



Following the Money 2016

How the 50 States Rate in Providing
Online Access to Government Spending Data

Arizona PIRG
Education Fund

FRONTIER GROUP

Following the Money 2016

How the 50 States Rate in Providing
Online Access to Government Spending Data

Michelle Surka, U.S. PIRG Education Fund

Elizabeth Ridlington, Frontier Group

April 2016

Acknowledgments

The authors thank the public officials from the 43 states who responded to our survey questions and/or evaluation of their transparency websites. We appreciate the thoughtful comments on this document provided by Ben Davis, Research and Policy Analyst at In the Public Interest and Phineas Baxandall, Senior Analyst at Massachusetts Budget and Policy Center. Thanks also to Philip Mattera, Thomas Cafcas and their colleagues at Good Jobs First for providing us with data on states' development subsidies. Our appreciation goes to Jeff Inglis and Kifaya Taha for research assistance. For editorial assistance, thanks go to Tony Dutzik and Kim Norman at Frontier Group.

The authors bear any responsibility for factual errors. The recommendations are those of Arizona PIRG Education Fund. The views expressed in this report are those of the authors and do not necessarily reflect the views of our funders or those who provided review.

©2016 Arizona PIRG Education Fund. Some Rights Reserved. This work is licensed under a Creative Commons Attribution 4.0 License. To view the terms of this license, visit www.creativecommons.org/licenses/by/4.0.

With public debate around important issues often dominated by special interests pursuing their own narrow agendas, Arizona PIRG Education Fund offers an independent voice that works on behalf of the public interest. Arizona PIRG Education Fund works to protect consumers and promote good government. We investigate problems, craft solutions, educate the public, and offer citizens meaningful opportunities for civic participation. For more information, please visit our website at www.arizonapirgfund.org.

Frontier Group provides information and ideas to help citizens build a cleaner, healthier, fairer and more democratic America. We address issues that will define our nation's course in the 21st century – from fracking to solar energy, global warming to transportation, clean water to clean elections. Our experts and writers deliver timely research and analysis that is accessible to the public, applying insights gleaned from a variety of disciplines to arrive at new ideas for solving pressing problems. For more information about Frontier Group, please visit www.frontiergroup.org.

Cover Image: Tsybun/Bigstock

Layout: Alec Meltzer Design

Table of Contents

Executive Summary	1
Introduction	6
Transparency Websites Empower Citizens to Track Government Spending	7
Transparency Websites Make Government More Effective and Accountable	7
Transparency Websites Give Users Detailed Information on Government Expenditures	12
Notable Features That Help Open the Books	18
New or Overhauled Websites	18
Cutting-Edge Practices	20
Making the Grade: Scoring States' Online Spending Transparency	22
Leading "A" States	24
Advancing "B" States	25
Middling "C" States	25
Lagging "D" States	26
Failing "F" States	27
Continuing the Momentum toward Greater Transparency: How States Can Improve their Transparency Websites	28
Appendix A: Methodology	30
Appendix B: Transparency Scorecard	48
Appendix C: List of Questions Posed to Transparency Website Officials	50
Appendix D: Agencies or Departments Responsible for Administering Transparency Websites by State	51
Notes	53

Executive Summary

State governments spend hundreds of billions of dollars each year through contracts for goods and services, subsidies to encourage economic development, and other expenditures. Public accountability helps ensure that state funds are spent as wisely as possible.

State-operated spending transparency websites provide checkbook-level detail on government spending, allowing citizens and watchdog groups to view payments made to individual companies, the goods or services purchased, and the benefits obtained in exchange for public subsidies.

All 50 states operate websites to make information on state expenditures accessible to the public, and in the past year these web portals continued to improve. For instance, all but five states provide checkbook-level data for one or more economic development subsidy programs and more than half of states make that subsidy data available for researchers to download and analyze.

This seventh annual evaluation of state transparency websites finds that states continue to make progress toward comprehensive, one-stop, one-click transparency and accountability for state government spending. In 2015, several states launched new and improved websites to better open the books on public spending, or have adopted new practices to further expand citizens' access to critical spending information.

Several states, however, continue to lag behind. (See Figure ES-1 and Table ES-1.)

Several states have made substantive upgrades to their transparency sites or added new features that give the public unprecedented ability to monitor how their government allocates resources.

Of particular note:

- **Michigan** streamlined its transparency data and added functionality to its transparency website, including allowing bulk download of all its data.
- **West Virginia** launched a new site with data on projected and actual public benefits of the state's major subsidy programs.
- **Utah** and **Arizona** have joined several other states in adding data from localities, municipalities and school districts to their state transparency portals. This provides an inexpensive way to improve the transparency of the spending that often affects ordinary citizens most directly.
- **Indiana, Minnesota, Nebraska, New Hampshire and Washington** now prominently feature data on quasi-public entities with web pages dedicated solely to these agencies, boards, authorities and commissions.

Figure ES-1. How the 50 States Rate in Providing Online Access to Government Spending Data

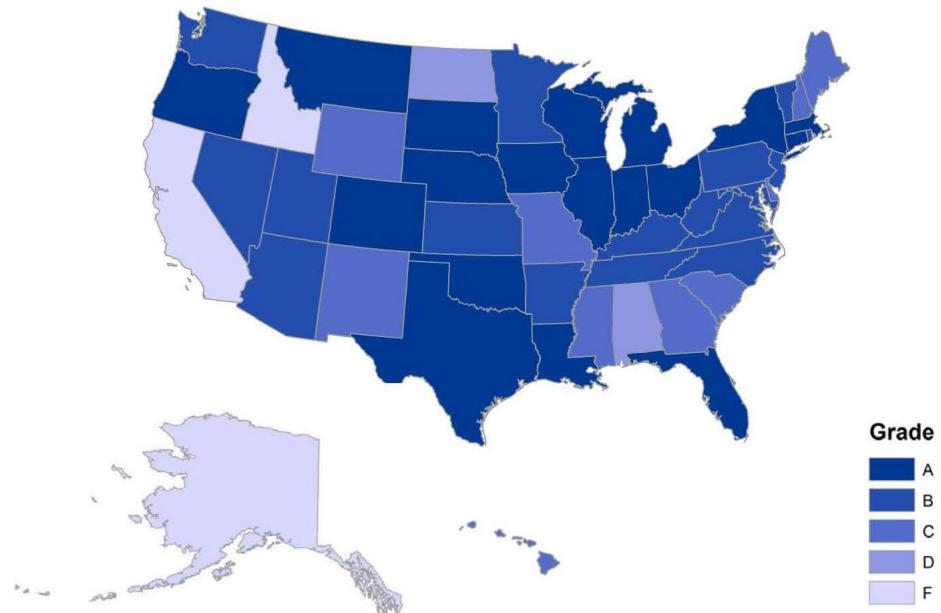


Table ES-1: Top 10 and Bottom 10 States in Providing Online Access to Government Spending Data

Top 10 States	Grade	Score*	Rank	Bottom 10 States	Grade	Score	Rank
Ohio	A+	100	1	California	F	34	50
Michigan	A+	100	2	Alaska	F	43	49
Indiana	A+	100	3	Idaho	F	45	48
Oregon	A+	100	4	Alabama	D+	60	47
Connecticut	A+	99	5	North Dakota	D+	64	46
Wisconsin	A	97	6	Delaware	C	71	44†
Louisiana	A	96	7	Hawaii	C	71	44†
Florida	A	96	8	Wyoming	C	73	43
Massachusetts	A	95.5	9	Georgia	C	74	42
Iowa	A-	94.5	10	Maine	C+	76	41

* Though the top four states all scored 100 points, their scores were different when calculated without extra credit points, allowing each to be assigned a different rank. Louisiana is ranked higher than Florida, based on this same method.

† Delaware and Hawaii are tied because they had identical scores both with and without extra credit points.

Transparency Websites Should Be Comprehensive, One-Stop and One-Click

Transparency Standards

Comprehensive: A user-friendly web portal provides residents the ability to search detailed information about government contracts, spending, subsidies and tax expenditures for all government entities.

One-Stop: Residents can search all government expenditures on a single website.

One-Click Searchable and Downloadable: Residents can search data with a single query or browse common-sense categories. Residents can sort data on government spending by recipient, amount, legislative district, granting agency, purpose or keyword. Residents can also download data to conduct detailed off-line analyses.

States have made varying levels of progress toward improved online spending transparency.

- *Leading States (“A” range):* The number of Leading States has risen to 18, an all-time high. These states offer easy-to-use websites with data on an array of expenditures. Visitors can find information on specific vendor payments, and experts and watchdog groups can download and analyze the entire checkbook dataset.
- *Advancing States (“B” range):* Seventeen states are advancing in online spending transparency, with spending information that is easy to access but more limited than spending information provided by Leading States. Most Advancing States have checkbooks that are searchable by recipient, keyword and agency.
- *Middling States (“C” range):* Ten states are middling in online spending transparency, with comprehensive and easy-to-access checkbook-level spending information but limited information on subsidies or other “off-budget” expenditures.
- *Lagging States (“D” range):* The two Lagging States fail to provide tax expenditure reports and provide almost no checkbook-level detail on the recipients of economic development subsidies.
- *Failing States (“F” range):* Three states fail to meet several of the basic standards of online spending transpar-

Confirmation of Findings with State Officials

To ensure that the information presented here is accurate and up to date, our researchers sent initial assessments and a list of questions to transparency website officials in all 50 states and received feedback from 43 states. State transparency officials were given the opportunity to verify information, clarify their online features, and discuss the benefits of transparency best practices in their states. For a list of the questions posed to state officials, please see Appendix C.

ency. For example, two of the three (Alaska and California) do not host an online database for searching or viewing expenditure details, and only one makes tax expenditure reports available via a central transparency portal. None of the Failing States provide any information on economic development subsidies.

All states, including Leading States, have opportunities to improve their transparency.

- Only 11 states provide checkbook-level information that includes the recipients of each of the state's most important subsidy programs. While many other states provide checkbook-level information for *some* of their major subsidy programs, disclosure for all programs would provide greater transparency and accountability.
- The checkbooks in four states (Alaska, California, Idaho and Maryland) have limited online searchability.
- Six states (Alabama, California, Idaho, Missouri, North Dakota and Wyoming) do not provide tax expenditure reports that detail the impact on the

state budget of targeted tax credits, exemptions or deductions.

- No state provides a comprehensive list of government entities outside the standard state budget. Ideally, all governmental and quasi-governmental entities – even those that are entirely financially self-supporting – would integrate their expenditures into the online checkbook, and a central registry of all such entities would be available for public reference. Some states provide comprehensive information on quasi-public agencies, but other entities like special districts are still excluded.
- Even top-scoring states should continue to expand the universe of data accounted for by their transparency portals. Important advancements would include supporting municipal- and county-level transparency, public-private partnerships and special districts, and making those data available centrally.
- Most websites fail to match the user-friendliness and intuitiveness common to Americans' everyday experience of the Internet, including, for example, the ability to easily compare data sets or graphs.

Table ES-2: How the 50 States Rate in Providing Online Access to Government Spending Data

State	Grade	Score	State	Grade	Score
Alabama	D+	60	Montana	A-	92
Alaska	F	43	Nebraska	A-	90
Arizona	B	86	Nevada	B	83
Arkansas	B-	82	New Hampshire	C+	78
California	F	34	New Jersey	B	83
Colorado	A-	93.5	New Mexico	C+	77
Connecticut	A+	99	New York	A-	93
Delaware	C	71	North Carolina	B+	89.5
Florida	A	96	North Dakota	D+	64
Georgia	C	74	Ohio	A+	100
Hawaii	C	71	Oklahoma	A-	90.5
Idaho	F	45	Oregon	A+	100
Illinois	A-	93	Pennsylvania	B	83
Indiana	A+	100	Rhode Island	B-	81.5
Iowa	A-	94.5	South Carolina	C+	78
Kansas	B	84	South Dakota	A-	90
Kentucky	B+	88	Tennessee	B	85.5
Louisiana	A	96	Texas	A-	93.5
Maine	C+	76	Utah	B+	88
Maryland	B+	88	Vermont	B+	88
Massachusetts	A	95.5	Virginia	B-	82
Michigan	A+	100	Washington	B+	87
Minnesota	B	86	West Virginia	B	83
Mississippi	C+	79	Wisconsin	A	97
Missouri	C+	77	Wyoming	C	73

Introduction

Citizens increasingly interact with their government online. Using online tools, we update our voter registration information, schedule appointments at the DMV, register our children for school and review their grades, report potholes and file taxes. We may buy health insurance through government-sponsored websites, or review and submit comments on proposed policies online. We have come to expect critical government information to be available to us through online portals.

Increasingly, states are meeting that expectation regarding public expenditures. Every state offers at least a basic website for accessing information about state government spending, and many states now provide citizens with sophisticated and user-friendly online platforms for searching through that data. Collectively, states

present hundreds of billions of dollars of state spending in great detail, and increasingly are expanding that to include state expenditures that occur indirectly or through “off-budget” government entities and other county and municipal entities.

This report is the seventh annual *Following the Money* report assessing states’ ongoing progress in opening the books on expenditures by state governments and quasi-public agencies. It also points to the need and opportunity for continued improvement. By continuing to expand the scope and improve the user-friendliness of transparency websites, states can provide citizens with the ability to monitor how public funds are spent. To ensure an engaged and informed citizenry, accessing public spending data should be no harder than our other online interactions with government.

Transparency Websites Empower Citizens to Track Government Spending

Practically speaking, public information is not truly accessible unless it is online.

Practically speaking, public information is not truly accessible unless it is online. Government spending transparency websites give citizens and government officials the ability to monitor many aspects of state spending in order to save money, prevent corruption, reduce potential abuse of taxpayer dollars, and encourage the achievement of a wide variety of public policy goals.

Transparency Websites Make Government More Effective and Accountable

States with good transparency web portals have experienced a wide variety of benefits, including saving money and obtaining assistance in the achievement of other public policy goals.

Transparency Websites Save Money

States with transparency websites often realize significant financial returns on their investment. The savings include more efficient government administration, more competitive bidding for public projects, and less staff time spent on information requests. This can add up to millions of dollars in taxpayer savings. Harder to measure is the potential abuse or misspending that is avoided because government officials, contractors and subsidy recipients know that the public may be looking over their shoulders. Transparency websites also help citizen watchdogs and journalists ensure that government contractors and vendors deliver goods or services at a reasonable price, and allow for public scrutiny of economic development subsidies and the benefits they bring. By providing data about public contracts, states may foster a more competitive bidding environment, and potentially achieve savings for taxpayers.

