

March 19, 2009

Statement of Joshua Culling, State Government Affairs Manager National Taxpayers Union to the Colorado House Education Committee on SB 57, the Public School Financial Transparency Act

I. Introduction

Chairman Merrifield, Ranking Member Massey, 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 statement in support of Senator Ted Harvey's SB 57, the Public School Financial Transparency Act. This legislation would create a comprehensive online searchable database of public school revenues and expenditures. NTU believes that SB 57 will give Colorado taxpayers the straightforward and powerful tool they need (and deserve) to see how their money is being spent by school districts across the state, 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, 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.

As a result of the federal site's popularity, lawmakers at the state level have begun to embrace spending transparency. Budget sites have been implemented in over a dozen

states, including Kansas, Missouri, Nebraska, Oklahoma, and Texas. Colorado currently has a bill in the House (HB 1288) that would create such a database.

Education spending is a new frontier in the transparency movement, as taxpayers are curious to see specific information on how money is spent on such a large budget item. SB 57 would deliver that data in an easily navigable format, making Colorado a leader among the 50 states on this issue.

III. Why Public Education?

Open government is necessary at all levels. Public education is particularly important because of the sheer amount of money dedicated to it annually. In Gov. Ritter's original budget proposal for FY 2009-10, he requested \$4.5 billion for K-12 education and \$2.9 billion for higher education. That amounts to over 38 percent of the entire budget request.

Voters are often asked to approve new revenue for schools at the ballot box. Providing easily digestible information about expenditures allows citizens to be better informed when making those decisions.

Most important, however, is the fundamental idea that taxpayers should have access to data on the disposition of school expenditures. Education is a very emotional issue for a variety of reasons. Improving the flow of information from state to citizen allows an open and honest debate about the prioritization of spending. It also allows administrators in charge of local education budgets to identify inefficiencies and waste inherent in the funding system, improving the return on investment in Colorado's schools.

IV. Conclusion

Enactment of SB 57 is a win-win for Colorado taxpayers and policymakers. Citizens will finally have the opportunity to navigate the fiscal complexities of the school systems they fund. Education is the foundation of the next generation of Coloradans. Transparency and accountability ensure that the state's schools are funded appropriately and effectively. Once again on behalf of NTU's more than 6,800 Colorado members, I urge you to support this important legislation.

I am most grateful to the Chair and Members of the Committee for the opportunity to submit this statement and for your thoughtful consideration of SB 57.