

# IOWA TRANSPARENCY NEWSLETTER



## The Joke is on the Taxpayers

by Jennifer L. Crull

November 2<sup>nd</sup> is approaching. This is the day that we exercise our right to vote. This is the time for the taxpayers to take action.

Governor Culver has promised transparency to the voters of Iowa, but let's just see what Culver has done for the taxpayers on the issue of transparency in Iowa over the last four years. As recently as January of 2010, you will remember that on *Iowa Press* Culver said, "The bottom line is we need more transparency, more accountability, and taxpayers deserve it."<sup>1</sup> Then you can decide if Governor Culver's vision of transparency is something that the taxpayers of Iowa can endure for another four years.

Executive Order #12 was signed on April 14, 2009. This Executive Order created "the Iowa Accountability and Transparency Board to monitor and report on the State of Iowa's efforts to implement the ARRA [American Recovery and Reinvestment Act

of 2009]"<sup>2</sup> The duties of this board are listed from the Executive Order:

- a) Assess existing practices to prevent waste, fraud and abuse and to provide recommendations regarding opportunities to strengthen those practices.
- b) Coordinate with the Department of Management to provide input and information for the website [recovery.iowa.gov](http://recovery.iowa.gov), which will list projects and the programs financed by ARRA funds, contract awards and the number of jobs created or preserved by these programs.
- c) Oversee on-time audits and reporting to determine whether wasteful spending, ineffective management or other abuses are occurring.
- d) Report suspected incidents of waste, fraud or abuse to the Office of the Governor.
- e) Oversee the web-based ARRA transparency "dashboard."
- f) Monitor agency ARRA fund spending to ensure that Iowa continues to meet or exceed the transparency and accountability requirements of the ARRA.<sup>3</sup>

This sounds like an excellent list of responsibilities that would be very important to every taxpayer in Iowa. It is good to know when the federal government asks the state to provide transparency, the state makes an effort to comply, which is not the case with our own tax dollars being spent in the state.

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The main problem with the [recovery.iowa.gov](http://recovery.iowa.gov) website mentioned above is that while it does provide the grant information about the stimulus dollars, it doesn't provide us details about how they are really being spent, except to list the general project, the grant amount, and an estimate of how many jobs were created or saved by the grant. Iowa taxpayers want to know how all of those dollars are being spent by the recipients of the funds. The same goes for the funds that are spent by the state.

We have had an on-going debate from the Governor's office and the State Auditor's office about the budget and the status of all our funds. To end the confusion, why doesn't the Governor's office call for all the monies of the state to be posted on-line? In today's digital age, the posting of information on-line is relatively cheap and easy to do. That is what we were originally told would happen with the creation of the OpenUp.Iowa.Gov website. When this website was first set-up the following information was posted on the website:

"Welcome to OpenUp.Iowa.Gov! Our Administration is committed to making Iowa government open and transparent to those in charge: Iowa constituents. Iowa taxpayers deserve to know information about their public officials and how state dollars are being spent. We are

committed to streamlining this information and make it as easy as possible for Iowans to learn about their state government. This is a work in progress and we appreciate your patience as we move forward to open up Iowa!"<sup>4</sup>

Now when you visit this website there is information about the Board and Commission appointments that the Governor makes. Hmm...does that sounds like information about "how our state dollars are being spent"?<sup>5</sup> Another promise on which the Governor hasn't followed through. The Governor obviously didn't want the taxpayers to really know where their money was being spent.

Public Interest Institute also distributes a weekly newspaper column,  
*In the Public Interest.*

Watch the opinion section of your local paper for these commentaries on public policy issues and if you don't see *In the Public Interest*, contact your local editor and request he or she publish *In the Public Interest.*

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This is a key point that most government officials seem to forget; the money that is available to the local, state, and federal governments to spend is only available because we work hard to earn our money and pay our taxes to the respective governments, so it is OUR money that the government is spending.