Transparency websites can save money in a variety of ways, including:

- **Negotiating contracts and increasing competition.**
 - Vendors seeking to do business with the state of Ohio have reported using OhioCheckbook.com as a business analytics tool, which has allowed them to determine when they can offer a state agency a product at a better value than the agency was currently receiving. In addition, an elected official from Hamilton County said that he used the site to compare the prices paid for road salt in neighboring villages to ensure that the county was getting a competitive rate.¹
 - Better information and increased competition, partially resulting from the launch of Florida's contract database, has allowed the state to re-bid and renegotiate contracts at lower costs, saving \$40 million since the 2013-2014 fiscal year.²
- **Identifying and eliminating inefficient expenditures.**
 - In Texas, the Comptroller's office uses its transparency website to evaluate state agency spending patterns. By monitoring contracts more closely and sourcing services from new vendors when the potential for cost-cutting was identified, the state claims to have saved more than \$163 million to date.³
 - State agencies in Arkansas routinely use the state's transparency portal to monitor travel spending and ensure that employees are making prudent decisions. For example, the Arkansas Teacher Retirement System has downloaded and analyzed travel spending data to ensure state employees are carpooling together when possible, reducing the agency's travel costs.⁴
- **Reducing costly information requests.**
 - In Massachusetts, the state has seen fewer public information requests thanks to the easily navigated transparency website. However, requests that do come in tend to be more specific and detailed, perhaps in part due to a more informed citizenry.⁵ In the past, Massachusetts has noted that its procurement website has saved the state \$3 million by eliminating paper, postage and printing costs associated with information requests by state agencies and paperwork from vendors.⁶
 - Kansas reports that Kansas Open Records Act (KORA) requests have remained at a lower level than in the past and the state continues to believe its transparency efforts are one of the reasons for this decrease. Internal requests for information from the legislative branch have also decreased in recent years.⁷
 - In Montana, the Department of Administration continues to see a large decline in the number of public requests for state employee pay information and contractor payments. This has resulted in at least 40 hours of staff time savings.⁸
 - Washington's website has saved the state money by allowing it to quit printing costly budget publications, since the data are now available on the site.⁹
 - South Carolina reports that it continues to see a reduced number of open-records requests directed at state agencies, freeing up time to provide program services and reducing copying costs for both the public and state government.¹⁰

Online Transparency Provides Support for Achieving Policy Goals

Transparency websites provide states with tools to assess their progress toward community investment, affirmative action, economic development and other public policy goals. Governments often stumble when trying to meet policy goals because managers struggle to benchmark agency activities, spread best practices, or identify contractors or subsidy recipients who best advance agency goals. Online transparency portals allow states to better measure and manage the progress of programs.

Both Kentucky and North Carolina have improved their procurement processes and streamlined government as a result of their government transparency efforts. In Kentucky, not only can vendors make use of publicly available information to identify and inform their bids, but employees are also better able to search for existing contracts.¹¹ In North Carolina, it was the act of developing a state transparency portal that spurred wholesale reform of the state's procurement process. During data collection, the state realized that it was using several different systems and processes to source contracts and began a reform initiative to consolidate and standardize procurement activities. Expected benefits for the state include greater efficiency, saving both time and money, and more effective leveraging of the state's buying power.¹²

Online Transparency Costs Little

The benefits of transparency websites have come with a low price tag, both for initial creation of the websites and ongoing maintenance. Several states – including West Virginia, Hawaii, Texas and Oregon – created and update their websites

with funds from their existing budgets.¹³ For websites requiring a special appropriation or earmark, the cost has usually been less than \$300,000 to create the website and even less to keep it updated. (See Table 1.) Both Michigan and Utah made significant updates to their sites for less than \$50,000.¹⁴ Jurisdictions that are concerned about the costs of contracting out for expensive proprietary software for data management and interface platforms can consider adapting New York City's top-notch code for their transparency portal, which is available in an open source, non-proprietary format.¹⁵

Transparency Websites Are Important and Useful to Residents

Residents, watchdog groups and government officials use the tools and access the information available on transparency websites. West Virginia notes that several research groups and think tanks have used the website to inform white papers on the state's spending.¹⁷ In 2015, the budget and other government data on Iowa's transparency site were viewed and/or downloaded 77,726 times, with 831 GB of data being transferred to the site's users.¹⁸

Several years of survey data show that the public cares about access to specific information about government spending. In a 2014 George Washington University poll, an overwhelming majority – 93 percent – of Americans believed that state and local government officials should initiate standards for accountability and financial transparency in government spending. A full 86 percent of respondents endorsed this view “strongly.” Support was similarly large across all major political and demographic groups.¹⁹

Table 1: Cost to Create and Maintain a Transparency Website¹⁶

State	Start-Up Costs	Annual Operating Costs
Alabama	\$125,000	Less than \$12,000
Alaska	\$5,000	"Nominal"
Arizona	\$72,000, plus existing staff time	Approximately \$125,000, of which approximately \$95,000 pertains to database and website costs
Arkansas	\$558,000	\$175,000
California	-	-
Colorado	\$200,000 from existing budget, plus existing staff time	\$169,400 from existing budget
Connecticut	Existing budget	\$18,000
Delaware	Existing budget	Existing budget
Florida	Existing budget	\$421,978, including staff time and benefits, consulting and IT maintenance
Georgia	Existing budget	Existing budget
Hawaii	Existing budget	Existing budget
Idaho	Approximately \$28,000 from existing budget	Existing budget
Illinois	Approximately \$100,000	Approximately \$10,000
Indiana	-	-
Iowa	Less than \$330,000 over three years	\$120,000
Kansas	\$150,000 from existing budget	Existing budget, plus a significant upgrade in 2014 costing \$25,000 for IT programming (the cost of state planning, oversight, decision-making and testing was not tracked)
Kentucky	\$150,000	\$10,000-\$15,000
Louisiana	\$325,000	"Minimal"
Maine	\$30,000	\$25,000
Maryland	\$65,000	\$5,000
Massachusetts	\$540,000	\$431,000
Michigan	\$50,000 to upgrade website	Existing budget
Minnesota	Existing budget	Existing budget
Mississippi	\$2,200,000	\$640,000
Missouri	\$293,140 from existing budget	Less than \$5,000, plus a website upgrade of less than \$25,000 in staff time

Table 1 (cont'd): Cost to Create and Maintain a Transparency Website¹⁶

State	Start-Up Costs	Annual Operating Costs
Montana	Existing budget	Existing budget
Nebraska	\$30,000-\$60,000	\$10,000-\$15,000
Nevada	\$78,000	\$30,000
New Hampshire	Existing budget	Existing budget
New Jersey	\$372,667 for initial purchase of and switchover to Socrata software	\$118,495 for employee costs. The state expects costs to decrease going forward now that the software switch has been implemented
New Mexico	\$230,000	\$36,000
New York	Existing budget	-
North Carolina	\$624,000	\$80,600
North Dakota	\$231,000	\$30,000
Ohio	New website cost \$814,000, funded entirely by existing budget	Existing budget
Oklahoma	\$8,000, plus existing staff time	\$5,000
Oregon	Existing budget	Existing budget
Pennsylvania	\$900,000	Existing budget
Rhode Island	Existing budget	-
South Carolina	\$30,000 in existing staff time	\$400,000 - \$975,000 annual maintenance fee
South Dakota	\$2,840 on updates	Existing budget
Tennessee	Existing budget	\$60,000 for a website upgrade that came from the existing budget
Texas	\$310,000	Existing budget
Utah	\$240,855 (\$192,000 initial + \$48,855 for enhancements)	\$63,400, plus one full-time staff member
Vermont	Existing budget	Existing budget
Virginia	Existing budget	Existing budget
Washington	\$340,000	No more than \$170,000
West Virginia	Existing budget	-
Wisconsin	\$160,000	\$115,000
Wyoming	\$1,800	-

Note: Some costs are approximations. Blank cells indicate that state officials did not provide or did not track the information. Funds for many websites for which states provided specific costs (as opposed to "existing budget") came from the agency's existing budget allocation as opposed to a separate appropriation. To see a list of the agencies or departments responsible for administering the transparency websites in each state, see Appendix D.

Transparency Websites Give Users Detailed Information on Government Expenditures

Current best practices for government spending transparency call for websites that are comprehensive, one-stop and one-click.

Comprehensive

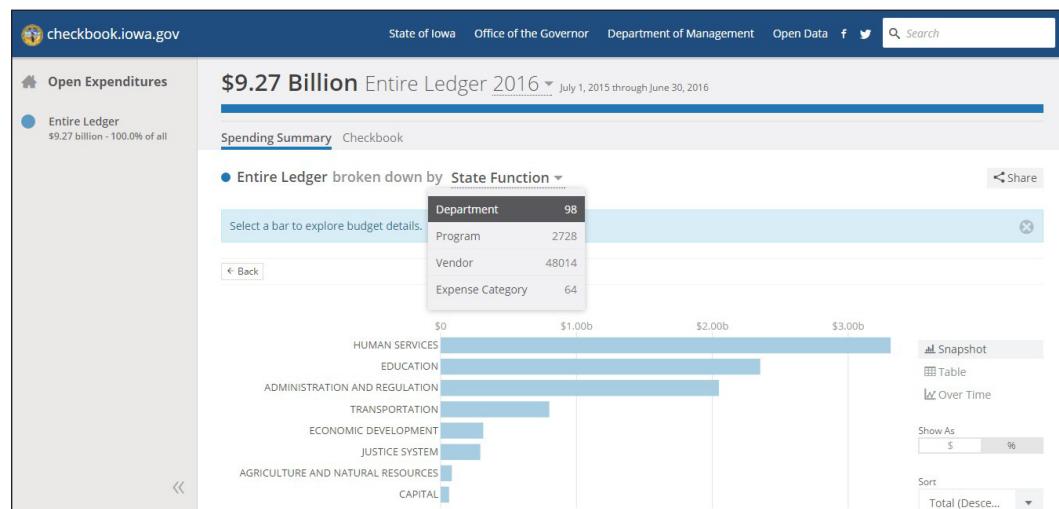
Transparency websites offer broad and detailed spending information, and help citizens answer three key questions: how much does the government spend on particular goods and services, which companies receive public funds for these goods and services, and what results are achieved by specific expenditures? Topflight transparency websites empower citizens to answer those questions for every major category of state spending, including:

- **Payments to private vendors and nonprofits.** Many government agencies spend large portions of their budgets on outside vendors through

contracts, grants and payments made outside the formal bidding process.²⁰ To give an example from a single state, in fiscal year 2014, Wisconsin's state agencies alone spent \$483 million on outside services.²¹ Compared to civil servants, these vendors are generally subject to fewer public accountability rules, such as sunshine laws, civil service reporting requirements and freedom of information laws. In addition, even when vendors are subject to disclosure rules, they often resist releasing data, claiming a need to protect trade secrets.²²

- **Subsidies such as tax credits for economic development.** State and local governments allocate more than \$80 billion each year to private entities in the form of economic development subsidies.²³ These incentives – which can take the form of grants, loans, tax credits and tax exemptions – are awarded with the intent to create jobs and spur growth, yet many governments fail to disclose adequate company-spe-

Figure 1. Iowa's Open Checkbook Database Allows Users to Search Spending by Department, Program, Vendor or Expense Category



cific information on these expenditures and their outcomes. When information is lacking on whether companies deliver on promised benefits, state officials cannot hold them accountable or make fully informed decisions to generate greater “bang for the buck” from economic development policies in the future. States that follow transparency best practices allow citizens and public officials to hold subsidy recipients accountable by listing the public benefits each company was expected to provide in exchange for the subsidy, and what benefits each company actually delivered, such as the precise number of new or retained jobs.²⁴ When governments recapture funds (through so-called “clawbacks”) from companies that fail to deliver on the agreed-upon public benefits, the best websites provide information on the funds recouped.

New official accounting standards will create opportunities for greater transparency about economic development subsidies. In August 2015, the Governmental Accounting Standards Board (GASB), a body that develops standards for state and local accounting and financial reporting, adopted new guidelines for how states should account for the costs of economic development incentives.²⁵ Beginning in 2015, state governments should include in their Comprehensive Annual Financial Reports (CAFRs) forgone tax revenue, commitments made by recipients such as job creation or capital investment, and rules that provide for “clawbacks” if promises go unfulfilled.²⁶ Though the guidelines allow aggregate rather than company-specific reporting and there is no requirement that the new data in CAFRs be easily accessible to the public, this step will nonetheless provide a standard format as the basis

for user-friendly, checkbook-level reporting. These standards are particularly influential because governments must adhere to the principles set forth by GASB in order to receive ratings from major credit agencies and participate in the bond market.

- **Other tax expenditures.** “Tax expenditures” are subsidies bestowed through the tax code in the form of special tax exemptions, credits, deferments and preferences. Tax expenditures have the same bottom-line impact on state budgets as direct spending: every dollar must be balanced by increased taxes or program cuts elsewhere. But unlike direct budget appropriations, once created, tax expenditures typically are not subject to the same oversight as appropriations because they do not appear as state budget line items subject to legislative debate and they rarely require legislative approval to renew. For these reasons, spending through the tax code is in particular need of disclosure. States that follow transparency best practices provide transparency and accountability for tax expenditures, usually by linking their transparency portal to a tax expenditure report, which details a state’s tax credits, deductions and exemptions with the resulting revenue loss from each program.
- **Quasi-public agencies.** Each state contains a number of independent government corporations that are created through enabling legislation to perform a particular service or a set of public functions, such as waste management, pension administration, or operation of toll roads, water treatment plants or community development programs. The defining feature of a quasi-public agency is that though it is typically governed by a board ap-

pointed substantially or entirely by the state, it is largely or wholly “off-budget.” (When created at the local or regional level, these entities are often known as “special districts.”) Quasi-public agencies typically collect fees or some other form of their own revenue, and therefore do not rely solely, or often even at all, on regular appropriations from the legislature. Quasi-public agencies have often been created in order to assure public bond investors that debt payment obligations will not need to compete with general government functions, or to ensure that managers of these entities will have greater insulation from political influences. Over the years, quasi-public agencies have come to deliver a growing share of public functions.²⁷ According to a study by MASSPIRG Education Fund from 2010, revenues from quasi-public agencies in Massachusetts amounted to at least \$8.76 billion – equal to one third of the state’s general budget.²⁸ Since their expenditures typically are not subject to the checks and balances of the regular budget process and accounts fall outside of the “official” state budget, quasi-public agencies can lack public accountability and thus online transparency is particularly important.

State officials themselves are typically not even aware of how many quasi-public agencies exist in a particular state. The best practice would be to maintain a central, public registry of all quasi-public entities in a state to facilitate transparency for their budgets. Transparency websites should include expenditure data for all of these bodies.

- **Leases and concessions to private companies.** States sometimes sell or lease to private companies the right to construct or operate a public asset or

service in return for the right to collect and retain user fees from the public or to receive contracted payments from the government. These arrangements are most common for toll roads, garages, parking meters and water systems. They have also become more common at state parks, public golf courses and in the operation of fee-collecting services such as motor vehicle licensing. Public outlays to these “public-private partnerships” and the user fees collected by them typically are not reported, which is a problem especially because these arrangements ordinarily do not fall under civil service, conflict of interest and open records rules.²⁹ In Florida, for example, public universities have been accused of attempting to get around the state’s transparency laws by establishing private corporations to oversee athletic programs, dorm construction and more.³⁰

For each of these forms of government expenditure, taxpayers deserve to know exactly which businesses and organizations receive public expenditures and details on what is being paid for.

Moreover, it is best practice for states to explain the kinds of expenditure information that are *not* provided on a transparency portal. In some cases, there are legitimate public policy reasons for withholding information, such as to protect the identities of confidential police informants or landlords who house protected witnesses. In other cases, some departments or agencies may simply not yet be integrated into the state’s general accounting system. Whatever the reason, the public should be able to know what specific kinds of information cannot be found on the state transparency portal. Knowledge of what is and is not omitted is a precondition for productive debate over whether omitted types of information should be included.

