

## Google Government: Online State Budget Databases<sup>1</sup>

This IPRO report examines the possibility of setting up an online state budget database to allow the public access to state spending records.

### Overview

The expansion of Internet access and pursuit of openness in government has led to online efforts by state governments to increase transparency. Existing online budget databases allow the public to follow exact government spending, purposes of expenditures, and receivers of funds. Iowa is one of 15 states that has not launched a website containing state spending records.<sup>2</sup>

### Benefits and Concerns

#### *Proponents*

Proponents of state budget websites view the measure as a means for government accountability.<sup>3</sup> While state spending data is available to the public, in many states it is not centralized, making it difficult to find. State budget websites centralize information on state spending and make it easier for the public to track.<sup>4</sup> Existing websites allow people to better understand how their state governments allocate and invest tax dollars.<sup>5</sup>

Making lawmakers' spending easily accessible adds an additional incentive for legislators to use tax dollars efficiently.<sup>6</sup> After being in operation for less than a year, Missouri's website received 6 million hits.<sup>7</sup> Feedback on spending from citizens who use the sites can be used to influence the way lawmakers spend money in order to be more responsive to the public's desires.<sup>8</sup> Centralized budget databases can also save states money through increased efficiencies. Easy, online public access requires less manual public information requests, makes contracting bids more competitive, and

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<sup>1</sup> Written by IPRO staff

<sup>2</sup> Baxandall, Phineas and Kari Wohlschlegel. "Following the Money." U.S. PIRG Education Fund. 2010. 4 May 2010 <<http://cdn.publicinterestnetwork.org/assets/b3ba157e28d82952ee5b7a3f84e88499/Following-the-Money-USPIRG.pdf>>.

<sup>3</sup> Mercier, Jason. "Creating a Free, Searchable Website of State Spending." Washington Policy Center. 2007. 5 April 2010 <[http://www.washingtonpolicy.org/Centers/government/policynotes/07\\_mercier\\_statespendingwebsite.html](http://www.washingtonpolicy.org/Centers/government/policynotes/07_mercier_statespendingwebsite.html)>.

<sup>4</sup> Docksai, Rick. "Miller Bill Would Help Citizens Track Spending." Howard County Times. 16 Nov. 2007. 5 April 2010 <<http://www.explorehoward.com/news/6016455/miller-bill-would-help-citizens-track-spending/>>.

<sup>5</sup> "New Budget Transparency Website Launches." The Oregon Catalyst. 29 Dec. 2009. 3 April 2010 <<http://www.oregoncatalyst.com/index.php/archives/2927-New-Budget-Transparency-Website-Launches.html>>.

<sup>6</sup> "Budget Transparency is a Must for Pennsylvania." Penn Live. 18 Oct. 2009. 3 April 2010 <[http://www.pennlive.com/letters/index.ssf/2009/10/budget\\_transparency\\_is\\_a\\_must.html](http://www.pennlive.com/letters/index.ssf/2009/10/budget_transparency_is_a_must.html)>.

<sup>7</sup> Baxandall, Phineas and Kari Wohlschlegel.

<sup>8</sup> Hoover, J. "Web Dashboards: A Window into Government Performance." Information Week. 24 Feb. 2010. United Business Media. 3 April 2010 <<http://www.informationweek.com/news/government/enterprise-apps/showArticle.jhtml;jsessionid=JMOUJ3SXMBWWVQE1GHOSKHWATMY32JVN?articleID=223100545&pgno=2&queryText=&isPrev=>>>.

decreases the risk of fraud. Within two years of being established, Texas reported \$4.8 million in savings from more efficient government administration. Utah claims to have saved millions in reduced public information requests.<sup>9</sup>

Some states have been able to set up websites at lower than expected costs. Nebraska spent only \$39,000 to set up its site. It had been estimated that Oklahoma's website would cost \$300,000 to build and \$260,000 for maintenance and upgrades. However, the software was purchased for \$8,000 and the site was built and loaded by reallocating existing staff at no additional cost.<sup>10</sup> The most extreme case is Louisiana's website, which was estimated to cost \$1,000,000 to create and \$100,000 a year to maintain. After being completed, the Louisiana Division of Administration claimed that the site was created and maintained with existing resources.<sup>11</sup>

### *Opponents*

Opponents find the costs of setting up and maintaining state spending websites to outweigh the benefits. When a website was proposed in Utah, the Office of Legislative Fiscal Analyst estimated the site would have a one time cost of \$480,400 and \$250,800 in ongoing costs for additional software, hardware, and personnel hours.<sup>12</sup> The projected costs for Minnesota's website for its first year of operation in 2008 were \$217,000 and \$97,000 for 2009, 2010, and 2011. Hawaii required \$250,000 for its site to be set up, and Texas allocated \$300,000 for the development of new software.<sup>13</sup>

### **Federal Legislation**

The Federal Funding Accountability and Transparency Act of 2006 requires the Federal government to establish an online searchable database that includes information on each Federal award.<sup>10</sup> This legislation provided a model for states to emulate.<sup>11</sup> The Office of Management and Budget regularly updates the website. Each award must include:

- Recipient's name
- Award amount
- Award type (such as grant, contract or sub-contract)
- Industry classification or catalog of federal domestic assistance indicator

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<sup>9</sup> Baxandall, Phineas and Kari Wohlschlegel.

