

IOWA TRANSPARENCY NEWSLETTER



Sunshine on the Iowa Congressional Delegation

by Dr. Don Racheter

While Public Interest Institute (PII) concentrates on what is happening with state and local politics here in Iowa, we cannot ignore what is being done in our name by the politicians in Washington, D. C. The taxes, regulations, and other laws they impose on us have a great deal of influence on our daily lives.

Therefore, in the interest of greater transparency and more informed Iowans, we are in this issue of the *Iowa Transparency Newsletter* reporting to you the BillTally and VoteTally scores for members of the Iowa Congressional delegation as compiled by our sister organization, National

Taxpayers Union Foundation (NTUF), from whom we adapted the methodology to bring you Iowa VoteTally and BillTally scores for members of the Iowa General Assembly (IGA) reported in previous issues.

Here is how much each member of the Iowa delegation voted to spend in the last session for which we have data, listed in order of “friends of the taxpayers” to “big spenders.”

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Year	Grade	Score	Rank
Senator Chuck Grassley, Republican:			
2010	B+	93%	33 of 100
Representative Steve King, Republican:			
2010	B+	89%	59 of 435
Representative Tom Latham, Republican:			
2010	B	84%	131 of 435
Representative Leonard Boswell, Democrat:			
2010	F	7%	296 of 435
Representative Dave Loebsack, Democrat:			
2010	F	6%	360 of 435
Senator Tom Harkin, Democrat:			
2010	F	5%	88 of 100
Representative Bruce Braley, Democrat:			
2010	F	4%	404 of 435

Source: National Taxpayers Union, NTU Rates Congress, <<http://www.ntu.org/on-capitol-hill/ntu-rates-congress/>>.

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Dr. Don Racheter,
President

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We invite you to:
CALL us at 319-385-3462
FAX to 319-385-3799
E-MAIL to Public.Interest.Institute@LimitedGovernment.org
VISIT our Website at www.IowaTransparency.org
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**Transparency in Government Spending:
Cost vs. Savings**
from the Center for Fiscal Accountability

There is no uniform answer to the question of how much it costs to create a searchable online database for government expenditures. To a certain extent, the price tag will depend on various factors, including the overall information technology infrastructure for the respective government and the features sought after in the Websites. However, what we have found is that the actual cost of building a comprehensive searchable Website for government expenditures is in most cases far lower than the initial cost estimate, and spending transparency portals can be built within existing revenues.

The Cost for USAspending.gov

The Congressional Budget Office estimated that implementing the Federal Funding Accountability and Transparency Act would cost \$4 million in 2007 and about \$15 million over the 2007-2011 period, assuming appropriation of the necessary amounts. After the Office of Management and Budget (OMB) purchased the underlying technology for USAspending.gov from a third-party organization, OMB Watch, which hosts a similar Website at www.FedSpending.org, OMB was able to build the Website for less than \$1 million. The purchase price for the software was \$600,000. OMB Watch has since offered its software to interested parties for free.

State Spending Transparency Cost

The cost for building the Missouri Accountability Portal has been

estimated at \$293,140. However, resources and staff were merely reallocated and the money was taken from existing IT funds, so that there was no cost to taxpayers outside the existing budget framework.

South Carolina, too, constructed its transparency Website by reallocating existing resources and staff time. And while there has been a price tag associated with Comptroller Susan Combs' Website in Texas (\$310,000), this site, too, was built within existing revenues.

In Oklahoma, the fiscal note for the legislation that created the spending transparency Website estimated a total cost of \$300,000 — \$40,000 for construction and \$260,000 for maintenance and upgrades. The sponsor of the legislation has since reported that the software was purchased for \$8,000, and the Website was built and loaded by reallocating staff time at no extra cost.

Compared to these examples, some fiscal notes in other states, which run in the millions of dollars, such as in Michigan and Arizona, have been extremely high.

This was the case in Kansas, too, where opponents claimed the creation of the spending transparency Website would cost \$40 million. However, \$40 million was the price tag for the overhaul of the complete accounting system and the entire financial management system, which had already been decided. Ultimately, the Website

construction was slipped into the bigger project, and the actual price tag for implementation was \$0.

