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Testimony of Joshua Culling, State Government Affairs Manager,
National Taxpayers Union,
to the
Colorado House Finance Committee
on
HB 1288, the Colorado Taxpayer Transparency Act

I. Introduction

Chairman Judd and Members of the Committee, my name is Joshua Culling. I am State Government Affairs Manager for the National Taxpayers Union (NTU), a nationwide grassroots taxpayer organization with 362,000 members, including more than 6,800 in Colorado.

I offer this testimony in support of Representative B.J. Nikkel's Colorado Taxpayer Transparency Act (HB 1288). This legislation would create a comprehensive online searchable database of all state government revenues and expenditures. NTU believes that HB 1288 will give Colorado taxpayers the straightforward and powerful tool they need (and deserve) to see how their money is being spent in Denver, thereby injecting a new dimension of accountability into the budget process.

II. Background

The spending transparency movement has gained momentum at the state level over the past few years, engendered by the vigorous development of online technology at the federal level. The concept first was embodied in 2006 legislation known as the Federal Funding Accountability and Transparency Act (S. 2590), co-sponsored by Sen. Tom Coburn (R-OK) and then-Sen. Barack Obama (D-IL). That site is located at USASpending.gov, and has attracted millions of citizens who wish to track where their tax dollars are going.

Since that time citizens have rightly demanded centralized and easily navigable data on government revenues and expenditures, and state lawmakers have begun to deliver. Over

a dozen states currently have spending databases of varying degrees of similarity to that which would be created by HB 1288. Some of the most successful state sites were implemented in Nebraska, Texas, Missouri, Oklahoma, South Carolina, Louisiana, and Kansas. A number of transparency bills are being considered this session across the country, in states such as Iowa, New Jersey, and North Dakota. Virginia passed companion bills just a few weeks ago.

III. Cost of Implementation and Associated Cost Savings

The fiscal impact of implementing a transparency Web site is minimal, especially when compared with the new opportunities that arise to save money. Nebraska Treasurer Shane Osborn created NebraskaSpending.com for \$38,000 in 2007. In Oklahoma, legislation authored and ushered to passage by Sen. Randy Brogdon implemented OpenBooks in the same year, using pre-existing funds. In Texas, Comptroller Susan Combs has pinpointed \$8.6 million in cost savings as a direct result of the launch of Open Book Texas, which she boasts drills state spending “down to the pencil level.”

The costs associated with the Colorado Taxpayer Transparency Act have been estimated at \$72,500. NTU believes this to be a reasonable figure, and a sound investment in an increasingly transparent Colorado. The ability to identify redundancies and waste in the budget is greatly enhanced by a centralized spending database, and could provide significant savings in future budgets.

IV. Conclusion

Enactment of HB 1288 is a win-win for Colorado taxpayers and policymakers. Citizens will finally have the opportunity to navigate the fiscal complexities of the government they fund. Lawmakers will be able to readily and easily access spending data from the matrix of government agencies to which they allocate resources. This legislation will set the stage for a more honest and open debate about Colorado’s budgetary priorities, which so many states failed to initiate during the months and years leading up to the present economic crisis. Once more on behalf of Colorado taxpayers, I strongly urge you to vote in favor of HB 1288, the Colorado Taxpayer Transparency Act.

I am most grateful to the Chair and Members of the Committee for the opportunity to testify and for your thoughtful consideration of HB 1288.