The Governor is not the only one wanting the taxpayers not to know how the money is being spent. The members of the Iowa Legislature have not been helpful in letting the taxpayers know where their money is being spent. Back in January of 2009, the “Iowa Taxpayer Transparency Act of 2009” was introduced. This act was proposed in both the House and the Senate. The purpose of this act was “[a]n Act relating to the establishment of a searchable budget database website for the public to access the details of the expenditure of state tax revenues and a searchable tax rate database for all the public to access the details of each tax rate for all taxing districts in the state.”<sup>6</sup> Guess what? NOTHING happened with this proposed legislation; it sat in committee and never left.<sup>7</sup> So, the powers that be didn’t want the taxpayers to know where their money is being spent, even though it is the taxpayers’ money they are spending.

One has to wonder why the governing politicians don’t want us to know how the money is being spent. The one thing that is evident is that transparency for the

taxpayer is not a priority. So, as we head into the election this next month, it is important to remember to ask the hard question of every elected official and those running for office: “What are you going to do to bring more transparency to Iowa?” It is time for the taxpayers to stand up and say we have had enough. We have a right to know where the money is being spent and on what they are spending it.

As the newly elected officials take office in January and have to deal with the state budget, there will be many hard questions that need to be answered. We have used many one-time funds to supplement the state budget. Because of this it will be more difficult to balance the budget in the coming year. One has to wonder: If the taxpayers were aware of how the money is being spent, would there be more questions about unnecessary expenditures that could be cut from the state budget? As Ronald Reagan stated, “No government ever voluntarily reduces itself in size. Government programs, once launched, never disappear. Actually, a government bureau is the nearest thing to eternal life we’ll ever see on this earth!”<sup>8</sup> I think that sums up why our elected officials don’t want us to see the details. But in order for there to be real change, the taxpayers need to have a better sense of how the money in the state is being spent, and then we can have a real conversation about what is necessary for the government to be providing.

Public Interest Institute employees are available for speaking engagements on the topic of transparency in government in Iowa and on a variety of other issues.

Exercise your voice and vote for who you think can represent you the best this November. Remember to make use of the Iowa Vote Tally and Iowa Bill Tally reports that are on the IowaTransparency.org website. These reports can help you learn how the current members of the

Public Interest Institute has published several new *POLICY STUDIES* that can be viewed at [www.LimitedGovernment.org](http://www.LimitedGovernment.org).

These *POLICY STUDIES* include:

*The Wisdom of President Warren G. Harding*

*Tax and Expenditure Limits (TEs)  
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*The Benefits of the Privileged Class*

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Your support helps us provide public policy research on the issues facing both Iowa and the nation as well as the importance of free-market and constitutional ideas.

Legislature voted and the issues that have been presented to the Iowa House and the Iowa Senate over the past couple of years. For it is time for the joke to no longer be on the taxpayers of Iowa. It is time to say we have had enough. It is time to remind

our elected leaders that they work for us.

#### Endnotes

1 “Governor Chet Culver on the State Budget,” *Iowa Press*, IPTV, January 15, 2010, <[http://www.iptv.org/iowapress/episode.cfm/3719/video/ip\\_20100115\\_3719](http://www.iptv.org/iowapress/episode.cfm/3719/video/ip_20100115_3719)> (September 24, 2010).

2 Governor Culver, Executive Order #12, <[http://www.iowa.gov/recovery/media/EO\\_12.pdf](http://www.iowa.gov/recovery/media/EO_12.pdf)> (September 21, 2010).

3 Ibid.

4 Doug Stout, “Open Up Iowa Government! - We know you are in there... so come on out and show you have nothing to hide!,” *Iowa Transparency Newsletter*, Public Interest Institute, February 2009, page 1.

5 Ibid.

6 Bill History for HF 74, <<http://coolice.legis.state.ia.us/Cool-ICE/default.asp?Category=BillInfo&Service=DspHistory&var=HF&key=0084C&ga=83>> (September 22, 2010) and Bill History for SF 102, <<http://coolice.legis.state.ia.us/Cool-ICE/default.asp?Category=BillInfo&Service=DspHistory&var=SF&key=0121B&ga=83>> (September 22, 2010).

7 Ibid.

8 Ronald Reagan, BrainyQuote.com <[http://www.brainyquotes.com/quotes/authors/r/ronald\\_reagan\\_3.html](http://www.brainyquotes.com/quotes/authors/r/ronald_reagan_3.html)> (September 22, 2010).

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