

# GOVERNMENT MATTERS

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## **In This Issue**

### **Revenue & Spending**

[Expiring Help for the Unemployed or Expiring Tax Breaks: What Will Congress Extend?](#)

### **Citizen Health & Safety**

[Rules to Watch \(and Wait\) for in 2014](#)

### **Open, Accountable Government**

[Open Government Prospects in 2014](#)

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## **Expiring Help for the Unemployed or Expiring Tax Breaks: What Will Congress Extend?**

**by Scott Klinger**

December was a tough month for those down on their luck. More than a million long-term unemployed workers, having already been out of work for at least six months, saw their unemployment insurance abruptly cut off. Just weeks before this happened, federal food assistance for children, seniors, and people with disabilities was reduced. Job growth was anemic, and the unemployment rate fell because many people simply stopped looking for work (and so moved from "unemployed" to "out of the labor market").

But as Congress returns in the new year, members will face an army of corporate lobbyists clamoring for the renewal of recently expired tax breaks that boost corporate profits but deliver little to the broader economy. Congress should allow the tax breaks to expire and use the savings to extend programs like unemployment insurance and the Supplemental Nutrition Assistance Program (SNAP) – programs that boost the economy, preserve jobs, and help those facing the greatest economic uncertainty.

## **Fifty-Five Tax Breaks Expired on New Year's Eve**

Dec. 31 marked the expiration of 55 tax breaks collectively known as "extenders." Extending these provisions through the rest of 2014 would cost [\\$54 billion](#), according to the Congressional Research Service.

The "tax extenders" are a rather disparate package of tax breaks that benefit a broad range of interests. Common among them is that all were adopted as "temporary" measures but have been repeatedly extended. For example, the research and development tax credit that allows businesses to deduct qualified research expenses was first adopted in 1981 and has been extended 14 times since.

By pretending that these seemingly permanent fixtures of the tax code are temporary and having them technically expire every year or two, Congress has been able to mask their true impacts on the budget. If these tax breaks were all made permanent, their combined ten-year cost (FY 2014-2023) would be [\\$938 billion](#).

The extenders package is usually attached to a "must-pass" piece of urgent legislation, often as the part of a backroom deal, to avoid significant public debate. The most recent extension of these tax breaks came in early 2013 as a part of the American Taxpayer Relief Act (ATRA), which resolved the "fiscal cliff" crisis.

In addition to extending the Bush tax cuts for all but the very wealthiest Americans, ATRA provided a permanent fix for one of the most important tax extenders: the flawed alternative minimum tax. The alternative minimum tax (AMT) was established in 1969 to ensure that wealthy families paid some tax, but as more families became affluent and hit the non-inflation adjusted rate, increasing numbers of middle-class taxpayers were subject to the tax. To repeal the tax would balloon deficit estimates; to allow the AMT to be charged to more and more families would subject hundreds of thousands of middle-class taxpayers to large additional tax bills and was politically explosive. Because of this, Congress regularly passed a "patch" that provided exemptions to the large number of affected families in order to keep them from having to pay this tax. ATRA finally indexed the AMT to inflation. With the alternative minimum tax now out of the equation, Congress will face strong pressure to adopt "pay-fors" for any of the 55 tax breaks that expired in December.

This creates a climate for a more robust debate of the merit of each tax extender. Sen. Orrin Hatch (R-UT), ranking member of the Senate Finance Committee, recently told Bloomberg BNA, "The extender package is a very difficult thing to do. I am going to insist that we cut back rather than just keep all of them. We should only do the ones we really should do."

## **Don't Extend Tax Breaks with Limited Social and Economic Value**

The nearly five dozen extenders benefit both individuals and businesses. Some are widely used by middle-class families – the ability to deduct state and local taxes on federal tax returns being one example. Others – such as the controlled foreign corporation offshore loophole – allow prosperous firms like Apple to establish foreign subsidiaries that report income and pay taxes to no nation.

Many extenders serve a positive social function, such as the one that allows elementary and secondary school teachers to deduct up to \$250 of the cost of classroom supplies that they buy for their classes out of their own pockets (2013 cost: \$240 million) or the one that allows homeowners to deduct the cost of energy-efficiency improvements made to their homes (2013 cost: \$1 billion).

Other tax extenders provide limited economic and social value, subsidize business activities that would have been undertaken anyway, or provide taxpayer support for profitable entities already doing quite well.