One-Stop

Transparency websites in leading states offer a single portal from which citizens can search all government expenditures, just as they would use a single search engine to access anything on the web. With one-stop transparency, residents and public officials can access comprehensive information on direct spending, contracts, tax expenditures and other subsidies from a single starting point. Expert users may already know what they are looking for and may already be familiar with what kinds of expenditures would fall under specific bureaucratic silos. But ordinary citizens are more likely to be impeded by the need to navigate a variety of disparate websites in order to find important information on government spending.

One-stop transparency is particularly important for public oversight of subsidies. Subsidies come in a dizzying variety of forms – including direct cash transfers, loans, equity investments, contributions of property or infrastructure, reductions or deferrals of taxes or fees, guarantees

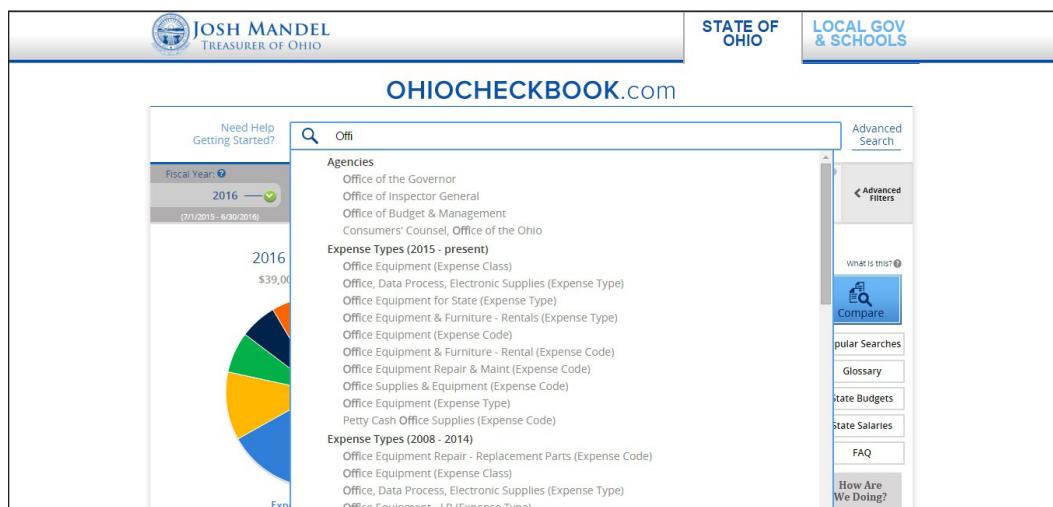
of loans or leases, and preferential use of government facilities – and are administered by a variety of government agencies. Few people already know the range of these programs, their official names or which agency's website they should search to find information about them.

Making all data about government subsidies reachable from a single website empowers citizens to engage in closer scrutiny of spending supported by their tax dollars.

One-Click Searchable and Downloadable

Transparent information is only as useful as it is accessible. Transparency websites in leading states offer a range of search and sort functions that allow residents to navigate complex expenditure data with a single click of the mouse. States that follow the best transparency standards allow residents to browse information by recipient, agency or category, and to make directed keyword and field searches.

Figure 2. The Search Bar on Ohio's Transparency Website Improves Accessibility by Offering Suggestions When a Visitor Begins Typing



Transparency Websites Should Be Comprehensive, One-Stop and One-Click

Transparency Standards

Comprehensive: A user-friendly web portal provides residents the ability to search detailed information about government contracts, spending, subsidies and tax expenditures for all government entities and quasi-public agencies.

One-Stop: Residents can search all government expenditures on a single website.

One-Click Searchable and Downloadable: Residents can search data with a single query or browse common-sense categories. Residents can sort data on government spending by recipient, amount, legislative district, granting agency, purpose or keyword. Residents can also download data to conduct detailed offline analyses.

Citizens who want to dig deeper into government spending patterns typically need to download and analyze the data in a spreadsheet or database program. Downloading whole datasets enables citizens to perform a variety of advanced functions – such as aggregat-

ing expenditures for a particular company, agency or date – to see trends or understand total spending amounts that might otherwise be lost in a sea of data. Leading states enable citizens to download the entire checkbook dataset in one file.

State Employee Compensation and Government Transparency

Many states post the salaries of state workers online on their transparency websites or elsewhere. There is much debate about whether the benefits of this practice outweigh the costs.

On one hand, opening the books on public-sector compensation helps protect against salaries that the public might find unacceptable. Additionally, hard data allow for informed debate about public sector compensation practices. Public workers tend to be better compensated, on average, than those in the private sector, but public employees with an advanced degree typically receive lower salaries than comparably educated non-government employees.³¹ Regardless, there can be considerable public interest in salary information. In Illinois, for example, the Comptroller's office reports that its government salary database – including details on paid appointments to state boards and commissions – is the most popular one on its website.³²

On the other hand, there can be good reasons to limit the scope of personal information in the public domain. People may use the information inappropriately, or it could be abused by marketers or criminals. Moreover, research evidence suggests that posting compensation details can undermine employee morale.³³

Delaware offers an example of one approach to navigating between these competing imperatives. The state publishes salary ranges by job title, thereby preserving some measure of anonymity while maintaining the ability to identify compensation that might be dramatically out of line with experience, qualifications or public norms.³⁴ Another way states might navigate the issue would be to post only the highest compensated employees – such as those making more than three times the average state employee, the highest paid 10 employees and contractors in each department, or the 50 highest paid employees in the state.

Ultimately, there is a need for more information about the relative merits of different approaches to transparency in public sector employee compensation. One study examined the effects of a 2010 California mandate requiring cities to publicly post municipal salaries and found that, compared with cities that already posted such information, newly transparent municipalities cut salaries for their highest paid employees and experienced a 75 percent increase in quit rates among those workers.³⁵ Further study is necessary to know if these findings are representative of experiences at other public agencies.

Notable Features That Help Open the Books

Over the past year, some states have added new features or practices to improve transparency. They have revamped their websites or added datasets giving citizens a new or enhanced ability to view, analyze, monitor and influence how their government allocates resources.

New or Overhauled Websites

Several states have greatly improved their transparency websites in the past year by posting new data, improving the user experience, making existing transparency tools more user-friendly, and clarifying what information is excluded. Figure 3 shows the five most improved states.

Michigan

This year, Michigan is the most improved state, rising from a B+ to a score of 100. A new contract with a software-as-a-ser-

vice provider allowed the state to provide added functionality at a minimal cost. The updated site incorporates many of the features Michigan has been missing in the past, most notably the capacity to download all data sets as .csv or .xml files. By allowing for such bulk downloads, the state makes it easier for researchers, citizen watchdogs and reporters to analyze the spending data and track spending patterns. The updated site also includes details about excluded information and a page dedicated to quasi-public agencies.

West Virginia

In January 2016, West Virginia, the second-most improved state, launched a new Transparency 2.0 site, which includes a dashboard with extensive functionality and a more thorough description of the information that is excluded from the site. The site's new Tax Credit Accountability page provides information about projected and actual public benefits of the state's major subsidies.

Figure 3. Top Five Most Improved Transparency Websites from 2015 to 2016

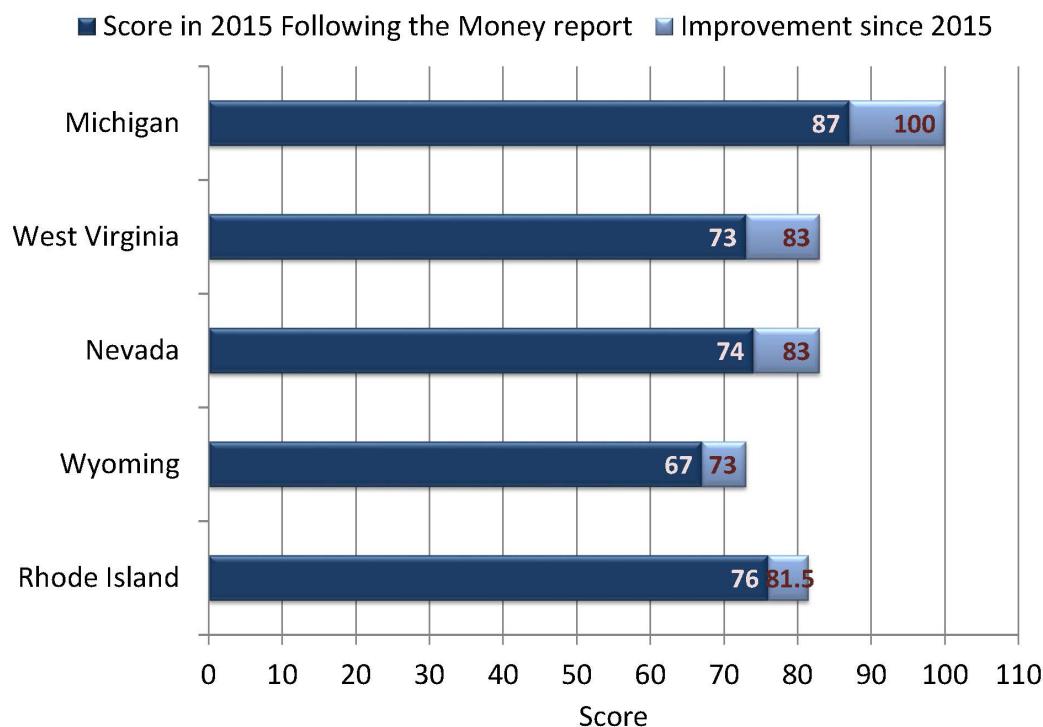


Figure 4. Michigan's Site Now Allows Bulk Download of Spending Data

The screenshot shows the Michigan Payments website under the "Checkbook" tab. At the top, it displays "\$44.4 Billion State Payments 2015". Below this, there's a summary table with columns for Total (\$44,395,713,493.05), Transactions (807,236), and a "Download" button, which is circled in red. The main area shows a table of payment details with columns for Fiscal Year, Vendor, Payment Category, Date, and Amount. The table includes five rows of data, each with a "Download" link next to the vendor name.

Figure 5. West Virginia’s Transparency Website Provides a Thorough Description of Excluded Information

The screenshot shows a web page from TransparencyWV 2.0. At the top, there is a blue header bar with the text "TransparencyWV 2.0" and links for "Home", "About", and "Feedback". Below the header, the main content area has a white background. The title "What is included and what is excluded" is displayed in blue text at the top left of the content area. A detailed paragraph follows, explaining that the site includes all revenues and expenditures from the official State accounting system, wvOASIS (Our Advanced Solution with Integrated Systems), unless exempted by specific sections of either Federal or West Virginia law. It also mentions that amounts disclosed on the West Virginia Transparency Site are included within and disclosed in the West Virginia Comprehensive Annual Financial Report (CAFR) found at [finance.wv.gov](#). Below this, another paragraph states that certain revenues and expenditures of the State of West Virginia, which are not included in the Transparency Site because they are not accounted for in wvOASIS, are included in the CAFR. A numbered list then details these exclusions:

1. Revenues and expenditures of the West Virginia Housing Development Fund created by Chapter 31, Article 18 of the West Virginia Code;
2. Revenues and expenditures of the West Virginia Jobs Investment Trust created by Chapter 12, Article 7 of the West Virginia Code;
3. Revenues and expenditures of the various Public Defender Corporations in West Virginia created by Chapter 29, Article 21 of the West Virginia Code;
4. Revenues and expenditures of the West Virginia Investment Management Board created by Chapter 12, Article 6 of the West Virginia Code;
5. Bank accounts authorized by the West Virginia State Treasurer for the use of State spending units as authorized by Chapter 12, Article 2, Section 2 of the West Virginia Code;
6. Revenues and expenditures of various individual Bond issues which are authorized by various and sundry sections of the West Virginia Code. However, the Statement of Bonded Indebtedness prepared by the West Virginia State Treasurer's Office which provides a five-year trend look-back of Principal balances of outstanding indebtedness is available in the Transparency Site; and,
7. Revenues and expenditures of the Federal Supplemental Nutrition Assistance Program (SNAP), formerly known as the Federal Food Stamp Program.

At the bottom right of the content area, there is a small button labeled "Previous".

Cutting-Edge Practices

Other states have improved transparency through modest revisions to their transparency practices.

Providing Local Transparency

More states now include data from localities, municipalities, school districts and special districts in their state transparency portals. By working with these local entities, states are pulling the curtain back on the spending that hits closest to home for ordinary citizens. Often, the barriers to launching transparency websites for these smaller governmental bodies are too high – website development is expensive, and data collection and standardization is time intensive. By making the framework for a functional transparency website available to cities and towns, these states are shin-

ing a light on local spending.

Utah and Arizona have joined Massachusetts, Ohio and Texas in boosting local transparency. For example, Utah’s transparency website includes 898 million records for 498 smaller government entities. These data are submitted by counties, cities, towns, school districts, charter schools, institutions of higher education, and special and local districts.³⁶

Texas’ local spending transparency effort is particularly noteworthy because it includes special districts. Spending by special districts, which provide a variety of services and are funded by dedicated property taxes, sales taxes or user fees, is not included in other state or local government budgets. Texas also promotes local transparency through its “Transparency Stars” program, which rewards exemplary local spending transparency, including disclosure of special district budgets.³⁷

Adding Quasi-Public Agencies

In recent years, a number of states have begun to address the fact that quasi-public entities have traditionally inhabited a murky corner of the public square. With webpages dedicated solely to these agencies, boards, authorities and commissions prominently featured on their transparency sites, Indiana, Minnesota, Nebraska, New Hampshire and Washington have entered the ranks of states that are making financial information for at least some of their quasi-public agencies more accessible. Furthermore, legislation is pending in Nebraska that would require all quasi-public agencies to publish their data online, codifying a practice that many states have been pursuing more informally.³⁸

Improving User Friendliness

States have started to prioritize user-friendliness and accessibility in their transparency portals. Ohio's site still leads the pack, with intuitive "Google-style" search bars, options to instantly share interesting findings, and easily navigable "compare" features that allow users to contextualize the data they are reviewing.³⁹ Other states like Connecticut, Iowa, West Virginia and Montana have added new features to improve usability and accessibility. In Iowa, the introduction of the new "Data Lens" feature allows users to filter data quickly so they can more easily find what they are looking for.⁴⁰ Several states, including Montana, have ensured that their sites are mobile- and tablet-accessible.⁴¹