<sup>10</sup> "Transparency in Government Spending: Cost vs. Savings." Center for Fiscal Accountability. Americans for Tax Reform. 4 May 2010 <<http://www.fiscalaccountability.org/userfiles/cost&savings.pdf>>.

<sup>11</sup> Brito, Jerry and Gabriel Okolski. "The Cost of State Online Spending-Transparency Initiatives." Mercatus Center. April 2009. George Mason University. 4 May 2010 <[http://www.mercatus.org/uploadedFiles/Mercatus/MOP40\\_GAP\\_Transparency\\_web.pdf](http://www.mercatus.org/uploadedFiles/Mercatus/MOP40_GAP_Transparency_web.pdf)>.

<sup>12</sup> Amon, R. "S.B. 38 2<sup>nd</sup> Sub. (Salmon) – Transparency in Government Finance." Office of the Legislative Fiscal Analyst. 18 Feb. 2008. State of Utah. 6 April 2010 <[le.utah.gov/lfa/fnotes/2008/sb0038s02.fn.pdf](http://le.utah.gov/lfa/fnotes/2008/sb0038s02.fn.pdf)>.

<sup>13</sup> Slivinski, Krystal. "State-by-State Analysis of Budget Transparency Laws." Tertium Quids. 11 August 2008. 10 April 2010 <[http://www.google.com/url?sa=t&source=web&ct=res&cd=13&ved=0CBMQFjACOAo&url=http%3A%2F%2Fwww.tertiumquids.com%2Fpdfs%2Fstate-by-state-analysis-of-budget-transparency.pdf&rct=j&q=budget+transparency+state&ei=E4WTS6OlAoXcNpe2kIIN&usg=AFQjCNFJBtYMiVyQF-Ozy6b4D4qMq\\_UTHw&sig2=fXkAVoSqyTj\\_u4YIy2eymw](http://www.google.com/url?sa=t&source=web&ct=res&cd=13&ved=0CBMQFjACOAo&url=http%3A%2F%2Fwww.tertiumquids.com%2Fpdfs%2Fstate-by-state-analysis-of-budget-transparency.pdf&rct=j&q=budget+transparency+state&ei=E4WTS6OlAoXcNpe2kIIN&usg=AFQjCNFJBtYMiVyQF-Ozy6b4D4qMq_UTHw&sig2=fXkAVoSqyTj_u4YIy2eymw)>.

- Location of the recipient and the primary place of performance
- Agency and program source
- Detailed title and description<sup>14</sup>

### **State Legislation**

Currently, Iowa is one of 14 states that do not have an online budget database.<sup>15</sup> During the 2009 Legislative Session, HF 801, establishing such a website, was passed by the Iowa House by a vote of 93 to 3. The bill was assigned to the State Government Committee in the Senate but was not voted on.<sup>16</sup>

At least 32 states require detailed public access to state spending records online.<sup>17</sup> State online budget databases have been established both by legislatures and state constitutional officers. The amount of details that each site provides varies from state to state. See the tables at the end of the report for a break down of the differences between websites.

Below are two tables that list the states with and without websites.

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<sup>14</sup> “Accountability and Transparency Act Passed.” Goliath. 1 Feb. 2007. Cengage Group. 7 April 2010 <[http://goliath.ecnext.com/coms2/gi\\_0199-6263934/Accountability-and-Transparency-Act-passed.html](http://goliath.ecnext.com/coms2/gi_0199-6263934/Accountability-and-Transparency-Act-passed.html)>.

<sup>15</sup> Baxandall, Phineas and Kari Wohlschlegel.

<sup>16</sup> “2009 House File 801.” Iowa Votes. 2009. Mackinac Center for Public Policy. 1 April 2010 <<http://www.iowavotes.org/2009-HF-801#aBillComments>>.

<sup>17</sup> Baxandall, Phineas and Kari Wohlschlegel.