Here is our list of candidates fitting the above criteria, and that Congress should either significantly reform or eliminate entirely:

- **Extension of Active Financing Exception:** The tax code requires that certain types of income, including income from financing activities, be recognized when earned. The Active Financing Exception creates an exception that allows corporations to set up foreign finance subsidiaries and then to defer taxes on income these subsidiaries earn, allowing those who use it to save on their tax bills. This was a long-standing provision in the federal tax code but was eliminated during the sweeping 1986 reforms of the corporate tax code under President Ronald Reagan. It was reinstated in 1996 following an intense lobbying campaign by [General Electric](#), which, along with J.P. Morgan, Citigroup, and other banks, are the biggest beneficiaries of this tax break. The Active Financing Exception is one of the primary reasons General Electric pays so little in corporate income taxes, according to [Citizens for Tax Justice](#). (2013 cost: \$9 billion)
- **Extension of Controlled Foreign Corporation Look-Through Rules:** This provision allows multinational corporations to create what Edward Kleinbard, former Chief of Staff for Congress's Joint Committee on Taxation, calls "[stateless income](#)." Profits earned in one nation are shifted to another – usually with low or no taxes – through paper transactions whose principle purpose is tax avoidance. The Senate Permanent Subcommittee on Investigations reported last year that Apple had used this provision to shift [\\$30 billion of profits](#) to an Irish subsidiary, which neither reported income nor paid taxes in Ireland, the United States, or any other nation. (2013 cost: \$1 billion)
- **Extension of bonus depreciation:** First established during the 2002 stimulus bill, this provision allows businesses to write down the cost of new equipment purchases more quickly. This tax break often subsidizes purchases that businesses would make anyway, and each dollar spent on this policy generates [just 20 cents in economic activity](#). Because there is no stipulation that materials purchased have any domestic content, this subsidy does not necessarily stimulate U.S. job creation. In fact, if equipment purchased allows businesses to automate, replacing labor with machines, it may in fact be subsidizing the loss of American jobs. (2013 cost: \$34 billion)
- **Extension of the research and experimentation tax credit:** This provision allows businesses to receive a direct tax subsidy for certain research aimed at developing new products or improving existing ones. While there is undoubtedly some value in taxpayer support for research that otherwise would not be done, there is also a strong case to be made that this tax break does not always support the sort of innovation that Congress intended. Critics such as [Citizens for Tax](#)

[Justice](#) have called for reforming and refocusing this credit and have pointed out examples like companies taking advantage of this credit simply by redesigning food packaging. With 82 percent of this credit going to corporations with more than \$250 million in sales, it is not primarily being used by start-up businesses where capital is scarce. In addition, the IRS reports that the R&E Tax Credit is often claimed on amended tax returns by businesses that did not realize they were entitled to it. This raises the question about providing a subsidy for work that a for-profit business was perfectly willing to undertake without a subsidy from taxpayers. (2013 cost: \$6 billion)

- Provisions that benefit the already prosperous: Subsidies for NASCAR track owners (cost: \$50 million in 2013), extra tax breaks for TV and movie producers (\$270 million in 2013), subsidies for Puerto Rican rum producers (\$240 million in 2013), and tax breaks for race horse owners (less than \$50 million in 2013) should all be candidates for reduction or elimination.

(For a complete list of extenders and their 2013 cost, click [here](#).)

### **Extend Programs That Create Jobs and Protect Vulnerable People**

Programs like unemployment insurance and SNAP have a demonstrated positive value for those who receive benefits. The modest \$300-a-week average unemployment check allows a jobless worker and his or her family to stay in a home and pay the utility bills and for gas or transit costs so that job searching may continue. SNAP helps millions of children, elderly, and disabled people, as well as low-wage workers, buy food.

SNAP and unemployment insurance also create jobs and stimulate the economy. Americans receiving unemployment benefits and nutritional support almost always spend those funds as soon as they receive them, immediately circulating cash into their communities. Unemployed workers' weekly checks help sustain the jobs of those working in neighborhood stores, gas stations, power plants, banks, and doctors' offices. In fact, each dollar spent on unemployment insurance generates \$1.55 in economic activity. By refusing to extend unemployment insurance, Congress is taking [\\$600 million out of the nation's economy every week](#) and risking the jobs of many who are currently employed.

SNAP benefits have an even more powerful economic impact. Each dollar spent on SNAP benefits generates \$1.79 in economic activity, according to the [U.S. Department of Agriculture](#) (USDA), which oversees the SNAP program. Each billion dollars invested in SNAP creates or preserves 8,900 jobs for grocery workers, truck drivers, food plant workers, and farmers, according to USDA. The \$9 billion in SNAP cuts currently being considered by Congress puts 80,000 jobs in jeopardy.

Yet federal emergency unemployment benefits lapsed for 1.3 million long-term unemployed three days after Christmas. Another estimated 3.8 million jobless Americans who have been unemployed for at least six months will lose their benefits over the course of the next year unless Congress extends this lifeline program. In November, Supplemental Nutrition Assistance Program (SNAP) benefits were reduced after an increase provided in the 2009 Recovery Act was allowed to expire. The average family of three saw their nutrition assistance drop \$29 a month, reducing the per-meal subsidy to just \$1.40 per person.

