



The Independent Voice for Kentucky's Children

KENTUCKY
YOUTH
ADVOCATES

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Report Gives Kentucky State Government an F for Online Transparency

Washington, DC, November 15, 2007- Many state governments are improving their transparency practices by making information publicly available on the Internet, however, Kentucky was recently awarded an F for its disclosure practices. Indiana, on the other hand, had one of the top scores overall, ranking 2nd in the country. This is according to a report released yesterday by Good Jobs First's Corporate Research Project called *The State of State Disclosure*.

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

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

Kentucky's did not rate above F on any of the three categories and ranked second to last on procurement contracts, as shown below:

- Economic development subsidies - letter grade: F, rank: 23
- Procurement contracts - letter grade: F, rank: 48
- Lobbying - letter grade: F, rank: 39

"This report shows the amount of work needed to make Kentucky state government more publicly transparent" says Kentucky Youth Advocates Executive Director, Terry Brooks. "The fact that Kentucky ranks 48th on procurement contracts troubles me."

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

"The Internet makes possible an unprecedented level of government transparency and public participation," said Good Jobs First Executive Director Greg LeRoy. "But many states have been slow to adopt vigorous online disclosure, especially with respect to economic development subsidies. Twenty-seven states and the District of Columbia still provide no systematic online subsidy disclosure."

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

- Make it possible to browse through complete databases on subsidies, contracts, etc. as well as to search for data on a specific party.
- Provide a variety of data formats, so that users can either download full databases and analyze the information offline or import the data to other Web sites (through Application Programming Interfaces).
- Enhance subsidy and contract disclosure to include data on outcomes. For example, subsidy disclosure should reveal how many jobs (with what wage rates, benefits, etc.) were created by subsidized companies, and contract disclosure show indicate how well the vendor company carried out its responsibilities.
- Also enhance subsidy and contract disclosure to include data on the past performance of companies. This could include their track record on environmental, workplace, and consumer-protection compliance as well as the existence of any tax liens.
- Combine disclosure about subsidies, contract awards and lobbying with data on state campaign contributions by the companies involved or their top executives.

"We already know that the government provides useful services to Kentuckians," says Kentucky Youth Advocates Deputy Director, Tracy Goff-Herman. "But the state can better serve the public good by being as honest and as open to the public as possible."

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