



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

February 20th, 2008

Dear Committee Member,

I write to urge you to lend your support to SB 201, the Open Government Act sponsored by Sen. Bill Wielechowski.

The Open Government Act would create a single, searchable Internet website providing comprehensive information on state government finance – both revenues and expenditures greater than \$10,000, including, but not limited to grants and contracts. This measure would provide an important step towards greater fiscal accountability.

Governor Sarah Palin's decision to post the state's expenditures over the amount of \$1,000 on the Department of Administration's website is a great step in the right direction, and we applaud her efforts. At this time, the payment information is limited to payments using the enterprise-wide methods of general warrants and credit card payments, and the information is presented in excel sheets and pdf documents.

While plans to expand the level of transparency are underway, there is no guarantee that whoever succeeds the governor in that office in the future, will maintain the online disclosure of state government expenditures. In that light, SB 201's passage is important, because it would codify fiscal transparency into law.

Based on the lower disclosure threshold used by the governor, we would suggest that the disclosure threshold in SB 201 be dropped to match the \$1,000 threshold chosen by the governor, or even better, be eliminated entirely for the sake of full fiscal transparency. A different database format and more comprehensive search functions than the ones allowed by excel and pdf would also be strongly recommended.

Since the passage of the Federal Funding Accountability and Transparency Act of 2006 which resulted in the creation of www.USASpending.gov, Americans for Tax Reform has been working with policymakers and activists around the country to pass legislation and get executive orders signed that emulate and ideally go beyond the federal legislation.

In 2007, five states (Kansas, Oklahoma, Texas, and to a more limited extent Minnesota and Hawaii) passed legislation that mandates the creation of comprehensive websites for state expenditures. In most cases, these bills enjoyed broad bipartisan support. Several other states including Texas, Missouri, South Carolina, and, just this month, Louisiana have already taken executive action or are looking to do so.

Several of the websites mandated by legislative or executive action have already gone live, and provide taxpayers with an opportunity to track their tax dollars at a mouse-click. Among these are Texas, Oklahoma and Missouri, and all these sites have been very-well received so far.

This spending transparency effort is consistent with the Founding Fathers' notion of accountable government: It was Thomas Jefferson, who once said: "*We might hope to see the finances of the Union as clear and*

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intelligible as a merchant's book, so that every member of Congress and every man of any mind in the Union should be able to comprehend them, to investigate abuses, and consequently to control them."

Creating such a website would provide Alaska taxpayers with a tool to access, search and easily find relevant spending information, and ultimately foster a better understanding of the ways in which government operates. Ultimately, it would help reduce fraud, waste and abuse. Opacity in the way government spends tax dollars often leaves taxpayers frustrated, and can create the perception of possible abuse of the system.

More public scrutiny will help eliminate impropriety in dealing with taxpayer dollars – be it perceived or real impropriety.

Because it goes back to one of the most fundamental principles – accountability – this movement has broad bipartisan support. This is not a Right-Left issue, it is a Right-Wrong issue. There may not be agreement on how the money should be spent, but there is agreement that taxpayers should be able to scrutinize government expenditures. In today's digital age, there is no justification for keeping taxpayers in the dark as to how their tax dollars are being spent.

The founding fathers had the vision, and today, we have the tools at our disposal to make that vision a reality – at little cost to taxpayers:

- *The Missouri Accountability Portal, an expenditure website created via executive order by Gov. Matt Blunt, was created without the appropriation of a single additional tax dollar.*
- *The Oklahoma website, which just went live on December 28, 2007 and can be accessed at www.openbooks.ok.gov, initially carried a price tag of \$300,000. In the end the implementing agency reported that the website cost only \$8,000, plus expended staff time.*
- *Even the federal grant and contract website which was unveiled in December and is accessible at www.USASpending.gov was put together at a price tag of less than \$1 million - and that covers grants and contracts of the entire federal government. The software that was used to create the federal site will soon be available as open source software.*
- *Companies like Google and Microsoft have offered to partner with states in their endeavours to make government spending information more accessible, helping to further defray cost.*

One additional change to the bill we suggest should be considered as this bill moves forward, is the inclusion of the actual expenditure document – the grant, contract, or purchase order for example. This would help taxpayers to get an even clearer picture of how their tax dollars are spent.

With this bill, Alaska has the opportunity to make sure that the empowerment of taxpayers in Alaska continues, and that is an opportunity that should not be missed.

Americans for Tax Reform urges you to support SB 201. I am looking forward to working with you to advancing accountability and transparency for the sake of Alaska taxpayers.

Onward,



Grover Norquist