State	Website	Creator	Searchable	Grants	Contracts	Line Item Expenditures	Dept/Agency Budgets	Public Employee Salary
AL	open.alabama.gov	Executive Order	X	X	X	X	X	
AK	fin.admin.state.ak.us/dof/checkbook_online/index.jsp	Cooperation between Governor and Department of Administration		X	X	X		
AZ	azcheckbook.com	State Treasurer					X	
CA	reportingtransparency.ca.gov	Executive Order	X		X			
CO	tops.state.co.us	HB 1288	X		X	X	X	
DE	checkbook.delaware.gov	Per Governor's instruction				X	X	
FL	myfloridacfo.com/transparency	Chief Financial Officer	X		X		X	
GA	open.georgia.gov	SB 300	X				X	X
HI	hawaii.gov/spo2	HB 122			X	X	X	
IL	accountability.illinois.gov	HB 0035	X	X	X	X	X	X
KS	kansas.gov/kanview	HB 2457	X	X	X	X		X
KY	opendoor.ky.gov	Executive Order	X	X	X	X	X	X
LA	doa.louisiana.gov	Executive Order	X		X	X	X	
MD	spending.dbm.maryland.gov	HB 358	X		X		X	
MN	mmb.state.mn.us/tap	HF 376	X		X		X	

State	Website	Creator	Searchable	Grants	Contracts	Line Item Expenditures	Dept/Agency Budgets	Public Employee Salary
MS	<a href="http://merlin.state.ms.us/">merlin.state.ms.us/</a>	HB 101	X		X	X	X	
MO	<a href="http://mapyourtaxes.mo.gov">mapyourtaxes.mo.gov</a>	Executive Order	X	X	X	X	X	X
NE	<a href="http://NebraskaSpending.com">NebraskaSpending.com</a>	State Treasurer	X	X	X		X	
NV	<a href="http://open.nv.gov">open.nv.gov</a>	Executive Order	X				X	
NJ	<a href="http://nj.gov/transparency">nj.gov/transparency</a>	Executive Order				X	X	X
NM	<a href="http://contracts.gsd.state.nm.us">contracts.gsd.state.nm.us</a>	HB 546			X		X	
NY	<a href="http://openbooknewyork.com">openbooknewyork.com</a>	State Comptroller	X		X		X	
NC	<a href="http://ncopenbook.gov">ncopenbook.gov</a>	Executive Order	X	X	X			
OH	<a href="http://transparency.ohio.gov">transparency.ohio.gov</a>	HB 420				X	X	
OK	<a href="http://ok.gov/okaa">ok.gov/okaa</a>	SB 1	X	X	X		X	X
OR	<a href="http://oregon.gov/transparency">oregon.gov/transparency</a>	HB 2500				X	X	
PA	<a href="http://contracts.patreasury.org/search.aspx">contracts.patreasury.org/search.aspx</a>	State Treasurer	X		X			
RI	<a href="http://ri.gov/opengovernment">ri.gov/opengovernment</a>	State Treasurer	X	X	X	X	X	
SC	<a href="http://cg.sc.gov/agencytransparency">cg.sc.gov/agencytransparency</a>	Executive Order	X	X	X			
SD	<a href="http://open.sd.gov">open.sd.gov</a>	Per Governor's request	X	X	X		X	X
TN	<a href="http://state.tn.us/opengov">state.tn.us/opengov</a>	Per Governor's request			X	X		X

State	Website	Creator	Searchable	Grants	Contracts	Line Item Expenditures	Dept/Agency Budgets	Public Employee Salary
TX	window.state.tx.us/comptrol/ expendlist/ cashdrill.php	HB 3430	X		X	X	X	
UT	transparent.utah.gov	SB 38	X		X	X	X	
VA	open.virginia.gov	SB 934	X				X	
WA	fiscal.wa.gov	SB 6816	X				X	
WY	wyoming.gov/transparency	HB 144	X			X	X	

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<sup>18</sup> “States With Spending Online.” Sunshine Review. 15 Feb. 2010. 3 May 2010 <[http://sunshinereview.org/index.php/States\\_with\\_spending\\_online](http://sunshinereview.org/index.php/States_with_spending_online)>.

<sup>19</sup> “Transparency in Government Spending in the States.” Center for Fiscal Accountability. Americans for Tax Reform. 4 May 2010 <<http://www.fiscalaccountability.org/index.php?content=transsub2#>>.

<b>States Without Online Budget Databases</b>
Arkansas
Connecticut
Idaho
Indiana
<b>Iowa</b>
Maine
Massachusetts
Michigan
Montana
New Hampshire
North Dakota
Vermont
West Virginia
Wisconsin

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This report was prepared in March 2010 by the Iowa Policy Research Organization (IPRO), a non-partisan public policy undergraduate research group at the University of Iowa. For additional research on this or other issues, please visit our website at <http://www.uiowa.edu/~ipro/> or contact us at [caroline-tolbert@uiowa.edu](mailto:caroline-tolbert@uiowa.edu).

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<sup>20</sup> Baxandall, Phineas and Kari Wohlschlegel. "Following the Money." *U.S. PIRG Education Fund*. 2010. 4 May 2010  
 <<http://cdn.publicinterestnetwork.org/assets/b3ba157e28d82952ee5b7a3f84e88499/Following-the-Money-USPIRG.pdf>>.