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Report: Most States Are Failing to Use the Web Effectively to Inform Taxpayers About Economic Stimulus Spending

Washington, DC, July 29, 2009—While some states have created impressive websites to disseminate information about their share of the \$787 billion American Recovery and Reinvestment Act (ARRA), most are failing to make effective use of online technology to educate taxpayers about the impact of economic stimulus spending. This is the finding of *Show Us the Stimulus*, a report released today by Good Jobs First, a non-profit research center based in Washington, DC.

The full text of the report as well as state-specific appendices can be found on the Good Jobs First website at www.goodjobsfirst.org/stimulusweb.cfm.

"Many states are failing to support President Obama's vow that the Recovery Act will be carried out with an unprecedented level of transparency and accountability," said Good Jobs First executive director Greg LeRoy. "By failing to use broadly available web tools, they are making it more difficult to measure the success of ARRA in mitigating the effects of the recession."

The Good Jobs First study examines the quality and quantity of disclosure by official state websites on the many ways ARRA funding is flowing through state governments to communities, organizations and individuals. Looking at both spending programs and individual projects, it evaluates the general ARRA websites that all states have created as well as their website reporting specifically on ARRA highway projects. Based on ten different criteria, each state (and the District of Columbia) is graded twice on a scale of 0 to 100.

"Given the Recovery Act's high profile, we expected better results, but most state ARRA sites simply do not measure up," said Philip Mattera, research director of Good Jobs First and principal author of the report. "The challenge is not insurmountable," he added. "States such as Maryland, Colorado and Washington are doing a very good job in conveying vital information about stimulus spending and are leading the way in establishing best practices for state ARRA disclosure."

Six states score 50 or better for their main ARRA site: Maryland (80), Colorado (68), Washington (63), West Virginia (60), New York (53) and Pennsylvania (50). Thirteen states score 50 or better for their highway reporting, led by Maryland (75), Washington (73), Colorado (65) and Nebraska (60). The average score for the ARRA websites is 28, and for highway reporting 38.

Most states that score poorly for their main ARRA website do better in highway reporting, but five score very low for both: Alabama, the District of Columbia, Illinois, Kentucky and Vermont. Low-scoring states are ones that provide few specifics on how ARRA money is being used in the state. Illinois, which gets a zero in both categories, has only national figures and nothing on how much is being spent in the state.

Here are highlights of the state scoring for specific criteria:

- The paramount objective of the Recovery Act is job creation and retention. Yet only four states—Colorado, Maryland, Washington and West Virginia—currently provide any employment data for individual projects on their main ARRA site. Eighteen states do so in their highway reporting.
- Most states do a good job of providing information on the categories of ARRA spending. Forty-two states display the data for broad categories (energy, housing, transportation, etc.), and 37 of these also provide details on specific programs.
- Geographic breakdowns are less common than data on program areas. Eighteen states provide the information, and in only three cases (Maine, New Mexico and Virginia) does the website show the information both for each county individually and for all counties side-by-side for comparison purposes.
- Very few states juxtapose the geographic distribution of stimulus spending with patterns of economic distress, such as county unemployment rates or foreclosure levels.
- Apart from county dollar totals, state residents may be interested to know where individual ARRA projects such as the repaying of a road or repair of a school building are taking place. Eleven states provide project maps on their main ARRA website, while 30 provide maps of ARRA highway projects.
- Only 10 states provide contractor names and dollar amounts on their ARRA website. The results are better in highway reporting, where 29 states have both contractor names and dollar figures.

Based on our findings, Good Jobs First offers the following recommendations:

- Put a summary of key information about ARRA spending at the top of the home page of the site. A clear bar graph, pie chart or table showing the main spending flows goes a long way in helping the user begin to see what the Recovery Act is all about. There should be clear links to pages with more details about the various programs.
- Provide a map or a table showing how overall ARRA spending and the amounts in key categories are being distributed geographically around the state.
- Along with information on spending streams, report on individual projects being funded by those programs. Where possible, display the location of the projects on maps. Interactive displays that allow one to drill down for more details are better than static PDF maps.
- For projects carried out by private contractors, be open about the contract award process and the identity
 of the companies that win bidding competitions. Post the bids and the details, including the full text of
 the contract awarded to the winner.

- While the federal government's Council of Economic Advisers is responsible for estimating the overall
 employment impacts of ARRA and the Recovery.gov website will report jobs data on some (but not all)
 individual projects, state ARRA sites should also make an effort to include employment data in their
 project reporting.
- ARRA sites should provide readily accessible information about the ways that individuals, organizations and businesses can apply for stimulus grants and contracts.

"The availability of an effective state ARRA website is more than a taxpayer right during a period of high public interest in the economy," Mattera said. "These websites are helping shape public attitudes toward the stimulus and could play a significant role in future debates over government's role in the economy."

The production of this report is part of the ongoing work of Good Jobs First on transparency and accountability issues relating to the Recovery Act. Good Jobs First co-chairs the Coalition for An Accountable Recovery (www.coalitionforanaccountablerecovery.org), which works on these issues at the federal level, and we coordinate States for a Transparent and Accountable Recovery, or STAR Coalition (www.accountablerecovery.org), which works with state-level organizations.