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**BEFORE THE
SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, FEDERAL SERVICES, AND
INTERNATIONAL SECURITY**

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Removing the Shroud of Secrecy: Making Government More Transparent and Accountable

Good afternoon, Chairman Carper, Ranking Member McCain, and members of the Subcommittee. Thank you for providing me with the opportunity to testify about how this Administration is working to make Government more transparent and accountable for the American people.

Changing the Default Setting of Washington

This Administration is laying a new foundation that changes the default setting of government from being closed, opaque, and secretive to becoming open, transparent, and participatory. I'd like to talk about Open Government, not as an abstract notion or idea, but specifically how it is driving innovation, improving government performance, and changing the way we serve the American people.

Driving Innovation

Opening our Government allows us to drive innovation by drawing upon the knowledge of all Americans, not just those inside the four walls of Washington. The Federal Government doesn't have a monopoly on the best ideas, nor does it have unlimited resources. We have seen how third parties can create tremendous value when given the opportunity, whether by leveraging private sector platforms or public sector platforms.

Apple has created a platform that allows third party developers to build innovative applications for iPhone users. To date, over 150,000 applications have been developed, more than Apple alone could have created.

The Department of Defense released GPS data, originally envisioned as only being useful to the military. This decision sparked an explosion of new innovations by third parties in the private sector. GPS technology touches the lives of many Americans on a daily basis, from helping us reach our destinations anywhere in the country to helping first responders save lives.

Democratizing Data

In the same way GPS has transformed our everyday lives, we're unlocking the value of public data through Data.gov. We launched Data.gov on May 21, 2009 with just 47 datasets; now, there are over 169,000 datasets on every aspect of government operations, from health care data to public safety information.

The Administration is focused on providing data that the American people will find to be directly beneficial. We are releasing high-value datasets to increase agency accountability and responsiveness; improve public knowledge of the government and its operations; create economic opportunity; or respond to need and demand as identified through public consultation.

In just ten months, third-parties have already created tremendous value by leveraging the Data.gov platform.

For example "ThisWeKnow.org" empowers citizens by presenting Government data in an easy to understand and consistent manner. Anyone can view cancer rates in San Diego, CA, or the level of toxicity in Beaufort, NC, or the number of bills introduced by Members of Congress since 1993 in Los Alamos, NM by simply typing in a zip code.

Researchers at Rensselaer Polytechnic Institute are using Data.gov to answer key public policy questions. For instance, they have combined data from multiple countries to shine light on how much foreign aid different countries receive and the sources of that funding.

"FlyOnTime.us" allows travelers to see arrival times for flights on major commercial carriers and to check wait times in line, using data from the Department of Transportation.

Many State, local, and international governments, including: City of San Francisco, the District of Columbia, the City of New York, the State of California, the State of Utah, the State of Michigan, the Commonwealth of Massachusetts, and the United Kingdom are democratizing data to serve the public.

I recently visited San Francisco to help launch the nationwide Open311 Initiative. Open311 will enable people to track the status of repairs or improvements, while also allowing them to make new requests for services. For example, people can use the same application in their hometown to report a broken parking meter as they would when travelling to a city like San Francisco. Other cities are joining the

national Open311 movement, including Boston, Chicago, the District of Columbia, Los Angeles, and Seattle.

Challenge Competitions and Prizes

Opening the Government also allows us to tap into the ingenuity and innovative spirit of the American people to solve some of the most difficult problems this Nation faces.

The concept of challenge prizes goes back to at least the 18th century, when the British Government wanted to tackle a seemingly insurmountable problem at the time. Ships at sea were unable to accurately measure their longitude, making transoceanic voyages high-risk endeavors. So, in 1714, the British Government offered a cash prize of £20,000 to anyone who could develop a method precisely calculating a ship's longitude. The prize motivated clockmaker John Harrison to develop the marine chronometer, which solved the problem in a simple and efficient way.

To enable larger breakthroughs, faster time to market and lower costs, Eli Lilly has successfully tapped into the wisdom of the crowds by creating "prediction markets" that predict the outcome of drug trials. Procter and Gamble gets over 35% of its new product ideas from outside the company by leveraging a "virtual innovation network" that connects employees to scientists around the world.