Making the Grade: Scoring States' Online Spending Transparency

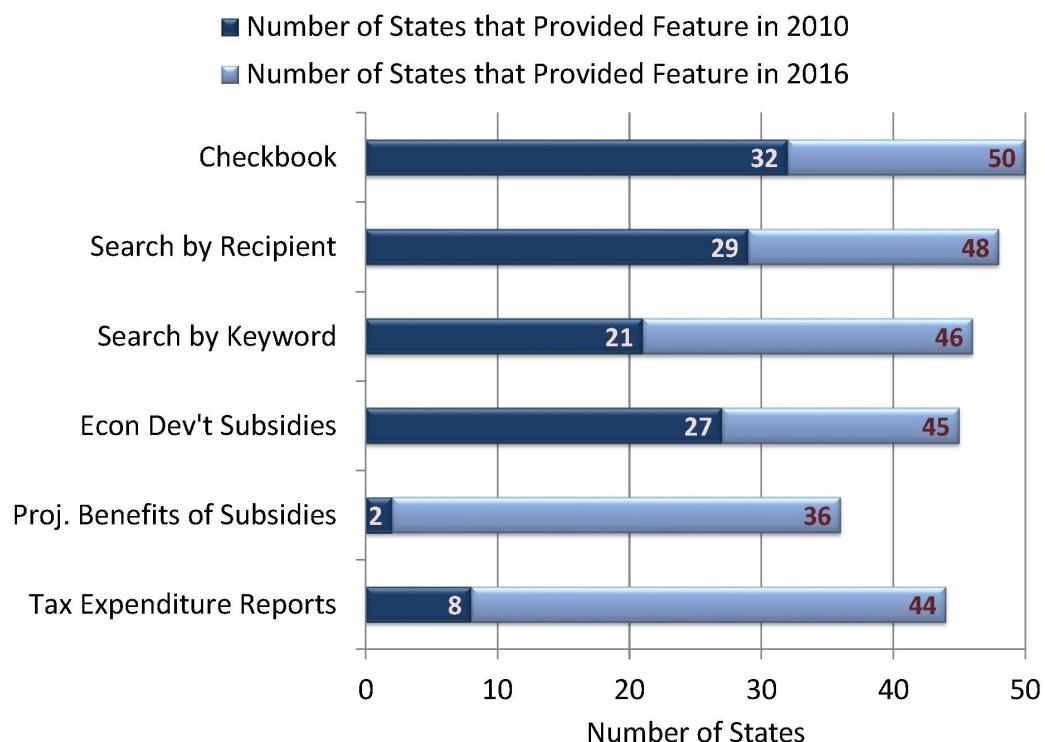
All 50 states operate websites to make information on state spending accessible to the public and these web portals continue to improve. For instance, in 2016, every state but two allows users to search the online checkbook by recipient, and 45 states' transparency websites provide information on one or more economic development subsidies. Many states are also disclosing information that is "off-budget" and are making it easy for outside researchers to download and analyze large datasets about government spending. The greatest weakness in state transparency websites is lack of data on the benefits of economic development subsidies.

Each state's transparency website was evaluated and assigned a grade based on its searchability and the breadth of information provided, using the same criteria as in 2015. (See Appendix B for the complete scorecard, and Appendix A for a full explanation of the methodology and how the scoring system was applied to each state's website.) An initial inventory of each state's website and a set of questions were first sent to the administrative offices be-

lieved to be responsible for operating each state's transparency website. (For a list of questions sent to state officials, see Appendix C.) Follow up e-mail and – if necessary – phone calls were used to maximize the number of responses we received. Officials from 43 states responded with insights and clarifications about their websites. In some cases, our research team adjusted scores based on this clarifying feedback. Alabama, Arkansas, California, Idaho, Illinois, North Carolina and Wisconsin did not provide feedback on our inventory or comment on our survey questions.

A state's grade reflects the entire state government's provision of tools and information to access spending data through the online transparency portal. The grades do not necessarily measure the effort of the office that manages the transparency website. Improving transparency may require other offices or quasi-public agencies to provide information in a usable format, additional funding from the state legislature, or changes to laws and regulations outside the control of the managing office. Best practices in spending transpar-

Figure 6. States Have Rapidly Made Spending Information Available Online



Note: Data on the number of states that offered each feature in 2010 came from U.S. PIRG Education Fund's 2010 Following the Money report. For the methodology used to compare criteria between the 2010 report and this year's, see "Comparing Features in 2016 to Features in 2010" in Appendix A. States are considered to have each feature based on whether it is accessible from the central transparency website.

ency typically require collaboration from several parts of state government. The grades in this report score the success of that collaboration.

Based on the grades assigned to each website, states can be divided into five cat-

egories: Leading States, Advancing States, Middling States, Lagging States and Failing States. The following sections summarize common traits shared by the states in each of these categories to highlight their strengths and weaknesses.

Leading "A" States

State	Grade	Score
Indiana	A+	100
Michigan	A+	100
Ohio	A+	100
Oregon	A+	100
Connecticut	A+	99
Wisconsin	A	97
Florida	A	96
Louisiana	A	96
Massachusetts	A	95.5
Iowa	A-	94.5
Colorado	A-	93.5
Texas	A-	93.5
Illinois	A-	93
New York	A-	93
Montana	A-	92
Oklahoma	A-	90.5
Nebraska	A-	90
South Dakota	A-	90

The number of Leading States has risen from 14 to 18 since last year, a testament to ongoing progress in state spending transparency. These states have created user-friendly websites that provide visitors with accessible information on an array of expenditures. Not only can ordinary citizens find information on specific vendor payments through easy-to-use search features, but experts and watchdog groups can also download the entire checkbook dataset to conduct offline analyses. Every Leading State's checkbook contains the payments from at least several quasi-public agencies, which usually fall outside legislatures' general appropriations. Some states, such as Massachusetts and Louisiana, even highlight a selection of their most prominent quasi-public entities on a dedicated page of their transparency portals.

While the online checkbooks in these states do not include all types of state spending – either because of limitations in the states' accounting systems or privacy rules – all 18 of these states provide at least some information on the nature of data exclusions, allowing users to understand why they might not be able to find particular information.

Leading States also provide visitors with recipient-specific information on subsidy awards. All Leading States provide information on the value of the subsidies received by companies through most (three or more) of the state's most important subsidy programs. Colorado, Connecticut, Indiana, Michigan, Ohio, Oklahoma, Oregon, South Dakota and Wisconsin provide such information for all of the most important programs. Indiana, Michigan, Ohio and Wisconsin also provide information on projected *and* actual economic benefits for every program considered.

Leading States still have opportunities to improve transparency. For example, only Colorado, Connecticut, Michigan, Ohio, Oklahoma and Wisconsin make recipient-specific information for all subsidy programs available to be downloaded for analysis. Many Leading States provide incomplete information on the public benefits delivered by recipients of economic development subsidies – either providing projected benefits for some programs but not others, or providing projected benefits without a corresponding accounting of whether those benefits ever materialized. And, while not a feature scored in this year's report, all states can improve quasi-public agency transparency by providing a central registry of all quasi-public entities and major public-private partnerships in the state – both those that are self-supporting and those that receive some state money – so that citizens and watchdog groups can more easily identify the entities for which transparency data are unavailable.

Advancing “B” States

State	Grade	Score
North Carolina	B+	89.5
Kentucky	B+	88
Maryland	B+	88
Utah	B+	88
Vermont	B+	88
Washington	B+	87
Arizona	B	86
Minnesota	B	86
Tennessee	B	85.5
Kansas	B	84
Nevada	B	83
New Jersey	B	83
Pennsylvania	B	83
West Virginia	B	83
Arkansas	B-	82
Virginia	B-	82
Rhode Island	B-	81.5

This year, 17 states are “Advancing” in online spending transparency, with spending information that is easy to access but more limited than that of Leading States.

Advancing States, with the exception of Maryland, have checkbooks that are searchable by recipient, keyword *and* agency. (Maryland allows for searches using two of the three fields.) With the exception of Pennsylvania, Advancing States also allow users to download all or part of the checkbook data for offline analysis. In addition, all Advancing States follow the best practice of posting tax expenditure reports online, providing summaries of the tax revenue forgone from tax exemptions, credits and other breaks (although Virginia could improve by posting more recent data).

All Advancing States except West Virginia provide information on the value of subsidies received by companies for at

least two of the state’s important subsidy programs. North Carolina even matches the performance of Leading States and provides information for each of the subsidy programs considered. Ten of the Advancing States provide at least some of this information in a form that can be downloaded for offline analysis. Data from Maryland can be downloaded for all five subsidy programs examined.

All but two of the Advancing States, Arkansas and Rhode Island, also provide some information on the public benefits – either anticipated or actual – of the subsidies.

Middling “C” States

State	Grade	Score
Mississippi	C+	79
New Hampshire	C+	78
South Carolina	C+	78
Missouri	C+	77
New Mexico	C+	77
Maine	C+	76
Georgia	C	74
Wyoming	C	73
Delaware	C	71
Hawaii	C	71

Ten states are “Middling” in online spending transparency, with generally comprehensive and easy-to-access checkbook-level spending information but more limited information on subsidies or other off-budget expenditures.

The online checkbooks in Middling States cover a wide range of spending. Their basic checkbooks have the same search functionality as those in Leading and Advancing States. All of the states except Wyoming allow users to download all or part of the checkbook data. All except

Missouri provide checkbook-level information on the payments made by some quasi-public agencies.

The information provided on subsidies in Middling States tends to be more limited than the subsidy information provided by Leading and Advancing States. Six Middling States provide recipient-specific information on only one key subsidy program, while Delaware and Hawaii fail to provide any information at all. Wyoming provides information on four programs. Only six states – Georgia, Mississippi, Missouri, New Hampshire, South Carolina and Wyoming – provide recipient-specific information on the projected economic benefits of some of the subsidy funds under consideration.

Lagging “D” States

State	Grade	Score
North Dakota	D+	64
Alabama	D+	60

Checkbook-level spending in the two Lagging States is less accessible or complete than checkbook-level spending in other states. For example, the Lagging States don't provide a link to tax expenditure reports from their transparency portals. This hinders the ability of citizens or watchdog groups to understand the scope of tax revenue forgone because of the credits, deductions and exemptions in the state tax code. The two states each provide information on just one economic development subsidy from their transparency websites.

Members of Both Parties Support Government Transparency

The political leaning of a state provides little indication of its level of transparency. Neither Republican-leaning states nor Democratic-leaning states tend to be more transparent than the other.

States with a Republican governor averaged a transparency score of 83.0 in our study – near the average score of states with Democratic governors (86.0).⁴⁴ The average transparency score of states with single-party, Democratic legislatures (86.1) was higher than those with single-party, Republican legislatures (72.9), but of the 18 A-level states, 10 have a Republican legislature and only three have a Democratic legislature (four are split and one is unicameral).⁴⁵

Failing “F” States

State	Grade	Score
Idaho	F	45
Alaska	F	43
California	F	34

This year, three states score a failing grade reflecting their failure to follow many of the best practices of online spending transparency. Idaho’s transparency website fails in part because it does not provide any information on the recipients of economic development subsidies. Additionally, Idaho does not link to tax expenditure reports from its portal.⁴²

California receives the lowest score (as it has for several years) and is weighed down

primarily by bureaucratic fragmentation of its information.⁴³ While the state has made some interesting and useful datasets available to the public – including, for example, one on county-level spending – California does not succeed in creating a “one-stop” transparency portal. For example, the state produces tax expenditure reports and publishes data on the Employment Training Panel and the Film and Television Production Incentive, but these are not available via a central transparency website, making this valuable information difficult to find for citizens and others who may not already know where to look. It would be relatively easy for California to substantially improve its score by providing clear links to sources of data from a central website.

States with Larger Revenue Streams Tend to Have Greater Transparency⁴⁶

States with larger revenue streams tend to have higher transparency scores, though there are clear exceptions to this pattern, indicating that revenue volume is not the only determinant of transparency. The average score of the 10 smallest-revenue states was 76.0, while the average score of the 10 largest-revenue states was 86.6.

However, some states with small revenue streams earned high transparency scores, while some states with large revenue streams earned low scores. California has the largest revenue and expenditure of any state, yet received 34 points, the lowest score. In contrast, South Dakota and Vermont have the lowest annual revenues in the country, yet they earned high scores at 90 and 88, respectively.

While states with smaller budgets may have more difficulty investing in top-flight information technology systems, they may have an easier time gathering data because they spend less money on contracts and have fewer staff across fewer agencies. The data show that small states with small budgets can create and maintain comprehensive and user-friendly transparency websites. Likewise, states with large budgets do not automatically become leaders in state spending transparency.

Continuing the Momentum toward Greater Transparency: How States Can Improve their Transparency Websites

Every year, many states take steps toward greater transparency, from incorporating more agencies into their checkbooks to making data easier to analyze. However, there remains room for further improvement, even for states with the highest scores.

Core Checkbook

- Four states (Alabama, California, New Jersey and Wyoming) do not provide any details on the specific types of payments excluded from the checkbook. By providing details about what information is excluded from the checkbook and for what reason, states allow citizens to have a better understanding of what information may exist but is inaccessible.
 - The checkbooks in four states (Alaska, California, Idaho and Maryland) have limited searchability.
 - Most websites fail to match the user-friendliness and intuitiveness common to Americans' everyday experience of the Internet, including, for example, the ability to easily compare data sets or graphs.
- Even top-scoring states like Indiana, Michigan, Ohio and Oregon should continue to expand the universe of data accounted for by their transparency portals. One important next step would be to support transparency efforts at the municipal and county level and make those data available through the state's transparency website. Ohio is a leader in this regard, already incorporating many localities into the central transparency site. Several other states have begun to explore options relating to local government transparency, including Connecticut, Kansas, Montana and Oregon.
 - No state provides a comprehensive list of government entities outside the standard state budget.
 - Ideally, states would incorporate expenditures of all quasi-governmental entities – even those that are entirely

financially self-supporting – into the online checkbook, and a central registry of all such entities would be available for public reference. Some Leading States incorporate what they claim is a complete list of quasi-public agencies. Others include in their transparency site those entities that receive direct allocations from the general state budget.

- Transparency websites should include details of spending by all public-private partnerships and their related public and private expenses, goals and deliverables. Several states have begun to work through the legal and logistical barriers that have prevented this type of data disclosure in the past. South Dakota’s governor has introduced legislation that would improve the financial transparency of public-private partnerships.⁴⁷
- Special districts, a form of local government that provide services like wastewater treatment and fire protection using public funds, are similarly left out of most state-level transparency efforts. As of 2012, there were nearly 40,000 special districts in the U.S., an 8 percent increase over the previous decade.⁴⁸ With the power to spend and tax like municipalities but typically unconstrained by the spending and debt limits that apply to municipal governments, special districts should be included in government transparency efforts but instead are often left in the shadows. For example, Ohio, which has a strong transparency website, includes information about only two special districts in its checkbook.⁴⁹ No state comprehensively includes spending data for these independent government entities.

Economic Development Subsidies

- Only 11 states provide checkbook-level information on the recipients of each of the state’s most important subsidy programs. While many other states provide checkbook-level information for *some* of these programs, disclosure for all programs would provide greater transparency and accountability.
- Twelve states do not provide any recipient-specific details on the benefits – either projected or actual – of economic development subsidies. Without this information, watchdog groups and concerned citizens cannot ensure that taxpayers are getting their money’s worth from the subsidy programs.
- States now have to comply with new Governmental Accounting Board Standards that require state and local governments to report on how much revenue they are losing to tax abatements and economic development subsidies. Because the standards were implemented in the beginning of 2016 and won’t yield significant new data about economic development programs until 2017, they are not considered in this report. However, the new standards should expand the universe of data on subsidy spending at citizens’ fingertips.

