They were soon unmasked by the blogosphere. The Federal Funding Accountability and Transparency Act sailed through to passage with bipartisan support.

Since then, more than 20 states have put up some kind of spending database. Some of their efforts are better than others. On the campaign trail Sarah Palin sometimes bragged that she had, as the reforming governor of Alaska, put the state's books online. She did sign the legislation, but the result is a clunky collection of spreadsheets and PDFs.

Even with the best online budgets, the kinks are being hashed out. When Missouri put its government spending database online, in 2007, watchdog groups applauded. The [Missouri Accountability Portal](#) was cleanly designed and easy to use. Anyone could log on and see exactly where Missouri's money was going. Kristina Rasmussen of the National Taxpayers Union explored the database and found some suspicious bills. The state had, for example, spent thousands of dollars at Ann's Bra Shop. On inquiry, it turned out that Missouri was buying undergarments for lady inmates. In the future, she reckons, states should figure out a way to put their expenditures in context. The movement itself is full steam ahead. "Smart politicians realise this is a winning issue whether you're on the right or the left," she says.

Indeed, online budgets are especially useful at the moment. One new website, [ReadTheStimulus.org](#), is taking volunteers. They are asked to read a bit of the next spending bill, the American Recovery and Reinvestment Act of 2009, and flag any spending promises that strike them as strange. That may seem like citizens doing the government's job. But at least someone is doing it.

Illustration by David Simonds



# Cost of state transparency websites

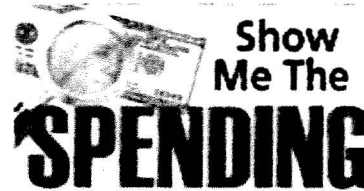
From Sunshine Review

Cost of state

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**transparency websites** is budget given for implementing and maintaining a transparency website. The costs can differ widely based on the functions, state and vendors chosen. In the past, for example USAspending.gov, cost are often predicted to be much higher than actual costs.



### National Taxpayers Union

- Transparency in your state
- Public employee salary
- States with spending online
- Collaborative transparency projects
- Model transparency legislation

#statebooks on Twitter (<http://search.twitter.com/search?q=statebooks>)

SMTS on Twitter (<https://twitter.com/SMTS>)

### Action center

Sign up for e-updates

Take action ([https://www.showmethespending.org/Take\\_Action.html](https://www.showmethespending.org/Take_Action.html))

### Where's The Spending?

## Federal costs

The Congressional Budget Office estimated that implementation of USAspending.gov (<http://usaspending.gov/>) would cost about \$4 million initially in 2007 and about \$15 million more over the 2007-2011 period. Actual costs were much lower, at \$1 million.<sup>[1]</sup>

## State costs

Cost estimates for creating an online transparency website have varied widely from state to state. As Nebraska's Treasurer Shane Osborn notes, ([http://www.showmethespending.org/uploads/Letter\\_from\\_Treasurer\\_Osborn](http://www.showmethespending.org/uploads/Letter_from_Treasurer_Osborn)) such estimates are sometimes exaggerated. The following table, based on information received through email and original research, helps explain the cost of becoming transparent.

State	Site	Legal Authority	Cost
Alaska	Alaska Checkbook Online	Executive Action	\$5,000 of staff time

Georgia	Open Georgia	Georgia Senate Bill 300 (2008)	existing resources
Illinois	Illinois Open Book	Hosted by State Comptroller Dan Hynes	existing resources
Kansas	KanView	HB 2457	\$100-\$200,000 <sup>[2]</sup>
Kentucky	Kentucky's Open Door	-	-
Kentucky	Check it out Kentucky!	Hosted by Secretary of State Trey Grayson	-
Kentucky	V.I.E.W.	Office of the Treasurer	-
Louisiana	LaTrac	Executive Order & Legislation	existing resources (\$1 million appropriated for expansion)
Maryland	Maryland:Funding Accountability & Transparency	HB 358	existing resources
Mississippi	Mississippi:Management and Reporting System	-	-
Missouri	Missouri Accountability Portal	Executive Order	Existing resources with an estimated cost of \$293,140
Nebraska	Nebraska Spending.com	Hosted by State Treasurer Shane Osborn	\$39,000
Nevada	Nevada Open Government	Executive Order	\$85,000 (+\$51,000 in upcoming months)
New York	Open Book New York	Hosted by State Comptroller Thomas DiNapoli	-
Oklahoma	Oklahoma Open Books	SB 1	Initial cost \$40,000, future expenses \$245-\$260,000 <sup>[3]</sup>
Pennsylvania	Pennsylvania Contract e-Library	Hosted by State Treasurer Wiessman	-
South Carolina	South Carolina Spending Transparency	South Carolina Executive Order 2007-14	existing resources
South Dakota	open.sd.gov	Governor's Request	-
Texas	Texas Window on State Government	-	\$300,000 <sup>[4]</sup>
West Virginia	West Virginia State Agency Grants	-	-
Washington	Washington state budget	SB 6818	existing resources

See a chart on the functionality of the websites

## Vendors

The software used by the Office of Management and Budget to create USASpending.gov (<http://usaspending.gov/>) is now available for free from OMB Watch.<sup>[5]</sup>

## External links

- *Center for Fiscal Accountability*, Transparency in Government Spending in the States (<http://www.fiscalaccountability.org/index.php?content=transsub2>)
- *U.S. PIRG*, Transparency.gov 2.0: Using The Internet For Budget Transparency To Increase Accountability, Efficiency And Taxpayer Confidence, Dec. 3, 2008 (<http://www.uspirg.org/home/reports/report-archives/campaign-finance-reform/campaign-finance-reform/transparency.gov-2.0-using-the-internet-for-budget-transparency-to-increase-accountability-efficiency-and-taxpayer-confidence>)

## References

1. ↑ *Congressional Budget Office*, S. 2590 Federal Funding Accountability and Transparency Act of 2006, Aug. 9, 2006 (<http://www.cbo.gov/ftpdocs/74xx/doc7483/s2590.pdf>)
2. ↑ *Say Anything Blog*, North Dakota's Budget Director Estimates Cost Of Transparency Site At \$1 Million, Jan. 20, 2009 ([http://sayanythingblog.com/entry/north\\_dakotas\\_budget\\_director\\_estimates\\_cost\\_of\\_transparency\\_site\\_at\\_1\\_mill/](http://sayanythingblog.com/entry/north_dakotas_budget_director_estimates_cost_of_transparency_site_at_1_mill/))
3. ↑ *National Taxpayers Union*, Testimony of Kristina Rasmussen, NTU Government Affairs Director, Submitted to the Health and Government Operations Committee, Maryland House of Delegates, Regarding HB 358, the Maryland Funding Accountability and Transparency Act, Feb. 6, 2008 ([http://www.ntu.org/main/testimonies\\_detail.php?testimony\\_id=46](http://www.ntu.org/main/testimonies_detail.php?testimony_id=46))
4. ↑ *Liberty for All*, Transparency doesn't cost, it saves, Dec. 30, 2008 (<http://www.libertyforall.net/?p=1819>)
5. ↑ OMB Watch, Action Center (<http://www.ombwatch.org/>)

Retrieved from "[http://sunshinereview.org/index.php/Cost\\_of\\_state\\_transparency\\_websites](http://sunshinereview.org/index.php/Cost_of_state_transparency_websites)"

Category: State spending online

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