In the fall of 2009, the President launched the SAVE Award, which offers every Federal employee the chance to submit their ideas for how government can save money and perform better. Over 38,000 submissions were received, and, in an online vote, over 84,000 votes were received on the best ideas to improve performance and save money. The winning submission came from Nancy Fichtner, a Fiscal Program Support Clerk from Loma, Colorado, who saw a way to both save money and reduce unnecessary waste in the Veterans Affairs (VA) hospital system. VA hospitals were disposing of unused portions of medication upon patient discharge, and Nancy pointed out that these medicines could instead be provided to veterans who need them on an outpatient basis.

To increase the use of prizes and challenges, OMB released guidance¹ this month to advance open government, innovation, and other national priorities.

Going forward, the Administration is launching a Challenge Platform to facilitate innovation through challenges and prizes. The platform will allow the government to identify problems (the "challenge") and invite the public to collaborate and propose solutions. Judges will evaluate the proposed solutions and prizes can be provided to the most innovative or game changing solutions.

¹ M-10-11 (Guidance on the Use of Challenges and Prizes to Promote Open Government)

Improving Government Performance

As the President said in his inaugural speech "those of us who manage the public's dollars will be held to account, to spend wisely, reform bad habits, and do our business in the light of day, because only then can we restore the vital trust between a people and their government."

IT Dashboard

In June of 2009, we launched the IT Dashboard, which allows the American people to monitor IT investments across the Federal Government. The IT Dashboard, which has already received over 94 million hits, shines light into the operations of the Federal Government. What the release of the IT Dashboard has shown us is that there is a clear relationship between transparency and increased accountability.

For example, in July of 2009, the Department of Veterans Affairs (VA) halted 45 IT projects that were significantly behind schedule or over budget, identified in part thanks to the IT Dashboard. During the next six months, after making significant changes in how the projects were managed, VA restarted 32 of these projects, stopped 12, and continued reviewing one. In doing so, the VA avoided \$54 million in wasteful spending during fiscal year 2010.

TechStat Accountability Sessions

Building on the foundation of the IT Dashboard, we launched TechStat Accountability Sessions in January of 2010. A TechStat Accountability Session is a face-to-face, evidence-based review of an IT program with OMB and agency leadership, powered by the IT Dashboard and input from the public. TechStat sessions enable Government officials to collaborate with one another to turn around, halt, or terminate IT investments that do not produce dividends for the American people. Investments are carefully analyzed with a focus on problem solving that leads to concrete action to improve performance.

The inaugural TechStat session, held on January 13, 2010, reviewed a financial management program at the Environmental Protection Agency (EPA), which was both significantly behind schedule and over budget. At the session we unearthed several issues around the performance of the program, including high leadership turnover, poorly defined goals, and a lack of a shared vision across the program team. The TechStat session resulted in corrective actions, such as a new alternatives analysis, a permanent project manager, and greater collaboration with the agency Chief Financial Officer and Chief Information Officer.

Tracking the Progress of Federal Rules and Regulations

Rules and regulations are critical to the operation of Government; yet accessing them often requires navigating a maze of complex bureaucracies and websites. Under the leadership of Cass Sunstein, Administrator, Office of Information and Regulatory Affairs (OIRA), the Administration launched the OIRA Dashboard, which allows the American people to track the progress of Federal rules and regulations that have been submitted for review.

Through intuitive graphical user displays, the OIRA Dashboard makes it easier for users to identify the rule or category of rules they are interested in, and allows them to monitor progress. Rules can be sorted by agency, length of review, state of rulemaking, economic significance, and compared with other proposals to support detailed analysis by the public.

Declassification of the Description of the Comprehensive National Cybersecurity Initiative

Open Government is also particularly vital in areas, such as the Comprehensive National Cybersecurity Initiative (CNCI), where there have been legitimate questions about sensitive topics like the role of the intelligence community in cybersecurity. Such transparency provides the American people with the ability to partner with Government and participate meaningfully in the discussion about how we can use the extraordinary resources and expertise of the intelligence community with proper oversight for the protection of privacy and civil liberties.

The CNCI is designed to help secure the United States in cyberspace from potential threats, both foreign and domestic. In March of 2010, the Administration revised the classification guidance for the description of the Comprehensive National Cybersecurity Initiative (CNCI). Anyone can now view or download an unclassified description of the CNCI and each of the 12 initiatives under the CNCI.