Tax Expenditure Reports

- Six states (Alabama, California, Idaho, Missouri, North Dakota and Wyoming) do not provide tax expenditure reports that detail the impact on the state budget of tax credits, exemptions or deductions.

With continued progress toward online transparency, citizens will have greater opportunity to monitor government spending, even spending by “off-budget” entities, and ensure that contracts with private companies are smart choices for the state.

Appendix A: Methodology

Grades for the scorecard were determined by assigning points for information included on (or in some cases, linked to) a state’s transparency website or another government website that provides information on government spending. (See the “Criteria Descriptions and Point Allocation for the Scorecard” table on page 33 for a detailed description of the grading system.)

What We Graded

We graded one website for each state. If states had a designated transparency website, that site was graded. If a state had more than one transparency website, we graded the transparency website that earned the highest score. If states lacked a designated transparency website, we graded the state website that earned the highest score.⁵⁰

The grades in this report reflect the status of state transparency websites as of January 2016, with the exception of cases in which state officials alerted us to oversights in our evaluation or informed us of changes that had been made to the websites prior to early February 2016. In these cases, we confirmed the presence of the information pointed out by the state officials and gave appropriate credit for that information on our scorecard.

How We Inventoried and Assessed the Websites

The researchers reviewed websites and corresponded with state officials as follows:

- During early January 2016, our researchers evaluated every accessible state transparency website based on the criteria laid forth in the “Criteria Descriptions and Point Allocation for the Scorecard” table of the methodology.
- In late January, state agencies administering transparency websites received our evaluation via e-mail and were asked to review it for accuracy by February 4, 2016. That deadline was extended for a few states that requested additional time.
- In February 2016, our researchers reviewed the state officials’ comments, followed up on potential discrepancies, and made adjustments to the scorecard as warranted. As necessary, our researchers continued to correspond with state officials clarifying the criteria and discussing websites’ features.

Calculating the Grades

States could receive a total of 100 points based on our core scoring rubric. States could receive an additional four points in extra credit for data on recouped funds in economic development subsidy programs up to a *maximum total score of 100 points*. Based on the points each state received, grades were assigned as listed in Table A-1.

Table A-1: Grading Scale

Score	Grade
98 to 100 points	A+
95 to 97 points	A
90 to 94 points	A-
87 to 89 points	B+
83 to 86 points	B
80 to 82 points	B-
75 to 79 points	C+
70 to 74 points	C
65 to 69 points	C-
60 to 64 points	D+
55 to 59 points	D
50 to 54 points	D-
1 to 49 points	F

States were given full credit for making particular categories of information available on their websites, regardless of whether we could ascertain if the data evaluated were complete. For example, if a state's contract checkbook contains only a portion of the payments the state made to vendors through contracts, full credit was awarded.

To determine which subsidy programs to assess, our researchers relied on the programs assessed in last year's report, *Following the Money 2015*. That report derived its selection of subsidy programs largely by consulting *Show Us the Subsidized Jobs*, published in January 2014 by Good Jobs First, a non-partisan research group that promotes corporate and government accountability in economic development programs. Good Jobs First maintains a database of hundreds of thousands of economic development subsidies and tax incentives and has determined the five – or in some cases four – most important incentives in each state based on cost and other factors.⁵¹ In some cases, states noted that a subsidy from the Good Jobs First report was no longer active and did not carry credits over to subsequent years. In those cases, we assessed only the remaining active programs. We are not aware of a more comprehensive or accurate list of the most important economic development subsidy programs and tax incentives for each state.

Comparing Features in 2016 to Features in 2010

To examine nationwide changes in state spending transparency from 2010, we compared states' performance on this year's scorecard to states' performance on the scorecard in our 2010 *Following the Money* report according to the criteria listed in Table A-2.⁵² Because some of the terminology or measures have been adjusted over time, this table explains those differences.

Table A-2: Criteria for Evaluating Progress from 2010 to 2016

Feature	Criteria in this year's (2016) Following the Money Report	Criteria in the 2010 Following the Money Report
Checkbook	"Checkbook-Level"	"Checkbook-Level Web Site"
Search by Recipient	"Searchable by Recipient" subcriterion	"Search by Contractor"
Search by Keyword	"Searchable by Keyword or Fund" subcriterion	"Search by Activity"
Economic Development Subsidies	Received at least five points for "Checkbook-Level" subcriterion for Economic Development Subsidies	Received at least five points for "Economic Development Incentives Information" (five points were awarded if vendor-specific grants and subsidies were included)
Projected Benefits of Subsidies	Received at least one point for "Projected Public Benefits" subcriterion for Economic Development Subsidies	Received 10 points for "Economic Development Incentives Information" (10 points were awarded if a detailed description of the incentive was provided, including estimates for the number of jobs created)
Tax Expenditure Report	"Tax Expenditure Reports"	"Tax Subsidy Information Provided in the Database or Linked"

Criteria Descriptions and Point Allocation for the Scorecard

Checkbook-Level Spending			
Criteria	Description	Partial Credit	Points
Checkbook	A list or database of individual expenditures made to individual recipients.	No partial credit.	24
Searchable by Recipient	Ability to search checkbook-level expenditures by recipient (e.g., contractor or vendor) name. Search features must be part of the checkbook tool.	No partial credit.	8
Searchable by Keyword or Fund	Ability to search checkbook-level expenditures by type of service, item purchased, or the paying government fund. Search feature must be part of the checkbook tool.	No partial credit.	8
Searchable by Agency	Ability to search checkbook-level expenditures by the purchasing entity of the government. Search feature must be part of the checkbook tool.	No partial credit.	8
Excluded Information	Statement about the <i>specific</i> types of transactions and/or government entities excluded from the checkbook. (Since disclosing all financial transactions is often not appropriate or lawful, users should be able to know which expenditures or entities are missing from the data.)	2 points are awarded for a statement about more general types of transactions and/or government entities excluded from the checkbook (e.g. "confidential data" or "salaries"). General statements that the checkbook excludes payments outside the state accounting system do not receive credit.	4
Bulk Downloadable	The complete dataset – by year, quarter, or month – can be downloaded for data analysis (via xlsx, csv, xml, etc.).	3 points are awarded if a portion of the dataset is downloadable.	6
Quasi-Public Agencies	Expenditures from all* quasi-public agencies are included in the checkbook, which enables search by purchasing agency or downloads that indicate purchasing agency. (*Based on states claiming that all are included, which we spot-checked for verification.)	If the checkbook includes some quasi-public agencies but excludes others, 4 points are awarded. States that also employ the best practice of maintaining a dedicated page for these agencies on their transparency portals, even if the page does not list all quasi-public agencies, receive 5 points.	6

Economic Development Subsidies

Criteria	Description	Partial Credit	Points
Checkbook-Level*	<p>A list or database of individual payments made through the state's five most important economic development subsidy programs. These programs have been previously listed by Good Jobs First.⁵³ Recipients must be named in order to receive credit (i.e., referring to a company with a numerical code, project number or some other identifier that is not the company name is insufficient).</p>	<p>5 points if the payments made by one of the state's subsidy programs are available.</p> <p>9 points if the payments made by two subsidy programs are available.</p> <p>12 points if the payments made by three subsidy programs are available.</p> <p>14 points if the payments made by four subsidy programs are available.**</p> <p>15 points if the payments made by the five subsidy programs are available.</p>	15
Downloadable*	<p>Checkbook-level subsidy information can be downloaded for data analysis (via xlsx, csv, xml, etc.).</p>	<p>1 point if subsidy information is downloadable for one of the five most important programs.</p> <p>2 points if subsidy information is downloadable for two programs.</p> <p>3 points if subsidy information is downloadable for three programs.</p> <p>3.5 points if subsidy information is downloadable for four programs.**</p> <p>4 points if subsidy information is downloadable for five programs.</p>	4
Projected Public Benefits*	<p>The public benefits, such as the number of jobs, intended to be produced by specific private recipients of economic development subsidies (in the form of tax credits, grants or other types of programs) are included. Recipients must be named in order to receive credit (i.e., referring to a company with a numerical code, project number or some other identifier that is not the company name is insufficient).</p>	<p>1 point if projected public benefits information is available for one of the five most important programs.</p> <p>2 points if projected public benefits information is available for two programs.</p> <p>3 points if projected public benefits information is available for three programs.</p> <p>3.5 points if projected public benefits information is available for four programs.**</p> <p>4 points if projected public benefits information is available for five programs.</p>	4

Economic Development Subsidies (cont'd)

Criteria	Description	Partial Credit	Points
Actual Public Benefits*	The public benefits, such as the number of jobs, actually produced by the specific private recipients of economic development subsidies (in the form of tax credits, grants or other types of programs) are included. Recipients must be named in order to receive credit (i.e., referring to a company with a numerical code, project number or some other identifier that is not the company name is insufficient).	1 point if actual public benefits information is available for one of the five most important programs. 2 points if actual public benefits information is available for two programs. 3 points if actual public benefits information is available for three programs. 3.5 points if actual public benefits information is available for four programs.** 4 points if actual public benefits information is available for five programs.	4
Extra Credit: Recouped Funds*	Subsidies recouped are reported for programs with clawback provisions. ⁵⁴ Recipients must be named in order to receive credit (i.e., referring to a company with a numerical code, project number or some other identifier that is not the company name is insufficient).	1 point if the funds recouped are available for one of the five most important programs. 2 points if the funds recouped are available for two programs. 3 points if the funds recouped are available for three programs. 3.5 points if the funds recouped are available for four programs. 4 points if the funds recouped are available for five programs. These points are added to a state's total score up to the maximum of 100 points.	4

Tax Expenditure Reports

Criteria	Description	Partial Credit	Points
Tax Expenditures from Multiple Years	The state's tax expenditure report is available from the transparency website.	6 points plus one additional point for every 12-month period detailed in the tax expenditure reports, excluding the most recent, for a maximum of 9 points. One point docked if the most recent report available is from 2011 or earlier.	9

* We assessed the subsidies listed in *Show Us the Subsidized Jobs*, published in January 2014 by Good Jobs First, a non-partisan research group that promotes corporate and government accountability in economic development programs. Good Jobs First maintains a database of hundreds of thousands of economic development subsidies and tax incentives and has determined the five – or in some cases four – most important incentives in each state based on cost and other factors.⁵⁵ We are aware of no more comprehensive or accurate list of the most important economic development subsidy programs and tax incentives for each state.

** In instances in which only four subsidy programs are designated (as opposed to five), full credit was awarded for providing the appropriate information on the four programs.

State-by-State Scoring Explanations

Below is a state-by-state list of explanations for point allocations beyond the information provided in the expanded scorecard in Appendix B.

- **Alaska:** Alaska received points for “Excluded information” this year though the information provided on the site has not changed. The point change is a correction to a grading error in last year’s report.
- **California:** The Enterprise Zone Hiring Tax Credit expired in 2014. We included it in this year’s report because, while new vouchers for the credit are no longer issued, companies may carry over unused credits to claim against future tax liability for up to 10 years.⁵⁶ With the state still conceivably forgoing tax revenue because of this credit, citizens deserve to know who may be enjoying the benefit and what the state’s economy has gotten in return.
- **Connecticut:** (1) The three discrete tax expenditure reports provide estimated revenue impacts for five fiscal years, thus making the state eligible for the full nine points for this criterion. (2) Connecticut receives full credit for actual economic benefits for the Film and Digital Media Tax Credit program. Though the state fails to document job creation related to film production activity, its accounting of total spending by the credit’s beneficiaries is deemed eligible for credit on grounds that in incentivizing film production projects, which are necessarily fixed-term endeavors, boosting spending in the state is a legitimate programmatic goal. (In contrast, tax credits or grants that seek to incentivize a long-term business presence in the state are motivated more by supporting long-term job creation or retention.)
- **Maryland:** Only three of the state’s five most important subsidy programs receive credit for making checkbook-level details available on the financial benefit a specific company enjoys. Two programs do not report the financial details of subsidy awards because of confidentiality laws. However, all five programs appear in the state’s incentive database and receive credit for having downloadable information on the names of companies receiving the incentives and/or the projected and actual economic benefits.
- **Minnesota:** Though there is only one discrete tax expenditure report available via Minnesota’s transparency portal, the report documents the state’s tax expenditure budget for four fiscal years (2012 through 2015), thus making it eligible for full credit.
- **Nevada:** Seven points were awarded for Tax Expenditure Reports because the single report available presents data for two fiscal years (2013 and 2014). Credit was awarded for “keyword or fund” search due to the added capacity to search actual expenditures by “function.”
- **New Mexico:** (1) Data in the Job Training Incentive Program annual report, which documents projected public benefits of the program on a company-specific basis, are from 2011 and thus the program is ineligible for the projected public benefits credit. Checkbook-level details on award amounts are up to date and included in the state’s data portal. (2) The state did not receive credit for its page dedicated to quasi-public agencies because though there is a link to such a page, it does not have any content.

- **Ohio:** (1) One of Ohio's five most important subsidy programs is the Job Retention Tax Credit. Though no clawback data were reported for the program last year, this was a function of all program participants complying with requirements. As such, the program still received credit for making clawback details available. (2) Ohio receives full credit for projected and actual economic benefits for the Motion Picture Tax Credit program. Though the state fails to document job creation related to film production activity, its accounting of total spending by the credit's beneficiaries is deemed eligible for credit on grounds that in incentivizing film production projects, which are necessarily fixed-term endeavors, boosting spending in the state is a legitimate programmatic goal. (3) Ohio receives credit for projected and actual economic benefits for the Ohio Incumbent Workforce Training Voucher program. The goal of the program is to support the competitiveness of business through training for existing employees. Therefore, the economic benefit of the program can reasonably be measured in the form of money spent by businesses training their existing employees. By documenting the amount of money businesses initially requested from the state to support training costs and the actual costs ultimately reimbursed, Ohio satisfies the projected and actual economic benefits criteria. (4) Ohio receives full credit for quasi-public agency inclusion. While it is possible that there are self-supporting quasi-public entities in Ohio that are not included in the state's online checkbook, we were unable to identify any.
- **Oklahoma:** Full credit was awarded for quasi-public agency inclusion. While it is possible that there are quasi-public entities in Oklahoma that are not included in the state's online checkbook, none could be identified.
- **Oregon:** Oregon received credit for recouped funds for the Renewable Resource Equipment Manufacturing Facilities program because the state discloses whether a clawback occurred, but not how much money was paid back.
- **South Dakota:** While there was not a link to a separate tax expenditure report, full credit was awarded because, unlike most states, which aggregate tax expenditure information into a single state report (PDF), South Dakota aggregates tax expenditure information into a tool (called "Tax Expenditures") on the transparency website.
- **Tennessee:** Tennessee received credit for clawbacks this year, because the state does mandate transparent reporting on clawbacks but has not, to date, had any reason to collect such recouped funds.
- **Utah:** The state's Enterprise Zone program was discontinued in 2013, but it allows recipients to carry over tax credits for three years, and thus is still considered for this year's report.⁵⁷
- **Washington:** Washington has introduced a highly interactive new dashboard for Economic Development Tax Incentives; however the data provided are not recipient-specific and instead are based on categories of savings and therefore do not qualify for credit.⁵⁸

Below is a list of the subsidy programs assessed in each state and the criteria that were fulfilled. For descriptions of the criteria, see the previous section titled “Criteria Descriptions and Point Allocation for the Scorecard.”

