

Taxpayers' Right-to-Know Act

For almost 30 years, Federal agencies have been required to make their strategic plans, budgets, annual performance, and additional program management information available to the public. However, even with the 2014 Digital Accountability and Transparency Act (DATA) that directs federal spending information to be available digitally to the public, accessibility remains complex.



How does the Taxpayers' Right-to-Know Act help?

The Taxpayers' Right-to-Know Act aims to remedy this by consolidating all Federal agency program information — from detailed budgets to program evaluations — into one location. This takes away the burden of locating program details from the taxpayers and provides insight into the full use of their tax dollars.

Signed into law as part of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (PL 166-283, Sec. 9601), the Taxpayers' Right-to-Know Act ("Inventory of Program Activities of Federal Agencies") requires the Office of Management and Budget (OMB) to expand upon its inventory of Federal agency programs and create a single location for where information is published.

What does it do?

For each agency program activity, OMB must organize the following information on a single, publicly available website for each program activity:

- Purpose of program activity and contribution to the agency's mission and goals
- Snapshot of amount appropriated, obligated, and outlayed for the current fiscal fear as well as for the 2 years prior
- Links to program evaluations, assessments, or reviews by the agency, inspector general, or the Government Accountability Office (GAO)
- Statue or authorization of activity
- Regulations specific to the program or activity
- All instances of Federal financial assistance and what it is used for, consistent with protection of personally identifiable information, for the current fiscal year and the 2 previous fiscal years
- Any additional information that the Director of OMB deems necessary for transparency and accountability purposes

The Taxpayers' Right-to-Know Act was originally introduced by Sen. James Landford (R-OK) and had a large group of bipartisan support.

Why does the Data Coalition support it?

Despite progress in financial reporting, data collection, and program evaluation, the Taxpayers' Right-to-Know Act fills a crucial role in Federal oversight. Without a single, searchable platform, duplication of spending, program overlap, and thus a potential for waste remained a vulnerability for the Federal government. Improving access to data on Federal agency spending and activities is key for a functioning democracy, ensuring efficiency, and providing effective government services.

Next Steps: Implementation

The House Committee on Oversight and Reform and the Senate Committee on Homeland Security and Government Affairs are tasked with overseeing the implementation of this endeavor. The law requires that the Director of OMB to have all required information published as open data no later than the end of 2024.

To ensure the implementation of the program inventory is complete, the Comptroller General of the United States is required to submit a report to the committees no later than 2026.

So far, OMB launched the <u>Federal Program Inventory</u> (<u>FPI</u>) <u>Exploratory Pilot</u>. The pilot features 12 categories of program data, ranging from artificial intelligence to flood risk, chosen based on availability.

Eventually, OMB plans to integrate FPI into the DATA Act reporting process to create a more comprehensive federal data inventory.