## Citizens Against Government Waste America's #1 Taxpayer Watchdog

## Where's Your Data?

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Radio shock jock Doug "The Greaseman" Tracht in the 1980s and funny man Dennis Miller in the '90s had a shared catch-phrase, "Who's your daddy?" that evolved into a taunting expression of superiority over the respondent. The familiar adage, "knowledge is power," evokes another dynamic, wherein access to information is critical. Inquiring taxpayers would therefore want to know, "Where's my data?"

To help answer this question, <u>Data Transparency 2013</u>, a conference sponsored by the Data Transparency Coalition (DTC), was held in September in Washington, D.C., bringing together industry innovators, government leaders, public policy advocates, and think tanks. DTC Executive Director Hudson Hollister opened the proceedings with a concise summary of his group's goal, which is "to transform government information from paper and plain text into open data: structured, standardized, and accessible." The subject matter would include spending, performance metrics, compliance reports, judicial filings, and "even the text of laws and regulations." This transformation requires two conceptually simple steps that become very difficult in practice: First, apply consistent data standards—common identifiers, uniform formats, and the like—across diverse agencies and systems. Second, publish the compilation online so that it can be searched and scrutinized by everyone.

The legislative vehicle for data transparency in spending is the Digital Accountability and Transparency Act, or DATA Act, which was simultaneously <u>introduced</u> in the House (H.R. <u>2061</u>) and Senate (S. <u>994</u>) on May 21, 2013. On November 6, the Senate Homeland Security and Government Affairs Committee (HSGAC) unanimously passed a modified version of S. 994. On November 18, 2013, the House passed H.R. 2061 by a lopsided 388-to-1 vote. According to the DTC, the DATA Act "will *standardize* and *publish* the U.S. government's wide variety of reports and data compilations related to financial management, procurement, and assistance. Better transparency, more effective federal management, and cheaper compliance will be the results... By replacing inaccessible documents with standardized, searchable data—freely accessible to all—the DATA Act will *create better transparency* for taxpayers and citizens; *improve federal management* by illuminating waste and fraud; and *reduce compliance costs* by automating the creation of reports by grantees and contractors."

The Council for Citizens Against Government Waste (CCAGW), in a November 5, 2013 joint letter with various other organizations, stated that

...the DATA Act is an important step toward true federal spending transparency as it empowers the public to see how their tax dollars are being used.

Currently, data on federal spending is incomplete, inconsistent, and difficult for the public to access. All too often, the federal government fails to publish crucial spending data at all – or publishes such data in formats that are not interoperable or are otherwise difficult to use, impeding public access and analysis. The DATA Act would address these problems. It directs the Treasury Department to create data standards for tracking and reporting government—wide spending, including requiring agencies to use consistent identifiers for entities and publish data in machine—readable formats. These data standards would, for the first time, permit government—wide data searches, comparability, and quality checks. In turn, this would put pressure on agencies to make sure the data they release is accurate and timely.

The DATA Act will also expand the scope of the USASpending.gov portal to include internal expenditures (in addition to external grants and contracts that are already reported) and full payment–level detail (not just the summaries currently available). Finally, the federal government would catch up to foreign countries, such as Brazil and Slovenia, and state and local governments (such as Texas and New York City) that already provide such detailed spending data to their citizens so that they can see what's happening at the payment level... The DATA Act will improve the transparency of our government to its citizens and modernize our government's ability to manage itself. Fully implemented, it empowers agencies and their inspectors general to deploy data analytics to hone in on waste and abuse, potentially deterring it before it occurs.

Of course, as is often the case with the sausage-like business of legislating, challenges remain for the DATA Act, stemming ironically from its popularity in both chambers of Congress, each wanting its own imprint on the effort. Unfortunately, amendments approved by HSGAC removed critical House-passed elements that are key to successful implementation of the law. To put it bluntly, the legislation will be neutered if the committee's version is enacted. The accountability platform provided in the bill (the current Recovery Accountability and Transparency Board, formed to monitor the expenditures under President Obama's "stimulus" program) is scheduled to cease operations in 2015. The bill as introduced and passed by the House included the continuation of the board, which would avoid reinventing the wheel to create a new oversight agency, even though the \$20 million annual cost to run the Recovery Board would be more than offset by the billions saved from illuminating and eliminating waste.

The excision of the accountability platform was also accompanied by the removal of one of the bill's key goals: to "prevent waste, fraud, abuse, and improper payments." This de-clawing of the legislation is clearly self-defeating. As the DTC <u>points out</u>, "without any internal government effort to use the newly-standardized spending data for any purpose, there will be no internal pressure to improve the quality of data published on USASpending.gov."

Hopefully, the integrity of the bill's enforcement provisions can be restored ahead of final Senate passage and ultimate enactment. For the legislation to achieve its goals, reporting agencies must understand, first, that their overseers are reviewing the data provided, thus necessitating its accuracy, and, second, that consequences will accrue to those whose information is flawed. If these criteria are restored and signed into law, the DATA Act will be transformational.

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DTC's Hollister closed his remarks at the September conference with these parting thoughts: "Let's not lose sight of what open data -

structured, standardized, and accessible - means for our government and our society. Open data can connect citizens to their

government. Open data can illuminate and eliminate waste and fraud. And finally, if we could persuade Congress and the executive

branch to transform regulations from documents into open data, the companies in this room could automate all the compliance tasks

that today require hours of copy-and-paste. Lines of code will replace layers of lawyers. The burden of compliance will be lifted, without

sacrificing oversight. We will see a productivity boom comparable to the introduction of the PC. We will see economic growth, new jobs,

and people lifted out of poverty."

While these future goals are lofty-indeed worthy-one thing is immediately clear. The time for data transparency generally, and within

government specifically, is now. So the question remains: at the dawn of this revolutionary movement, do you know where your data is?

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