- **Alabama**
 - Alabama Industrial Development Training: checkbook-level.
 - Enterprise Zone Credit: no credit.
 - Film Production Rebates: no credit.
 - Income Tax Capital Credit: no credit.
 - Industrial Development Grant: no credit.
- **Alaska**
 - Commercial Fishing Revolving Loan Program: no credit.
 - Development Finance Program: no credit.
 - Film Industry Tax Credit: no credit.
 - Oil and Gas Production Tax Credits: no credit.
- **Arizona**
 - Arizona Competes Fund: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Arizona Jobs Training Program: checkbook-level and downloadable.
 - Military Reuse Zone: no credit.
 - Quality Jobs Tax Credit Program: no credit.
 - Research and Development Tax Credit: no credit.
- **Arkansas**
 - Advantage Arkansas Income Tax Credits: no credit.
 - ArkPlus Income Tax Credit: no credit.
 - Business and Industry Training Program: checkbook-level and downloadable.
 - Create Rebate Program: checkbook-level and downloadable.
 - InvestArk Sales and Use Tax Credits: no credit.
- **California**
 - Research and Development Tax Credit: no credit.
 - Employment Training Panel: no credit.
 - Enterprise Zone Hiring Tax Credit: no credit.
 - Film and Television Production Tax Credit: no credit.
- **Colorado**
 - Colorado FIRST Training Program: checkbook-level, downloadable.
 - Enterprise Zone Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Job Growth and Incentive Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Strategic Fund: checkbook-level, downloadable, projected public benefits.

- **Connecticut**

- Enterprise Zone and Urban Jobs Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
- Film and Digital Media Tax Credits: checkbook-level, downloadable, actual public benefits.
- Jobs Creation Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Manufacturing Assistance Act: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Small Business Express: checkbook-level, downloadable, projected public benefits and actual public benefits.

- **Delaware**

- Bank Franchise Tax Credits: no credit.
- Blue Collar Training Grant Program: no credit.
- Delaware Strategic Fund: no credit.
- New Jobs Creation: no credit.
- New Jobs Infrastructure Fund: no credit.

- **Florida**

- Economic Development Transportation Fund: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Enterprise Zone Program: no credit.
- Film & Entertainment Incentive: checkbook-level, projected public benefits and actual public benefits.
- Qualified Target Industry Tax Refund: checkbook-level, projected public benefits and actual public benefits.
- Quick Action Closing Fund: checkbook-level, projected public benefits and actual public benefits.

- **Georgia**

- Economic Development, Growth and Expansion Fund: checkbook-level, projected public benefits.
- Film, Television and Digital Entertainment Tax Credit: no credit.
- Job Tax Credit: no credit.
- Quality Jobs Tax Credit: no credit.
- Regional Economic Business Assistance: no credit.

- **Hawaii**

- Capital Goods Excise Tax Credit: no credit.
- Employment and Training Fund Statewide Training Grants: no credit.
- Enterprise Zones: no credit.
- Film & Digital Media Income Tax Credit (Act 88): no credit.

- **Idaho**
 - 3% Investment Income Tax Credit: no credit.
 - Business Advantage Program: no credit.
 - Hire One Tax Credit: no credit.
 - New Jobs Tax Credit: no credit.
 - Research & Development Activity Income Tax Credit: no credit.
- **Illinois**
 - Economic Development for a Growing Economy: checkbook-level, projected public benefits and actual public benefits, recouped funds.
 - Enterprise Zone Program: checkbook-level, projected public benefits and actual public benefits.
 - Film Production Services Tax Credit: no credit.
 - IDOT Economic Development Program: checkbook-level, projected public benefits and actual public benefits.
 - Large Business Development Assistance Program: checkbook-level, projected public benefits and actual public benefits.
- **Indiana**
 - Economic Development for a Growing Economy (EDGE) Tax Credits: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Enterprise Zone Program: checkbook-level, projected public benefits and actual public benefits, recouped funds.
 - Hoosier Business Investment Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Skills Enhancement Fund: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Twenty-First Century Research and Technology Fund: checkbook-level, projected public benefits and actual public benefits, recouped funds.
- **Iowa**
 - Enterprise Zone: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - High Quality Jobs Program: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Industrial New Jobs Training (260E): no credit.
 - Iowa New Jobs Tax Credit (260E): checkbook-level, downloadable.
 - Research Activities Credit: checkbook-level, downloadable.
- **Kansas**
 - High Performance Incentive Program: no credit.
 - Investments in Major Projects and Comprehensive Training Program: checkbook-level, downloadable and actual public benefits.
 - Promoting Employment Across Kansas Program: checkbook-level, downloadable and projected public benefits.
 - Research Credit: no credit.
 - STAR Bonds: no credit.

- **Kentucky**

- Bluegrass State Skills Corporation Grant-in-Aid Program: checkbook-level and projected public benefits, recouped funds.
- Coal Used in the Manufacture of Electricity: no credit.
- Kentucky Business Investment Program: checkbook-level, projected public benefits and actual public benefits.
- Kentucky Enterprise Initiative Act: checkbook-level and projected public benefits.
- Machinery for New and Expanded Industry and Certain Industrial Machinery: no credit.

- **Louisiana**

- Enterprise Zones: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Industrial Tax Exemption Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Motion Picture Investor Tax Credit: checkbook-level, downloadable and projected public benefits.
- Purchases of Manufacturing Machinery and Equipment Exemption: no credit.
- Quality Jobs Program: checkbook-level, downloadable, projected public benefits and actual public benefits.

- **Maine**

- Business Equipment Tax Exemption: no credit.
- Business Equipment Tax Reimbursement: checkbook-level.
- Employment Tax Increment Financing: no credit.
- Pine Tree Development Zones: no credit.
- Research Expense Tax Credits and Super R&D Tax Credit: no credit.

- **Maryland**

- Film Tax Credits: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Job Creation Tax Credit: downloadable, projected public benefits and actual public benefits, recouped funds.
- Maryland Economic Development Assistance Authority Fund, Capabilities 1, 2, & 5: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
- One Maryland Tax Credit: downloadable, projected public benefits and actual public benefits.
- Research & Development Tax Credit: checkbook-level and downloadable.

- **Massachusetts**

- Economic Development Incentive Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Film Tax Credit: checkbook-level and downloadable.
- Investment Tax Credit: no credit.
- Life Sciences Investment Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Research Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits.

- **Michigan**
 - Brownfield Redevelopment Tax Increment Financing & Michigan Business Tax: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Film Tax Credits: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Michigan Economic Growth Authority Tax Credits: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Renaissance Zone Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
- **Minnesota**
 - Business Development Public Infrastructure Grant Program: no credit.
 - Job Opportunity Building Zones: checkbook-level, projected public benefits and actual public benefits, recouped funds.
 - Job Skills Partnership Program: checkbook-level.
 - Minnesota Investment Fund: checkbook-level, downloadable and projected public benefits.
 - Research & Development Tax Credits: no credit.
- **Mississippi**
 - Advantage Jobs Incentive Program: projected public benefits.
 - Job Tax Credit: no credit.
 - Major Economic Impact Act: checkbook-level, projected public benefits and actual public benefits.
 - Manufacturing Investment Tax Credit: no credit.
 - Rural Economic Development Credits: no credit.
- **Missouri**
 - Business Use Incentives for Large-Scale Development: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - New Jobs Training: checkbook-level and downloadable.
 - Quality Jobs Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - State Supplemental Tax Increment Financing: no credit
- **Montana**
 - Big Sky Economic Development Trust Fund: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Primary Sector Workforce Training Grant: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Qualified Research Credit: no credit.
 - Wood Products Revolving Loan Fund: checkbook-level, downloadable, projected public benefits and actual public benefits.

- **Nebraska**
 - Employment and Investment Growth Act: checkbook-level, projected public benefits, recouped funds.
 - Nebraska Advantage Act: checkbook-level, projected public benefits, recouped funds.
 - Nebraska Advantage Job Training Program: checkbook-level, downloadable.
 - Nebraska Research & Development Act: no credit.
- **Nevada**
 - Modified Business and Tax Abatement: no credit.
 - Personal Property Tax Abatement: checkbook-level, projected public benefits and actual public benefits.
 - Sales and Use Tax Abatement: checkbook-level, projected public benefits and actual public benefits.
 - Train Employees Now: no credit.
- **New Hampshire**
 - Community Development Investment Program: no credit.
 - Economic Revitalization Zone Tax Credits: no credit.
 - Job Training Fund: checkbook-level and projected public benefits.
 - Research & Development Credit: no credit.
- **New Jersey**
 - Business Employment Incentive Program: checkbook-level, projected public benefits and actual public benefits.
 - Economic Redevelopment and Growth Grant Program: checkbook-level, projected public benefits.
 - Film Production Tax Credit: no credit.
 - Grow New Jersey Assistance Program: checkbook-level, projected public benefits.
 - Urban Enterprise Zone Program: no credit.
- **New Mexico**
 - Film Tax Credit: no credit.
 - High Wage Jobs Tax Credit: no credit.
 - Job Training Incentive Program: checkbook-level, downloadable.
 - Manufacturer's Investment Tax Credit: no credit.
 - Technology Jobs Tax Credit: no credit.
- **New York**
 - Brownfield Cleanup Program: checkbook-level, downloadable.
 - Empire State Film Production Credit: no credit.
 - Excelsior Jobs Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Industrial Development Agencies: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Start-UP NY: checkbook-level.

- **North Carolina**
 - Film Production Tax Credit: checkbook-level.
 - Job Development Investment Grants: checkbook-level, projected public benefits and actual public benefits, recouped funds.
 - One North Carolina Fund: checkbook-level, actual public benefits, recouped funds.
 - Tax Credits for New and Expanding Businesses: checkbook-level.
 - William S. Lee Tax Credits: checkbook-level, actual public benefits.
- **North Dakota**
 - Development Fund: checkbook-level.
 - Income Tax Exemption for New or Expanding Businesses: no credit.
 - New Jobs Training: no credit.
 - Renaissance Zones: no credit.
 - Wage and Salary Credit: no credit.
- **Ohio**
 - Facilities Establishment Fund: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Job Creation Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Job Retention Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Motion Picture Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Ohio Incumbent Workforce Training Voucher: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
- **Oklahoma**
 - Investment/New Jobs Tax Credit: checkbook-level, downloadable.
 - Quality Jobs/21st Century Quality Jobs: checkbook-level, downloadable.
 - Quick Action Closing Fund: checkbook-level, downloadable.
 - Training for Industry: checkbook-level, downloadable.
- **Oregon**
 - Enterprise Zone Program: checkbook-level, projected public benefits and actual public benefits.
 - Oregon Investment Advantage: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Renewable Resource Equipment Manufacturing Facilities: checkbook-level, downloadable, projected public benefits, recouped funds.
 - Strategic Investment Program: checkbook-level, downloadable, projected public benefits and actual public benefits.

- **Pennsylvania**
 - Film Production Tax Credit: checkbook-level, projected public benefits.
 - Job Creation Tax Credit: checkbook-level, projected public benefits.
 - Keystone Innovation Zone Tax Credit: checkbook-level, projected public benefits.
 - Keystone Opportunity Zone Program: checkbook-level, projected public benefits.
 - Pennsylvania First Grant: checkbook-level, projected public benefits.
- **Rhode Island**
 - Corporate Income Tax Rate Reduction for Job Creation: checkbook-level, downloadable.
 - Enterprise Zone Tax Credits: checkbook-level, downloadable.
 - Job Training Tax Credit: checkbook-level, downloadable.
 - Manufacturing and High Performance Manufacturing Investment Tax Credits: no credit.
 - Motion Picture Production Tax Credit: checkbook-level, downloadable.
- **South Carolina**
 - Economic Impact Zone Investment Credit: no credit.
 - Governor's Closing Fund: checkbook-level, downloadable, projected public benefits.
 - Job Development Credits: no credit.
 - Job Tax Credit: no credit.
 - ReadySC: no credit.
- **South Dakota**
 - Jobs Grant Program: checkbook-level, projected public benefits.
 - Revolving Economic Development and Initiative Fund: checkbook-level, projected public benefits.
 - South Dakota Agricultural Processing and Export Loan Program: checkbook-level, projected public benefits.
 - SD Works: checkbook-level, projected public benefits.
 - Workforce Development Program: checkbook-level, projected public benefits.
- **Tennessee**
 - FastTrack Programs: checkbook-level, projected public benefits.
 - Headquarters Tax Credit: no credit.
 - Jobs Tax Credit: no credit.
 - Tennessee Job Skills: checkbook-level and projected public benefits.
- **Texas**
 - Skills Development Fund: projected public benefits.
 - Texas Economic Development Act: checkbook-level, downloadable, projected public benefits and actual public benefits, recouped funds.
 - Texas Emerging Technology Fund: checkbook-level, projected public benefits and actual public benefits, recouped funds.
 - Texas Enterprise Fund: checkbook-level, projected public benefits and actual public benefits, recouped funds.
 - Texas Moving Image Industry Incentive Program: no credit.

- **Utah**
 - Economic Development Tax Increment Financing: checkbook-level, downloadable, projected public benefits.
 - Economic Opportunity Fund: checkbook-level, downloadable, projected public benefits.
 - Enterprise Zone Program: no credit.
 - Life Science and Technology Investment Tax Credits: no credit.
 - Motion Picture Incentive Fund: checkbook-level, actual public benefits.
- **Vermont**
 - Vermont Employment Growth Incentive: checkbook-level, downloadable.
 - Vermont Training Program: checkbook-level, actual public benefits.
 - Vermont Economic Development Authority Loans: checkbook-level.
 - Workforce Education and Training Fund: checkbook-level, downloadable.
- **Virginia**
 - Enterprise Zone Real Property Investment Grant: projected public benefits.
 - Governor's Opportunity Fund: no credit.
 - Major Business Facility Job Tax Credit: no credit.
 - Special Performance Grants: checkbook-level.
 - Virginia Investment Partnership & Major Eligible Employer Grant: checkbook-level, projected public benefits and actual public benefits.
- **Washington**
 - Aerospace Manufacturer Preferential Tax Rate: actual public benefits.
 - Aerospace Non-Manufacturing Tax Incentive: actual public benefits.
 - Data Center Sales and Use Tax Exemption: actual public benefits.
 - High Technology Research and Development B&O Tax Credit: checkbook-level, downloadable, actual public benefits.
 - High Technology Sales and Use Tax Deferral: checkbook-level, downloadable, actual public benefits.
- **West Virginia**
 - Economic Opportunity Tax Credit: projected public benefits and actual public benefits.
 - Film Industry Investment Act: projected public benefits and actual public benefits.
 - Governor's Guaranteed Work Force Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
 - Manufacturing Investment Tax Credit: projected public benefits and actual public benefits.
 - Strategic R&D Tax Credit: projected public benefits and actual public benefits.

- **Wisconsin**

- Business Retention and Expansion Investment: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Economic Development Tax Credit Program: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Enterprise Zone Jobs Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Jobs Tax Credit: checkbook-level, downloadable, projected public benefits and actual public benefits.
- Transportation Economic Assistance Program: checkbook-level, downloadable, projected public benefits and actual public benefits.