Savings

When discussing the cost question, one should also factor in the savings that can be generated through transparency in government finance. While this movement towards greater openness is still in its infancy, there is already an anecdotal body of evidence in terms of savings that are being achieved through the creation of searchable online databases for government expenditures.

General Savings and Efficiencies:

Texas

State Comptroller Susan Combs has identified \$8.7 million of efficiencies and savings since she took office. \$4.8 million have already been realized with an additional \$3.8 million expected this year. Examples:

- o Toner: A closer look at contracts for toner cartridges revealed a simpler and smarter way to consolidate purchases through one contract, rather than through multiple vendors. Getting a discount for volume saved more than 20 percent, for a total of \$73,000 on that one item.
- o P.O. Boxes: The mail sorter machine used by our agency needed to be replaced and rather than spending around \$328,000 on a new mail sorter, including maintenance, the agency purchased additional P.O. Boxes for less than \$10,000 and let the existing automated machines at

the Postal Service do the sorting.

- o The agency decided not to print a duplicative study being done by another agency, saving \$250,000.
- o IT contracts: \$457,319 saved through the elimination of several such contracts.
- o Microfilm and pager connections: eliminating microfilm no longer needed and disconnecting pagers saved over \$114,600.

Missouri

While Missouri hasn't catalogued savings achieved through the Missouri Accountability Portal, Ed Martin, former chief of staff to Gov. Matt Blunt, points to anecdotal savings such as through the renegotiation of subscription costs for newspapers with publications the state has advertising contracts with, using these contracts as leverage in the negotiation.

Kansas

Kansas lawmakers are currently using the spending transparency portal to question agencies in hearings about costly building leases, out-of-state travel, and out-of-state contracts.

Reduced Cost on Freedom of Information Requests:

Many requests made under a state's freedom of information laws revolve around financial information, and agency compliance with these requests requires staff time and other costs may be incurred as well. By providing much of the information online, the number of such requests may

be reduced and significant savings may be generated.

"Implicit" Savings / Detecting Fraud

Further savings likely to be generated from increased transparency in government finance come in the form of changed spending patterns acknowledging greater scrutiny. Such scrutiny will also boost the likelihood of discovering potential financial fraud, thereby creating disincentives for such fraud and reducing the occurrence of it.

The Center for Fiscal Accountability, founded in 2008, is a joint project of Americans for Tax Reform and Americans for Tax Reform Foundation, a national taxpayer advocacy organization. Acknowledging that the American people and its economy can best thrive and prosper when the role of government is limited and subject to scrutiny by taxpayers, the Center for Fiscal Accountability seeks to shed light on government expenditures and to promote transparency and restraint in government finance.

In addition to working with policy-makers to increase accountability, the Center for Fiscal Accountability publishes the Cost of Government Day Report, which calculates the day of the year until which the average American must work to pay for the full costs of government spending and regulation. The Center also publishes Tax Bites, a project that shows how much of the price of a good or service is a result of government taxes and fees. Information on these projects and more of the Center's work can be found at www.fiscalaccountability.org.

**Public Interest Institute
at Iowa Wesleyan College
600 North Jackson Street
Mount Pleasant, IA 52641-1328**

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Here is the most recent data on how much each member of the Iowa delegation would have had Congress spend (or save!) if all the bills they introduced with spending implications had actually passed, again in order of “friends of the taxpayers” to “big spenders.”

Please contact your Senators and Representative and let them know how you feel about their actions on your behalf, and remember this information when you next vote to re-elect or replace these government employees!

Dr. Don Racheter is President of Public Interest Institute. Contact him at Public.Interest.Institute@LimitedGovernment.org.

111th Congress, Complete	(Dollar figures in millions)		
	Increase	Cut	Net
Rep. Steve King	21,203	(181,074)	(159,871)
Sen. Chuck Grassley	5,283	(32,180)	(26,897)
Rep. Tom Latham	54,677	(28,541)	26,136
Rep. Leonard Boswell	80,668	(44,284)	36,384
Rep. Bruce Braley	176,875	(51)	176,824
Sen. Tom Harkin	212,760	(7,506)	205,254
Rep. Dave Loebsack	1,474,674	(7,441)	1,467,233

Source: National Taxpayers Union Foundation, <<http://www.ntu.org/ntuf/billtally.html>>.