



National Association of State
Auditors, Comptrollers and Treasurers

WASHINGTON UPDATE

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Government Transparency Hearing Features No Government Representatives

House Oversight and Government Reform Committee Chairman Darrell Issa (R-CA) held a hearing last Wednesday on efforts to improve government spending transparency. The hearing, entitled “Addressing Transparency in the Federal Bureaucracy: Moving Toward a More Open Government,” featured three “investigative watchdog organizations” yet did not include any representatives from state or Local governments or anyone from the U.S. Office of Management and Budget.

Taking center stage in much of the testimony was the Digital Accountability and Transparency Act (DATA Act) and grant reform proposals. Angela Canterbury, director of public policy at the Project On Government Oversight (POGO), noted the DATA Act extensively in her testimony, stating:

“We supported both the House and Senate versions of the Digital Accountability and Transparency or DATA Act, both of which would dramatically improve the ability of the public to discover how their taxpayer dollars are spent...we need more transparency about the individuals and entities receiving federal funds to ensure that taxpayer money is going to experienced and reliable performers.”

Jim Harper, director of information policy studies at The Cato Institute, was blunt in his assessment of progress on government transparency:

“It seems natural for spending data standardization to be handled by the Office of Management and Budget, but that office has so far proven unwilling to move forward...I was surprised in September of 2011 to see the Congressional Budget Office (CBO) estimate for the version of the

DATA Act this committee reported to the House. The estimate of \$575 million in outlays to implement the DATA Act over five years was quite nearly unbelievable...”

All testimony, as well as the archived view of the hearing, can be found at <http://oversight.house.gov/hearing/addressing-transparency-in-the-federal-bureaucracy-moving-toward-a-more-open-government/>.

2013 Washington Office Survey Results Are In!

The 2013 Washington Office survey was completed last Friday, with a total of 30 offices from 24 different states to participate in the survey this year. These responses provide a snapshot of which issues are most important to NASACT’s members, as well as where the focus should be during the upcoming year for efforts through the Washington office. Thanks to all of those who were able to respond and submit comments.

Examples of top issues identified by members as “most important” include changes to public sector pension plans (defined benefit plans for public employees), as well as timely disclosure of financial reports. Issues identified as “least important” included federal intervention/bankruptcy for states and divestment initiatives.

Look for the in-depth review of the 2013 survey in this month’s *NASACT News*, which can be found on Page 3 at <http://www.nasact.org/nasact/newscenter/downloads/nasactnews/2013/Mar13.pdf>.

Muni Protection Resolution Introduced in House

With the talk of tax reform ramping up for the spring and summer months ahead, two

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WASHINGTON STAFF

TANYA GRAYSON
Administrative Assistant/
Website Coordinator
tgrayson@nasact.org

NEAL HUTCHKO
Policy Analyst
Nhutchko@nasact.org

CORNELIA CHEBINOU
Washington Director
cchebinou@nasact.org

NASACT Washington Office

444 N. Capitol Street NW
Suite 234
Washington, DC 20001

p: (202) 624-5451
f: (202) 624-5473

representatives issued a bipartisan resolution last week in defense of a possible tax reform target: municipal bonds. The resolution, issued by Reps. Lee Terry (R-NE) and Richard Neal (D-MA), defends "...the important contribution municipal bonds have made to economic growth and well-being in each state and municipality in our great Nation..." and highlights the 100-year precedent of the federal income tax exemption for municipal bonds as a source of cost-effective capital for state and local governments. Of note, Rep. Terry sits on the House Ways and Means Committee, which has taken up the task of tax reform for 2013.

The full resolution (House Resolution 112) can be found at <http://www.munibondsforamerica.org/cms/wp-content/uploads/2013/03/Muni-Bond-Resolution.pdf>.

The Week Ahead: Sequester Rescheduled, SEC Vote, and Taxes Provisions that Affect State and Local Governments

As reported in last week's Washington Update, the House Oversight and Government Reform Committee scheduled a hearing on the sequester and the types of cuts and furloughs that may be in order at various federal agencies. Although scheduled for March 14, the hearing was pushed back a week to this coming Tuesday, March 19. Panelists will include David Robbins, managing director at the Federal Communications Commission (FCC); Michael Young, budget director at the Department of Agriculture; and Hari Sastry, deputy assistant secretary for Resource Management at the Department of Commerce.

Video and panelists testimony will be found at <http://oversight.house.gov/hearing/sequestration-oversight->

[understanding-the-administrations-decisions-on-spending-cuts-and-furloughs/](http://oversight.house.gov/hearing/sequestration-oversight-understanding-the-administrations-decisions-on-spending-cuts-and-furloughs/).

On Tuesday, the Senate Banking, Housing and Urban Affairs Committee has scheduled a vote on nominee Mary Jo White to be the next Chairman of the Securities and Exchange Commission (SEC). She is expected to pass.

Also on Tuesday, the House Ways and Means Committee has scheduled a hearing to look at federal tax provisions that affect state and local governments, and how those provisions should be viewed in the context of comprehensive tax reform. In the hearing announcement, the committee stated:

"State and local governments benefit from favorable Federal tax treatment of certain types of bonds they issue, including tax-exempt bonds, tax-credit bonds, and 'direct-pay' bonds. In addition, numerous other Internal Revenue Code provisions have a significant impact on state and local governments, including pension and retirement provisions and payroll tax provisions, among others."

No witness list has been released at this time. Hearing information will be found at <http://waysandmeans.house.gov/calendar/eventsingle.aspx?EventID=323582>.