



AMERICANS *for* TAX REFORM

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Statement by Grover Norquist
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submitted to the

Senate Finance and Tax Committee
regarding

Transparency in Government Spending – A Way for Florida to Lead the Nation

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I am here today to urge you to lend your support to and strengthen current legislative efforts to bring greater transparency into the Sunshine State's finances, both at the state and local level, as spearheaded by Rep. Gayle Harrell (R- Port St. Lucie) and Sen. Ronda Storms (R-Brandon).

Florida has long been a leader on general government transparency with its tradition of "Government in the Sunshine." Governor Crist's administration has realized that these open record requirements need to be taken into the 21st century, and has taken several important steps to increase access to government records and meetings by making use of the technological advances.

The maturing and expansion of the Internet makes it possible for you to improve constituents' ability to access information specifically in the area of government expenditures, too, and I would encourage you to seize this opportunity to empower taxpayers to become fiscal watchdogs.

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 and South Carolina 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 (*see ATR memo on state, federal and local efforts to increase transparency in government spending, available at www.ATR.org*).

But the transparency in government spending movement is not limited to federal and state-level efforts. Currently 58 Texas school districts are posting their check registers online, with more districts expected to follow.

I understand that the current spending transparency bills, which provide a great starting point, are still being revised. Based on that, let me outline what I believe would be most beneficial for Florida taxpayers:

- An ideal spending transparency legislation for Florida would allow taxpayers to search and find comprehensive information on state government expenditures ranging from grants to contracts to non-contractual expenditures and agency expenditures down to the invoice level.
- At the same time, it would allow taxpayers to access to the actual expenditure document – the grant, contract, purchase order etc.
- Ideally, the information provided in such a web portal should be searchable by key word, but in any case, it should be searchable by the categories provided, such as governmental entity, type of expenditure, recipient, etc.
- From this state portal, taxpayers should be able to access local expenditure information.
 - If a single portal for all localities is not feasible, each locality could have its own website and provide information, and the state site could just link to the local site.
 - Alternatively, a county could host a portal for its own expenditures, as well as sub-entities (cities and special district).

The effort to increase transparency in government spending 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 intelligible as a merchant's books, 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 Florida 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 will 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. Ultimately, taxpayers will be best served when all levels of government –federal, state and local - are required to disclose their expenditures in a clear and searchable public format.

Those opposed to greater transparency have raised the argument that the creation of such a website will be extremely costly. However, this argument is merely a red herring, as proven by the experiences of other states, and even the federal government:

- *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, was created at a price tag of \$300,000.*
- *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.*

Americans for Tax Reform has been working closely with lawmakers, activists and interested parties in the states to increase accountability and transparency in government finance, and we will be happy to assist you in any way we can, and look forward to working with you to empower Florida taxpayers.

While efforts are underway, no other state has so far passed comprehensive spending transparency legislation covering state and local expenditures at the same time.

In passing legislation that creates a single searchable website for state expenditures and requires localities to disclose their expenditures on their interlinking websites, Florida can once again lead the way for the country, and can pride itself of its nickname “Sunshine State” through more than just the climate.