- **Wyoming**

- Business Ready Communities Grant: checkbook-level, projected public benefits and actual public benefits, recouped funds.
- Business Ready Communities Managed Data Center Cost Reduction Grants: checkbook-level, projected public benefits and actual public benefits, recouped funds.
- Data Processing Center – Sales/Use Tax Exemption: actual public benefits.
- Film Industry Financial Incentive: checkbook-level.
- Pre-hire Workforce Training Grant: checkbook-level.

Appendix B: Transparency Scorecard

State	Grade	Point Total	Contracts And Expenditures					
			Checkbook-Level	Search By Recipient	Search By Keyword	Search By Agency	Bulk Downloadable	Quasi-Public Agencies
Total Possible		100	24	8	8	8	6	6
Alabama	D+	60	24	8	8	8	3	4
Alaska	F	43	24	0	0	0	6	0
Arizona	B	86	24	8	8	8	6	6
Arkansas	B-	82	24	8	8	8	6	4
California	F	34	24	0	0	0	6	4
Colorado	A-	93.5	24	8	8	8	3	4
Connecticut	A+	99	24	8	8	8	6	5
Delaware	C	71	24	8	8	8	6	4
Florida	A	96	24	8	8	8	6	5
Georgia	C	74	24	8	8	8	3	4
Hawaii	C	71	24	8	8	8	6	4
Idaho	F	45	24	8	0	8	3	0
Illinois	A-	93	24	8	8	8	6	4
Indiana	A+	100	24	8	8	8	6	5
Iowa	A-	94.5	24	8	8	8	6	4
Kansas	B	84	24	8	8	8	6	4
Kentucky	B+	88	24	8	8	8	6	4
Louisiana	A	96	24	8	8	8	6	5
Maine	C+	76	24	8	8	8	6	4
Maryland	B+	88	24	8	0	8	6	4
Massachusetts	A	95.5	24	8	8	8	6	5
Michigan	A+	100	24	8	8	8	6	5
Minnesota	B	86	24	8	8	8	3	5
Mississippi	C+	79	24	8	8	8	6	4
Missouri	C+	77	24	8	8	8	6	0
Montana	A-	92	24	8	8	8	6	4
Nebraska	A-	90	24	8	8	8	6	5
Nevada	B	83	24	8	8	8	6	4
New Hampshire	C+	78	24	8	8	8	6	5
New Jersey	B	83	24	8	8	8	6	4
New Mexico	C+	77	24	8	8	8	6	4
New York	A-	93	24	8	8	8	6	5
North Carolina	B+	89.5	24	8	8	8	3	4
North Dakota	D+	64	24	8	8	8	3	4
Ohio	A+	100	24	8	8	8	6	6
Oklahoma	A-	90.5	24	8	8	8	6	6
Oregon	A+	100	24	8	8	8	6	5
Pennsylvania	B	83	24	8	8	8	0	4
Rhode Island	B-	81.5	24	8	8	8	3	0
South Carolina	C+	78	24	8	8	8	6	4
South Dakota	A-	90	24	8	8	8	6	4
Tennessee	B	85.5	24	8	8	8	6	4
Texas	A-	93.5	24	8	8	8	6	4
Utah	B+	88	24	8	8	8	6	4
Vermont	B+	88	24	8	8	8	6	4
Virginia	B-	82	24	8	8	8	6	4
Washington	B+	87	24	8	8	8	6	5
West Virginia	B	83	24	8	8	8	3	5
Wisconsin	A	97	24	8	8	8	6	4
Wyoming	C	73	24	8	8	8	0	4

Excluded Information	Economic Development				Tax Expenditure Reports	Extra Credit: Recouped Funds	Website Url
	Checkbook-Level	Downloadable	Projected Public Benefits	Actual Public Benefits			
4	15	4	4	4	9	4	www.open.alabama.gov
0	5	0	0	0	0	0	www.doa.alaska.gov/dof/reports/transparency.html
4	0	0	0	0	9	0	www.openbooks.az.gov
4	9	2	1	1	9	0	www.transparency.arkansas.gov
4	9	2	0	0	9	0	www.dgs.ca.gov
0	0	0	0	0	0	0	www.colorado.gov/apps/oit/transparency/index.html
4	15	4	3.5	3	9	0	www.osc.ct.gov/openCT/
4	15	4	3.5	3.5	9	1	www.delaware.gov/topics/transparency
4	0	0	0	0	9	0	www.myfloridacfo.com/Transparency
4	14	1	3.5	3.5	9	2	www.open.georgia.gov
4	5	0	1	0	9	0	www.transparency.hawaii.gov/
2	0	0	0	0	0	0	www.transparent.idaho.gov
4	14	0	3.5	3.5	9	1	www.accountability.illinois.gov
4	15	3	4	4	9	4	www.in.gov/itp
4	14	3.5	2	2	9	2	www.data.iowa.gov
4	9	2	1	1	9	0	www.kanview.ks.gov
4	12	0	3	1	9	1	www.opendoor.ky.gov
4	14	3.5	3.5	3	9	0	www.cfpnd.doa.louisiana.gov/latrac/portal.cfm
4	5	0	0	0	9	0	www.opencheckbook.maine.gov
4	12	4	3.5	3.5	9	2	www.spending.dbm.maryland.gov
4	14	3.5	3	3	9	0	www.mass.gov/informedma
4	15	4	4	4	9	1	www.michigan.gov/openmichigan
4	12	1	2	1	9	1	www.mn.gov/mmb/transparency-mn/
4	5	0	2	1	9	0	www.transparency.mississippi.gov
4	12	3	2	2	0	0	www.mapourtaxes.mo.gov/map
4	12	3	3	3	9	0	www.transparency.mt.gov
4	12	1	3	0	9	2	www.nebraskaspending.gov
4	9	0	2	2	8	0	www.open.nv.gov
4	5	0	1	0	9	0	www.nh.gov/transparentnh
0	12	0	3	1	9	0	www.yourmoney.nj.gov
4	5	1	0	0	9	0	www.sunshineportalnm.com
4	14	3	2	2	9	0	www.openbooknewyork.com
4	15	0	1	3.5	9	2	www.ncopenbook.gov
4	5	0	0	0	0	0	www.data.share.nd.gov/pr
4	15	4	4	4	9	4	www.ohiotreasurer.gov/transparency/home
4	14	3.5	0	0	9	0	www.data.ok.gov
4	15	3.5	4	3.5	9	2	www.oregon.gov/transparency
4	14	0	4	0	9	0	www.pennwatch.pa.gov
4	14	3.5	0	0	9	0	www.transparency.ri.gov
4	5	1	1	0	9	0	www.cg.sc.gov/fiscaltransparency
4	15	0	4	0	9	0	www.open.sd.gov
4	9	0	2	0	9	3.5	www.tn.gov/opengov
4	12	1	3.5	3	9	3	www.texastransparency.org
4	12	2	2	1	9	0	www.utah.gov/transparency
4	14	2	0	1	9	0	www.spotlight.vermont.gov
4	9	0	2	1	8	0	www.datapoint.apa.virginia.gov
4	9	2	0	4	9	0	www.fiscal.wa.gov
4	5	1	4	4	9	0	www.transparencywv.org
4	15	4	4	4	8	0	www.openbook.wi.gov
0	14	0	2	3	0	2	www.wyo.gov/transparency

Appendix C: List of Questions Posed to Transparency Website Officials

Our researchers sent a list of questions and an initial assessment of each state's transparency website to the officials responsible for their state's site, and received responses from such officials in 43 states (officials in Alabama, Arkansas, California, Idaho, Illinois, North Carolina and Wisconsin did not respond). Our researchers used the responses to ensure that the information gathered from the websites was up-to-date and to supplement the content of the report. Below is a list of questions posed to state officials:

1. The attached spreadsheet lists each item for which your transparency website could have received credit, followed by a **Y**(yes), **N**(no), or **P**(partially) indicating whether we found that feature on the site. If you believe that our scoring gives less credit than appropriate, **please explain to us exactly how to find the feature so we can confirm it is on the website.** If you believe that our scoring gives more credit than appropriate, please also let us know. If you are able to update the website by February 8th to include a transparency feature that is currently missing or incomplete, please notify us and we will do our best to incorporate the update into this year's report.
2. Please identify specific efficiency gains or cost savings resulting from the transparency website. For instance, some states have identified savings from reduced information requests, consolidat-
- ed procurement, enlarged contracting pools, or recognition of redundancies. If possible, please include an estimate of the dollar value of these savings. Other anecdotes will also help us describe the gains from your transparency efforts.
3. Our prior research shows the start-up cost of the website to be [dollar amount] and the annual operating cost to be [dollar amount]. Please let us know if there is more up-to-date information. Have upgrades to the website over the past year changed the cost?
4. Has [STATE] created innovative features that track government finances, interface spending data with other information, or improve user experience, but are not part of our inventory? We would like the text in our report to bring attention to innovative features, even when they do not affect the summary score.
5. Please tell us about any special challenges with implementing best practices in your state, such as jurisdictional, technological or legal issues.⁵⁹
6. Have there been any efforts in [STATE] to expand the scope of the transparency website to include:
 - a. Information about public-private partnerships
 - b. Budget data about municipalities
 - c. More thorough disclosures about quasi-public agencies

Appendix D: Agencies or Departments Responsible for Administering Transparency Websites by State

In some cases more than one government transparency website exists for a state, in which case the highest scoring single web portal was selected.

State	Who Is Responsible for the Transparency Website?	Transparency Website Address
Alabama	State Comptroller's Office, Department of Finance	www.open.alabama.gov
Alaska	Division of Finance, Department of Administration	www.doa.alaska.gov/dof/reports/transparency.html
Arizona	General Accounting Office, Department of Administration	www.openbooks.az.gov
Arkansas	Department of Finance and Administration	www.transparency.arkansas.gov
California	Department of General Services	www.dgs.ca.gov
Colorado	Office of the State Controller, Department of Personnel and Administration	www.colorado.gov/apps/oit/transparency/index.html
Connecticut	Office of the State Comptroller	www.osc.ct.gov/openCT/
Delaware	Cooperation between Office of Management and Budget, Government Information Center, and Department of Finance	www.delaware.gov/topics/transparency
Florida	Department of Financial Services	www.myfloridacfo.com/Transparency
Georgia	Department of Audits and Accounts	www.open.georgia.gov
Hawaii	State Procurement Office, Department of Accounting and General Services	www.transparency.hawaii.gov/
Idaho	Office of the State Controller	www.transparent.idaho.gov
Illinois	Department of Central Management Services	www.accountability.illinois.gov
Indiana	State Auditor's Office	www.in.gov/itp
Iowa	Department of Management	data.iowa.gov
Kansas	Department of Administration	www.kanview.ks.gov
Kentucky	Governor's Office: E-Transparency Task Force, a multi-agency effort led by officials of the Finance and Administration Cabinet	www.opendoor.ky.gov
Louisiana	Division of Administration	wwwcfprd.doa.louisiana.gov/latrac/portal.cfm
Maine	Office of the State Controller	www.opencheckbook.maine.gov

State	Who Is Responsible for the Transparency Website?	Transparency Website Address
Maryland	Department of Budget and Management	www.spending.dbm.maryland.gov
Massachusetts	Executive Office for Administration and Finance	www.mass.gov/informedma
Michigan	Office of Financial Management, State Budget Office, Department of Technology, Management and Budget	www.michigan.gov/openmichigan
Minnesota	Minnesota Management and Budget	www.mn.gov/mmb/transparency-mn/
Mississippi	Department of Finance and Administration	www.transparency.mississippi.gov
Missouri	Office of Administration	www.mapyourtaxes.mo.gov/map
Montana	Department of Administration	www.transparency.mt.gov
Nebraska	State Treasurer's Office	www.nebraskaspending.gov
Nevada	Budget and Planning Division, Department of Administration	www.open.nv.gov
New Hampshire	Department of Administrative Services and the Department of Information Technology	www.nh.gov/transparentnh
New Jersey	Office of the Treasurer	www.yourmoney.nj.gov
New Mexico	Department of Information Technology	www.sunshineportalnm.com
New York	Office of the State Comptroller	www.openbooknewyork.com
North Carolina	Office of State Budget and Management (OSBM) with substantial help from the Department of Administration (DOA), the Office of the State Controller (OSC), and the Office of Information Technology Services (ITS)	www.ncopenbook.gov
North Dakota	Office of Budget and Management	www.data.share.nd.gov/pr
Ohio	Office of the Ohio Treasurer	www.ohiotreasurer.gov/transparency/home
Oklahoma	Office of State Finance	www.data.ok.gov
Oregon	Enterprise Information Strategy and Policy Division, Department of Administrative Services	www.oregon.gov/transparency
Pennsylvania	Office of Administration	www.pennwatch.pa.gov
Rhode Island	Office of Digital Excellence	www.transparency.ri.gov
South Carolina	Comptroller General's Office	www.cg.sc.gov/fiscaltransparency
South Dakota	Bureau of Finance and Management	www.open.sd.gov
Tennessee	Department of Finance and Administration	www.tn.gov/opengov
Texas	Comptroller of Public Accounts' Office	www.texastransparency.org
Utah	Division of Finance, Department of Administrative Services	www.utah.gov/transparency
Vermont	Department of Finance and Management	www.spotlight.vermont.gov
Virginia	Auditor of Public Accounts	www.datapoint.apa.virginia.gov
Washington	Legislative Evaluation and Accountability Program and the Office of Financial Management	www.fiscal.wa.gov
West Virginia	State Auditor's Office	www.transparencywv.org
Wisconsin	Department of Administration	www.openbook.wi.gov
Wyoming	Department of Administration and Information	www.wyo.gov/transparency

Notes

- 1 Seth Unger, Office of the Treasurer of Ohio, personal communication, 4 February 2016.
- 2 Christina Smith, Florida Department of Financial Services, personal communication, 28 January 2015.
- 3 Beth Hallmark, Office of the Texas State Comptroller, personal communication, 27 January 2015.
- 4 Paul Louthian, Department of Finance and Administration, personal communications, 10 February 2014, 28 February 2014 and 29 January 2015.
- 5 Corey Jenks, Massachusetts Executive Office for Administration & Finance, personal communication, 4 February 2016.
- 6 Ramesh Advani, Massachusetts Executive Office for Administration and Finance, personal communication, 11 February 2011.
- 7 Martin Eckhardt, Kansas Department of Administration, personal communication, 4 February 2016.
- 8 Audrey Hinman, Application Technology Services Bureau, personal communication, 3 February 2016.
- 9 Michael Mann, Legislative Evaluation & Accountability Program, personal communication, 4 February 2016.
- 10 Eric Ward, South Carolina Office of the State Comptroller, personal communication, 4 February 2016.
- 11 Donna Duncan, Kentucky Office of Policy and Audit, personal communication, 28 January 2015.
- 12 Anita Ward, Office of State Budget and Management, personal communication, 28 January 2015.
- 13 West Virginia: Justin Southern, West Virginia State Auditor's Office, personal communication, 4 February 2016; Hawaii: Keith DeMello, Office of Enterprise Technology Services, personal communication, 4 February 2016; Texas: Hailey Wynn, Texas Comptroller of Public Accounts, personal communication, 29 January 2016; Oregon: Paula Newsome, Office of the State CIO, personal communication, 8 February 2016.
- 14 Michigan: Daniel Jaroche, Office of Financial Management, personal communication, 2 February 2016; Utah: Brenda Lee, Utah State Division of Finance, personal communication, 4 February 2016.
- 15 For more information on New York City's open source code, see Benjamin Davis, Frontier Group, and Phineas Baxandall and Ryan Pieranunzi, U.S. PIRG Education Fund, *Transparency in City Spending: Rating the Availability of Online Government Data in America's Largest Cities*, January 2013.
- 16 There is no standard methodology for estimating these initial investment and operational costs, and researchers could not ascertain the costs for some states. The sources of state cost estimates are as follows: Alabama: Mike Hudson, Office of the Alabama State Comptroller, personal communication, 27 January 2012;

