

## Cost

(An excerpt from The Center for Democracy and Technology and OMB Watch Report "The Ten Most Wanted Government Documents" - <http://www.cdt.org/righttoknow/10mostwanted/>)

In an era of major budget cuts, cost was the issue most often cited by the agencies and government officials in explaining their failure to create Web sites or post certain sets of information. In some cases, this may be a valid concern and it was taken into account in selecting the final ten. Yet, sometimes exactly the opposite is true: putting information online will save the government money.

Of the agencies on the "Ten Most Wanted" list that mentioned cost as an issue, only CRS had a public estimate of how much it would cost taxpayers. The Congressional Budget Office (CBO) did a preliminary cost estimate confirming CRS' claims and estimated the cost from between that ranged from \$1.8 to \$7.1 million.

However, our subsequent inquiries and reports from the Government Accounting Office (GAO), the Government Printing Office (GPO) and the Internal Revenue Service (IRS) prove that many of the basic assumptions in the CBO's report are unfounded. The CBO began with the assumptions that:

- \* due to the publicity of having a Web site, requests for paper copies of existing CRS reports would increase rather than decrease;
- \* Congress and the public would request more new studies, causing a ballooning of the CRS budget by between 2% and 10%, which accounted for most of the cost; and
- \* Congressional offices would not receive any meaningful savings to make up for the short term costs of the agency.

The experience of the GAO, an agency that also creates reports at the request of Members of Congress, would lead to a completely different set of conclusions. GAO began putting up all of its reports in October 1994 through GPO Access and in 1996 decided that it would be cost effective to begin providing the reports on a GAO Web site directly to the public. Despite the fact that citizens can order the first printed copy of GAO products for free directly online, the actual number of copies that GAO has printed has gone down from 1.2 million a year to 800,000 a year. Meanwhile 150,000 to 200,000 copies of every report are being downloaded online. Although this number does not represent the total number of people looking at each report, since some people download the same report more than once, there are obviously more people seeing these reports

than ever before. GAO sources also say that the agency has seen no increase in requests from Congress to create reports and no increase in phone calls from the public about the reports. This also does not take into account the more difficult to gauge savings that Congressional offices are experiencing now because constituents can browse through GAO reports including the staff research time saved. While there may have been some initial start-up costs to put the data on a GAO Web site, there is no question that GAO has saved taxpayers money over the long term by putting all reports online.

GPO has documented similar savings. GPO's 1997 Report to Congress has a section titled "GPO Access Benefits and Savings from Dissemination of Electronic Information," which found that:

"The dissemination of electronic information through GPO Access has provided both tangible and intangible benefits, as well as real cost savings for the GPO. While it is not possible to calculate these benefits and savings for all of our products, CBDNet presents an example of this trend. CBDNet has provided cost savings both to the public and throughout the Government. When the Commerce Business Daily was distributed only in paper, it cost \$2.2 million a year, and distribution was limited to those individuals who could afford a subscription. Prior to CBDNet, agencies paid \$18 per notice submitted to CBD. Now agencies who submit notices electronically are only charged \$5 per notice. It is estimated that this electronic submission option is saving the Government, on average, over \$130,000 per month, or over \$1.5 million per year. These financial savings and the many other benefits mentioned previously have made CBDNet a huge success."

GPO sources have also told us that demand for paper products has diminished as the information has gone online. GPO's 1999 report to Congress is expected to provide even more details of the cost savings agencies can reap by providing the public electronic access.

The IRS has also documented a fall in the demand for paper products as their downloads of forms has increased from less than 4 million in 1996 to over 63 million this year. This translates into direct savings since, by the agency's figures, it costs about \$3 to mail an IRS paper product and less than a penny to provide it online.

For agencies concerned about potential short-term costs, GPO Access is willing to place agencies' information online. In fact, GPO sees online services as central to its public mission. They provide server space, Web design, database work, and more. The price would be lower than the short-term costs associated with an agency putting information

online in house with the added benefits of permanent public access. While this option does not give agencies all of the long-term benefits, it does offer a solution in times of difficult budget cuts and it ensures the public's right to know will not be undercut.

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