OBAMA-BIDEN TRANSITION PROJECT

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TO: Obama Transition Transparency Advisors
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Please find here an electronic version of our "State of State Disclosure" report which gives each state 3 "report card" grades on transparency for contracting, lobbying and economic development spending.

Please post it at change.gov. We welcome your feedback.

Contact: Phil Mattera **Report: Open Government Lags Far Behind Technology; States Making Limited Progress in Using the Web to Enhance the Public's Right to Know**

Washington, DC, November 15, 2007--State governments are improving their transparency practices, but many are still not taking full advantage of the Internet to inform the public. Online disclosure of corporate tax breaks and other economic development subsidies lags far behind reporting on procurement contracts and lobbying activities. These are the main findings of a report entitled The State of State Disclosure released today by the Corporate Research Project of Good Jobs First.

The full text of the report as well as an appendix on each state (plus the District of Columbia) can be found on the Good Jobs First Web site at www.goodjobsfirst.org/statedisclosure.cfm .

"The Internet makes possible an unprecedented level of government transparency and public participation." said Good Jobs First Executive Director Greg LeRoy, "But many states have been slow to adopt vigorous online disclosure, especially with respect to economic development subsidies. Twenty-seven

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states and the District of Columbia still provide no systematic online subsidy disclosure."

The Good Jobs First study evaluates the quantity and quality of state government online disclosure in three categories: economic development subsidies, state procurement contracts and lobbying activities at the state level. It rates each state's Web sites in the three areas on criteria such as ease of searching (especially for company-specific data), level of detail, scope of coverage and currency of data. Using these criteria, it assigns a score (0 to 100 percent) to the states' performances in each of the three areas and overall, and translates the percentages into school-style letter grades (A through F).

"We see evidence that states are improving," said Philip Mattera, Research Director of Good Jobs First and principal author of the report. "Yet the average state gets a grade of only B-minus in contract disclosure and C-minus in lobbying disclosure. On subsidies, given the large number of states that scored 0, the average grade is an F. No state receives better than a B across all three categories."

Other key findings:

- The states with the highest average score across the three categories are Connecticut (84%, equivalent to a B), Indiana (83% or B), Nebraska (82% or B-minus) and New York (81% or B-minus). The lowest scorers, all with an F, are Wyoming (33%), West Virginia (37%) and Alabama (40%).
- Some states score very high in certain areas but very low in others. For example, Kansas,

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Massachusetts and Washington get the highest score for contract disclosure and Colorado and Washington score 100% on lobbying disclosure, yet all five score 0 on subsidy disclosure.

- Every state offers at least some online lobbying disclosure and all but one offer some contracts disclosure as well (and Minnesota will correct that deficiency next year). Yet there are wide discrepancies in the quality of that disclosure. For lobbying, the disclosure ranges from mere annual lobbyist rosters in states such as Alabama, South Carolina and West Virgina to Wisconsin's state-of-the-art system, which provides links to the text of bills that each lobbyist sought to influence. For contracting, the disclosure ranges from bare-bones contract award summaries in Wyoming to the fully searchable databases with complete texts of contracts on the Web sites of Connecticut, Indiana, Kansas and Washington.

The Good Jobs First report concludes by offering state officials and legislators a set of policy options to improve online transparency:

- Make it possible to browse through complete databases on subsidies, contracts, etc. as well as to search for data on a specific party.
- Provide a variety of data formats, so that users can either download full databases and analyze the information offline or import the data to other Web sites (through Application Programming Interfaces).

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- Enhance subsidy and contract disclosure to include data on outcomes. For example, subsidy disclosure should reveal how many jobs (with what wage rates, benefits, etc.) were created by subsidized companies, and contract disclosure show indicate how well the vendor company carried out its responsibilities.
- Also enhance subsidy and contract disclosure to include data on the past performance of companies. This could include their track record on environmental, workplace, and consumer-protection compliance as well as the existence of any tax liens.
- Combine disclosure about subsidies, contract awards and lobbying with data on state campaign contributions by the companies involved or their top executives.