Alaska: Scot Arehart, Alaska Division of Finance, personal communication, 26 January 2012 and 29 January 2015; Arizona: Joanna Greenaway, Arizona Department of Administration General Accounting Office, personal communication, 2 February 2016; Arkansas: Paul Louthian, Arkansas Department of Finance and Administration, personal communication, 1 February 2013 and 29 January 2015; Colorado: Brent Voge, Office of the State Controller, personal communication, 4 February 2016; Connecticut: Joshua Wojcik, Office of the State Comptroller, personal communication, 4 February 2016; Delaware: Dana Rohrbough, Delaware Government Information Center, personal communication, 8 February 2016; Florida: Christina Smith, Florida Department of Financial Services, personal communication, 4 February 2016; Georgia: Lynn Bolton, Georgia Department of Audits & Accounts, personal communication, 28 January 2016; Hawaii: Keith DeMello, Office of Enterprise Technology Services, personal communication, 4 February 2016; Idaho: Scott Phillips, Office of the Idaho State Controller, personal communication, 8 February 2013; Illinois: Markus Veile, Illinois Department of Central Management Services, personal communication, 2 February 2016; Iowa: Scott Vander Hart, Iowa Department of Management, personal communication, 4 February 2016; Kansas: Martin Eckhardt, Kansas Department of Administration, personal communication, 4 February 2016; Kentucky: Tony Hutchins, Finance and Administration Cabinet, personal communication, 25 January 2016; Louisiana: Steven Procopio, Louisiana Division of Administration, personal communication, 3 February 2012; Maine: Phillip Platt, Office of the State Controller, personal communication, 4 February 2016; Maryland: Robin Sabatini, Maryland Department of Budget and Management, personal communication, 4 February 2016; Massachusetts: Corey Jenks, Massachusetts Executive Office for Administration and Finance, personal communication, 4 February 2016; Michigan: Daniel Jaroche, Michigan Office of Financial Management, personal communication, 2 February 2016; Minnesota: John Pollard, Minnesota Management and Budget, personal communication, 4 February 2016; Mississippi: Jenny Bearss, Mississippi Department of Finance and Administration, personal communication, 4 February 2016; Missouri: Dwayne Rasmussen, Missouri Office of Administration, personal communication, 4 February 2016; Montana: Audrey Hinman, Montana Department of Administration, personal communication, 3 February 2016; Nebraska: Jason Walters, Nebraska State Treasurer's Office,

personal communications, 3 February 2016; Nevada: Russell Cook, Nevada Department of Administration, personal communication, 4 February 2016; New Hampshire: Stephen McLocklin, New Hampshire Department of Administrative Services, personal communication, 4 February 2016; New Jersey: Christine Brilla, New Jersey Office of the Treasurer, personal communication, 3 February 2016; New Mexico: Estevan Lujan, New Mexico Department of Information Technology, personal communication, 4 February 2016; New York: Nick Ladopoulos, New York Office of the State Comptroller, personal communication, 4 February 2016; North Carolina: Jonathan Womer, North Carolina Office of State Budget and Management, personal communication, 27 January 2012, and Anita Ward, Office of State Budget and Management, personal communication, 28 January 2015; North Dakota: Toby Mertz, North Dakota Office of Management and Budget, personal communication, 2 February 2016; Ohio: Seth Unger, Office of the Treasurer of Ohio, personal communication, 4 February 2016; Oklahoma: Center for Fiscal Accountability, *Transparency in Government Spending: Cost vs. Savings*, downloaded from www.fiscalaccountability.org/userfiles/cost&savings.pdf, 16 February 2012, Lisa McKeithan, Office of Management & Enterprise Services, personal communication, 3 February 2016; Oregon: Paula Newsome, Office of the State CIO, 8 February 2016; Pennsylvania: Dan Egan, Pennsylvania Office of Administration, personal communication, 25 January 2016; Rhode Island: Treasury Online Checkbook, State of Rhode Island, *Frequently Asked Questions*, downloaded from www.treasury.ri.gov/opengov/faq.php, 14 September 2009, Thom Guertin, Rhode Island Department of Administration, personal communication, 5 February 2016; South Carolina: Eric Ward, South Carolina Office of the State Comptroller, personal communication, 4 February 2016; South Dakota: Colin Keeler, South Dakota Bureau of Finance and Management, personal communication, 4 February 2016; Tennessee: Lola Potter, Tennessee Department of Finance and Administration, personal communication, 8 February 2016; Texas: Hailey Wynn, Texas Comptroller of Public Accounts, personal communication, 29 January 2016; Utah: Brenda Lee, Utah Department of Finance, personal communication, 4 February 2016; Vermont: Susan Zeller, Vermont Department of Finance and Management, personal communication, 3 February 2016; Virginia: April Cassada, Office of the Virginia Auditor of Public Accounts, personal communication, 4 February 2016; Washington: Jerry Brito and

Gabriel Okolski, Mercatus Center, George Mason University, *The Cost of State Online Spending Transparency Initiatives*, April 2009, and Michael Mann, Washington State Legislative Evaluation and Accountability Program Committee, personal communication, 4 February 2016; Wisconsin: Stephanie Marquis, Wisconsin Department of Administration, personal communication, 12 February 2014, and Cullen Werwie, Wisconsin Department of Administration, personal communication, 28 January 2015; Wyoming: Tim Thorson, Wyoming Department of Administration and Information, personal communication, 5 February 2016.

17 Justin Southern, West Virginia State Auditor's Office, personal communication, 4 February 2016.

18 Scott Vander Hart, Iowa Department of Management, personal communication, 4 February 2016.

19 George Washington University, Lake Research Partners and the Tarrance Group, GW Battleground Poll, *Battleground 2014 (XLVI): Final*, 18 December 2014; David K. Rehr, "Public Opinion Overwhelmingly Supports Transparency: The Next Big Political Issue," *Huffington Post Blog*, 8 January 2015, archived at web.archive.org/web/20160325225213/http://www.huffingtonpost.com/david-k-rehr/public-opinion-overwhelmi_b_6433820.html.

20 According to one estimate, total state and local government procurement spending may total as much as \$1.5 trillion annually, per Danielle M. Conway, "Sustainable Procurement Policies and Practices at the State and Local Government Level," in Keith H. Hirokawa and Patricia E. Salkin, eds., *Greening Local Government: Legal Strategies for Promoting Sustainability, Efficiency, and Fiscal Savings* (Chicago, IL: American Bar Association, 2012), 43-74.

21 Wisconsin Department of Administration, *Contractual Services Purchasing Report: July 1, 2014 through June 30, 2015*, 4 December 2015, archived at web.archive.org/web/20160325225536/http://www.doa.state.wi.us/Documents/DEO/Procurement/ContractualServices/FY15%20Contractual%20Services%20Report%202012042015.pdf.

22 In the Public Interest, "Closing the Books: How Government Contractors Hide Public Records," March 2015, archived at web.archive.org/web/20160324231951/http://www.inthepublicinterest.org/wp-content/uploads/In_the_Public_Interest_Closing_the_Books.pdf.

23 Louise Story, "As Companies Seek Tax Deals, Governments Pay High Price," *New York Times*, 1 December 2012.

24 For a detailed description of states' disclosure on economic development incentives, not limited to those listed on states' transparency portals, see: Philip Mattera et al., Good Jobs First, *Show Us the Subsidized Jobs: An Evaluation of State Government Online Disclosure of Economic Development Subsidy Awards and Outcomes*, January 2014, archived at web.archive.org/web/20160325225739/http://www.goodjobsfirst.org/sites/default/files/docs/pdf/showusthesubsidizedjobs.pdf.

25 Governmental Accounting Standards Board, *Statement No. 77 of the Governmental Accounting Standards Board: Tax Abatement Disclosures*, August 2015, archived at web.archive.org/web/20160325225844/http://www.gasb.org/jsp/GASB/Document_C/GASBDocumentPage?cid=1176166283745&acceptedDisclaimer=true.

26 Ibid.

27 For a history of this expansion, see Alberta M. Sbragia, *Debt Wish: Entrepreneurial Cities, U.S. Federalism, and Economic Development* (University of Pittsburgh Press, 1996).

28 Deirdre Cummings, MASSPIRG Education Fund, Phineas Baxandall, U.S. PIRG Education Fund, and Kari Wohlschlegel, Frontier Group, *Out of the Shadows: Massachusetts Quasi-Public Agencies and the Need for Budget Transparency*, Spring 2010.

29 See Rani Gupta, The Reporters Committee for Freedom of the Press, *Privatization v. the Public Right to Know*, Summer 2007, archived at web.archive.org/web/20160325230122/http://www.rcfp.org/rcfp/orders/docs/PRIVATIZATION.pdf; and Christine Beckett, "Government Privatization and Government Transparency," *News Media & The Law*, Winter 2011, archived at web.archive.org/save/http://www.rcfp.org/browse-media-law-resources/news-media-law-news-media-and-law-winter-2011/government-privatization-an.

- 30 “Colleges Duck Public Records Law Via Corporations,” *NBC 6 South Florida*, 12 October 2014, archived at web.archive.org/web/20160325230312/http://www.nbciami.com/news/local/Colleges-Duck-Public-Records-Law-Via-Corporations-278940381.html.
- 31 Olivera Perkins, “Public Sector Workers Make More in Salary and Benefits Than Those in Private Sector, Labor Department Says,” *Cleveland Plain Dealer*, 12 September 2013; Congressional Budget Office, *Comparing the Compensation of Federal and Private-Sector Employees*, January 2012, archived at web.archive.org/web/20160325230506/https://www.cbo.gov/sites/default/files/112th-congress-2011-2012/reports/01-30-FedPay_0.pdf.
- 32 Barton Lorimor, Policy Analyst, Office of the Illinois Comptroller, personal communication, 6 November 2014.
- 33 David Card, Alexandre Mas, Enrico Moretti, Emmanuel Saez, National Bureau of Economic Research, NBER Working Paper No. 16396, *Inequality at Work: The Effect of Peer Salaries on Job Satisfaction*, September 2010, archived at web.archive.org/web/20160325230608/http://www.nber.org/papers/w16396.pdf.
- 34 State of Delaware, *Classification and Compensation*, 8 January 2015, archived at web.archive.org/web/20160325230642/http://www.jobaps.com/de/auditor/ClassReports.asp.
- 35 Alexandre Mas, National Bureau of Economic Research, NBER Working Paper No. 20558, *Does Transparency Lead to Pay Compression?*, October 2014.
- 36 Brenda Lee, Utah State Division of Finance, personal communication, 4 February 2016.
- 37 Texas Office of the Comptroller, *Transparency Stars Program*, www.texastransparency.org/Local_Government/stars/, 25 March 2016.
- 38 Jason Walters, Nebraska State Treasurers Office, personal communication, 3 February 2016.
- 39 See note 1.
- 40 See note 18.
- 41 See note 8.
- 42 Idaho’s site does present a link to tax expenditure reports, but the link has been broken for more than a year.
- 43 The website evaluated for California in this report focuses on providing information pertaining only to state contracts and procurement and is not really a “transparency portal.” The state does maintain a central data hub at www.data.ca.gov that can be more readily considered a “transparency portal,” but it was not evaluated for purposes of this report because it fails to score better than the website we evaluated (which was the same site as the one assessed in previous years).
- 44 National Conference of State Legislatures, *2015 State and Legislative Partisan Composition*, 4 February 2015, archived at web.archive.org/web/20160325230933/http://www.ncsl.org/portals/1/ImageLibrary/WebImages/Elections/2014_Leg_Party_Control_map.gif.
- 45 Ibid. Note: the eight states with mixed party legislatures were not included in either average. In addition, Nebraska, which has a unicameral, nonpartisan legislature, was not included in the average calculations.
- 46 Revenue data: U.S. Census Bureau, *2013 Annual Survey of State Finances*, released February 2015, www.census.gov/govs/state, accessed 3 February 2015.
- 47 Colin Keeler, South Dakota Financial Systems, personal communication, 4 February 2016.
- 48 U.S. Census Bureau, *List & Structure of Governments*, www.census.gov/govs/go/sd.html#, accessed 25 March 2016.
- 49 Zac Bookman, OpenGov.com, *Ohio’s Local Governments Open Checkbooks to Citizens*, 24 September 2015, archived at web.archive.org/web/20160325234612/http://opengov.com/blog/ohio-checkbooks-open-gov/.
- 50 Note that while California maintains a central data hub that best represents a state transparency portal, it does not score as well as the state contract and procurement website we have graded in previous years. We graded that site again this year.

51 Philip Mattera et al., *Good Jobs First, Show Us the Subsidized Jobs: An Evaluation of State Government Online Disclosure of Economic Development Subsidy Awards and Outcomes*, January 2014, archived at web.archive.org/web/20160325225739/http://www.goodjobsfirst.org/sites/default/files/docs/pdf/showusthesubsidizedjobs.pdf.

52 Kari Wohlschlegel, Frontier Group, and Phineas Baxandall, U.S. PIRG Education Fund, *Following the Money: How the 50 States Rate in Providing Online Access to Government Spending Data*, April 2010.

53 See note 51.

54 Some economic development subsidies are administered in a manner that makes clawbacks impossible. For example, a grant or tax credit may only be awarded after a company has met pre-established standards. Nonetheless, clawback provisions are a widely regarded best practice in economic development subsidy spending, ensuring that the government retains control of the public purse at all times. To avoid unfairly penalizing states for failing to provide information they do not have, while also rewarding those that follow this best practice, we regarded information on recouped funds as an extra credit feature. It is possible to achieve a full score of 100 points without information pertaining to clawbacks. Extra credit points are awarded up to a maximum total score of 100 points.

55 See note 51.

56 Larisa Trikhacheva, BKD CPAs & Advisors, *Big Changes in California: Enterprise Zone Credits Expiring Soon*, September 2013, archived at web.archive.org/web/20160325231934/http://www.bkd.com/articles/2013/big-changes-in-california-enterprise-zone-credits-expiring-soon.htm.

57 Utah Governor's Office of Economic Development, *Tax Credits*, accessed 16 March 2015, archived at web.archive.org/web/20160325232017/http://business.utah.gov/programs/incentives/enterprise-zones/tax-credits/.

58 Washington Department of Revenue, *State Tax Exemptions Data Visualization Tool*, accessed 16 March 2016, archived at web/20160325232144/http://fiscal.wa.gov/Tax-Exemptions.aspx.

59 In certain instances we added questions or comments specific to individual states in our website assessment.