



United States Senate
Committee on Homeland Security and Governmental Affairs
Chairman Joseph I. Lieberman, ID-Conn.

Opening Statement of Chairman Joseph I. Lieberman
Homeland Security and Governmental Affairs Committee
“Show me the Money: Improving the Transparency of Federal Spending”
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AS PREPARED FOR DELIVERY

Good morning and welcome to this morning’s hearing on improving transparency into how the federal government spends taxpayers’ money – an issue as old as the Republic.

In a letter to his Treasury Secretary in 1802, President Thomas Jefferson wrote: “We might hope to see the finances of the Union as clear and intelligible as a merchant’s books, so that every member of Congress and every man of any mind in the Union should be able to comprehend them, to investigate abuses, and consequently to control them.”

Of course federal spending in 1802 added up to about \$11 million and the national debt was about \$80 million. For fiscal year 2012, we’ll spend more than \$3 trillion, with a national debt closing in on \$16 trillion!

The numbers seem incomprehensible, but that makes it all the more important that federal spending be publicly transparent so that – as Jefferson said – any citizen should be able see where taxpayer dollars are being spent and help root out waste in the budget and alert, not just elected officials, but friends, family and the traditional media – even using new social media tools, like Facebook and Twitter, to spread the message.

With today’s technology, this kind of financial transparency and accountability is well within our grasp and with today’s hearing -- “Show me the Money: Improving the Transparency of Federal Spending” – we will examine current efforts to make this kind of information available electronically.

In 2006, thanks to the hard work of this Committee, Senator Coburn and then Senator Obama, the Federal Funding Accountability and Transparency Act – or “Fa-Fata” – was passed into law.

This bill was an important first step in improving the public’s ability to learn more about where the federal government was spending taxpayer dollars by creating a website called USASpending.gov that could be used to track the trillion dollars the federal government awards annually in grants, contracts, and loans.

However, six years after passage of FFATA, the USASpending.gov website has not achieved Congress’s vision for it.

For instance the site itself is not user friendly and many citizen users may have trouble understanding the data presented. Also, data is not stored in a consistent method, making it hard to draw comparisons between different data sets. And contractors are often listed under multiple names, making searches unreliable.

We have asked our witnesses to provide a thorough update on the current state of USASpending.gov and what improvements are either in the works or being planned.

Times have changed since the passage of FFATA, and we should take advantage of a success story that came about as a part of the American Recovery and Reinvestment Act of 2009 to track the nearly half a trillion dollars spent on economic stimulus.

That Act created the Recovery Accountability and Transparency Board – an independent body to conduct oversight and audits of Recovery Act funds – which in turn created a public website – Recovery.gov – which detailed who got the money and what they were doing with it.

Whatever you may think of the Recovery Act, the Recovery.com website generally got high marks for simplicity, reliability and ease of use, and we should build on that work.

Along this line, last April the House passed the Digital Accountability and Transparency Act – or the DATA Act – which would create a new five-member Commission, modeled after the Recovery Act’s Recovery Accountability and Transparency Board, to act as the central hub to collect spending data, set data standards, and analyze the information.

The goals of the bill, which include improved transparency of federal spending and consistent data standards, are admirable – even unassailable, I would say. However, we have heard concerns from the Governors and others about the bill, including costs and the creation of another federal entity.

I am interested in hearing from our witnesses their impressions of the bill.

And we do have a very distinguished group of witnesses before us today, including my esteemed colleague, Senate Warner who has introduced a version of the DATA Act in the Senate.

Given the difficult budget climate that we will face in the upcoming years, it is more important than ever that – with Jefferson’s words as our ideal – we take advantage of the technological opportunities that exist to improve transparency and accountability of federal spending.

Senator Coburn.