Changing the Way We Serve the American People

As we continue to drive innovation and improve government performance through open government initiatives, we must never lose sight of the fact that, ultimately, we are taking these actions to provide better service to the American people.

To assist people in navigating the citizenship application process, the U.S. Citizenship and Immigration Service (USCIS) has enabled applicants for citizenship to track the status of their application much in the same way as they would track a package via FedEx or UPS, using a receipt number that follows the process from initial application to the scheduling of a final appointment to take the Oath of Allegiance.

To provide the latest updates on recalls affecting products that American families use every day, such as motor vehicles, food, medicine, and cosmetics, six federal agencies have combined to create Recalls.gov. Recalls.gov can also be used to determine the appropriate agency to contact for reporting product defects.

To make it easier for veterans to get medical care, VA is using telehealth technologies to check symptoms and measure vital signs for veterans at their homes through regular telephone lines.

To improve access to education, the Department of Education is modernizing and streamlining its application process and eligibility determination system (AID), building on the success of efforts to simplify the Free Application for Federal Student Aid (FAFSA) process. FAFSA has

already made it easier for students applying for financial aid through the elimination of 26 questions from the older forms.

To provide important health information to the public, such as up-to-the-minute updates on influenza activity or an online Diabetes risk test, the Centers for Disease Control and Prevention (CDC) has developed “widgets” that may be embedded on any website.

To provide updates on emergency preparedness information, CDC is also using Twitter feeds. Today, CDC has more than 1.25 million following its Twitter feeds. CDC is also using social media offerings such as Facebook, Myspace, YouTube, Flickr, and iTunes to improve public access to its services.

Challenges and Risks

As we continue to open up our Government, we must balance our decisions with protecting the privacy of the American people, safeguarding national security, and maintaining the government’s ability to effectively negotiate contracts and make policy.

Protecting the security of the American people and maintaining strategic advantage over those who would do harm to us is a fundamental responsibility of the Federal government. As we make more of our data available, we must be ever more vigilant in ensuring that national security interests are not put at risk nor the privacy of our citizens threatened. Individual pieces of data when released independently may not reveal sensitive information but when combined, this “mosaic effect” could be used to derive personal information or information vital to national security.

In an increasingly inter-connected environment, the greatest care must be taken to protect personally-identifiable information from access by the wrong parties. Far from being limited to credit card data and social security numbers, there is a wide range of data which, if obtained by malicious parties, could be used for the purposes of identity theft, or could cause other harm or embarrassment to individuals.

To improve the quality of Government information available to the public, OMB’s Open Government Directive requires agencies to take specific steps to ensure high data quality. The directive requires that agencies designate a high-level senior official to be accountable for the quality, objectivity of, and internal controls over, Federal spending information publicly disseminated through venues as USAspending.gov and similar websites.

In addition, the Administration has prepared a framework upon which agencies will build plans including details of the internal controls implemented over information quality, including system and process

changes, and the integration of these controls within the agency's existing infrastructure². Initial plans are due from the agencies on April 14, 2010.

To provide better insight into federal spending, we will launch an improved USAspending platform. In addition, OMB will release a strategy for sub-award reporting on April 7.

The Power of Open Government

As we balance security and privacy with open government, we are just at the beginning of what can be accomplished.

Imagine the release of thousands of additional data sets on Data.gov, spurring new economic opportunities, creating innovative business models and potentially transforming entire industries.

Imagine enterprising Americans and government officials working virtually alongside one another to co-create the next generation of public services.

Imagine the creation of dashboards on demand to shed new light into the performance of government operations, such as the delivery of healthcare services, the processing of taxpayer refunds, or the delivery of benefits to veterans.

Imagine the American people having access to citizen services such as making an appointment to get a passport, applying for social security benefits, or obtaining a student loan from anywhere and at anytime through mobile platforms, securely and with their privacy assured.

Imagine the American people having the ability to provide direct feedback to the public officials delivering those services, to better hold their government accountable, and to improve the quality of government services.

Conclusion

Open Government isn't just an abstract notion; it's a new way to do business in Washington. The Obama Administration is committed to making the Federal Government work better for the American people. Through initiatives like Data.gov, the IT Dashboard and TechStat, we are laying a new foundation that changes the default setting of government from being closed, opaque, and secretive to becoming open, transparent, and participatory.

Thank you again for the opportunity to appear today and I look forward to answering your questions.

² http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-06.pdf