



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

July 1, 2008

Dear Member of the U.S. Congress:

On behalf of Americans for Tax Reform, I write to urge you to consider offering an amendment or stand-alone legislation that would complement and improve S.3077, the Strengthening Transparency and Accountability in Federal Spending Act offered by Sens. Barack Obama, D-Ill, Tom Coburn, R-Okla., John McCain, R-Ariz., and Tom Carper, D-Del.

Americans for Tax Reform supports the improvements put forth in the bill to strengthen the Web site USAspending.gov, which allows taxpayers a first good look at federal expenditures, specifically those made under grants and contracts over the amount of \$25,000.

However, S. 3077, the successor to the Federal Funding Accountability and Transparency Act of 2006 which was the basis for creating USAspending.gov, falls short of delivering full and comprehensive transparency due to deficiencies in the following areas:

- In its current form, S. 3077 extends the requirement to disclose the wording of contracts to all contracts, subcontracts, purchase orders, task orders, lease agreements and assignments and delivery orders, which is important. **However, this provision should be strengthened by applying it to all federal awards as defined by this legislation and thus be extended to grants, subgrants, loans, awards, cooperative agreements and other forms of financial assistance.** Adding in the explicit requirement to include the agreements or terms of any award would further help clarify this provision and enhance the level of disclosure.
- **We furthermore recommend the elimination of the \$25,000 threshold for disclosure included in the 2006 law.** While there may not be many contracts under the amount of \$25,000 at the federal level, this is not the case at the state level, where this provision has been used as an excuse to set an unreasonably high disclosure threshold for similar state-level spending transparency bills. Removing the federal threshold would have a strong symbolic meaning and could be instrumental in paving the way for greater fiscal transparency in the states.
- While the focus of the bill is to shed a light on recipients of federal spending rather than functions of federal spending, **true and comprehensive fiscal transparency would warrant the extension of the disclosure requirements in the bill to agency outlays like salaries, office supplies and travel expenses searchable by obligation and object class, as well as budget function.**
- Lastly, it would be advisable to incorporate in the website a separate tab for all earmarks requested by Members of Congress and signed into law, as well as for executive earmarks. This should include both appropriations and authorization earmarks. If an expenditure is the result of an earmark, this should be specified in the details given for the expenditure, and the sponsor of the earmark should be noted.

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Thomas Jefferson 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."*

Legislation that combines the provisions put forth in the Strengthening Transparency and Accountability in Federal Spending Act combined with the above-listed improvements would deliver true and comprehensive fiscal transparency to the American taxpayer, and I hope that you will consider putting forth such language.

Onward,

A handwritten signature in black ink, appearing to read 'G. Norquist', written in a cursive style.

Grover Norquist