## Conclusion

Recent polling shows that the American people want Washington to do more to address the economy, job growth, and inequality. A majority want corporations and the wealthy to pay more in taxes. With corporate profits and stock market prices both at record levels, and the wealth of the world's billionaires increasing steadily, we need to close the loopholes that provide public subsidies to those who need them the least, and support those who need it the most. Doing so protects jobs, stimulates economic activity, and is simply the decent thing to do. Let's hope those elected to "the people's House" agree.

## Rules to Watch (and Wait) for in 2014

by Katie Greenhaw

Just before Thanksgiving, the White House quietly released the 2013 [Unified Agenda](#), which contains information on a broad range of upcoming regulatory actions, as well as agencies' regulatory plans detailing the most important significant regulatory and deregulatory actions they expect to propose or finalize during the coming year. On Jan. 7, agencies [published](#) in the *Federal Register* their regulatory flexibility agendas describing a subset of regulatory actions under development that may have a significant economic impact on a substantial number of small entities. While some important health and safety rules are slated to move forward, the Unified Agenda indicates that many long-awaited actions will not advance as proposed or final rules this year.

### Many Environmental Rules Stalled, but Climate Change Actions Inching Forward

The U.S. Environmental Protection Agency's (EPA) regulatory plan includes some actions that have advanced to the final rule stage, but many long-awaited actions remain stalled in earlier rulemaking stages, are identified only as long-term actions, or have disappeared from this year's regulatory plan altogether.

The good news: a few rules listed as proposed rules or long-term actions in EPA's [spring agenda](#) have moved to the final rule stage, including emissions standards and third-party certification rules for [formaldehyde](#) in composite wood products.

EPA's rule to [limit greenhouse gas emissions](#) for new fossil fuel-fired power plants will move forward. The rule would reduce the amount of carbon dioxide that is released into the air and contributes substantially to climate change. EPA first proposed the rule in April 2012 and in December 2012 listed the rule as being in the final stages of development. Unfortunately, EPA moved the rule back to the proposal stage after heavy criticism from the electric power industry pressured the agency into withdrawing the original rule and issuing a revised proposal. EPA released the new proposal to the public on Sept. 20, 2013 in accordance with President Obama's new [climate action plan](#), announced in June 2013, and the official proposal was published in the *Federal Register* on Jan. 8, 2014.

The president's climate plan also requires EPA to propose standards for [existing power plants](#) by June 2014 and finalize those standards by June 2015. EPA's agenda indicates the agency is on track for

meeting these deadlines, although the agency has not yet submitted a draft rule for existing power plants to the Office of Information and Regulatory Affairs (OIRA) for review.

The agency's rule on the [definition of solid waste](#) was listed as a final rule in the fall 2012 agenda, moved to long-term action in the spring, and has now returned to the final rule stage. Although EPA missed judicial deadlines for finalizing the rule, it plans to issue the final rule in February of this year.

The bad news: EPA does not expect to complete proposed or final actions for many crucial delayed rules. The plan provides no timeline for issuing a long-awaited proposal to update national air quality standards for ozone pollution. In 2011, EPA completed a proposed rule that would have strengthened inadequate ozone standards that were previously [overturned](#) by a federal court. But before the proposal was published, Obama ordered EPA to withdraw the rule and directed the agency to wait and update the standard by 2013 as required under the Clean Air Act (CAA). But now, review of the ozone standard is listed as a "long-term action." A schedule for a proposal and final action on the ozone standard is being negotiated between EPA and the public health organizations that sued the agency for not meeting the CAA deadline for review of the standard.

Although EPA proposed new standards for the regulation of coal ash in 2010, little progress has been made toward issuing comprehensive national standards, and the rule has been pushed back to a long-term action despite being listed in the pre-rule stage in the spring agenda. However, an October [court order](#) required EPA to submit a plan for finalizing the coal ash rulemaking process by Dec. 29, 2013. EPA also plans to move forward and finalize a [proposed rule](#) to reduce water pollution from coal-fired power plants and their related wastes. The agency is under a judicial deadline to finalize the rule by May 22, 2014.

EPA has also moved back its timeline for proposing a [national drinking water standard for perchlorate](#), a chemical that is used to produce rocket fuel, fireworks, flares, and explosives. Scientific research indicates that perchlorate can disrupt the thyroid's ability to produce hormones needed for children's normal growth and development. The Safe Drinking Water Act requires EPA to issue a proposed rule within 24 months of making the determination to regulate. The agency missed the 2013 deadline and does not expect to issue a proposal until the end of 2014 and a final rule in September 2015.

A disappointing "completed" action confirms that EPA has "decided to discontinue work" on the Chemicals of Concern List rule, meaning that no new chemicals will be added to a list of substances that present or may present an unreasonable risk of injury to human health or the environment (and so require additional study and action). EPA's spring agenda indicated that the rule was still in the proposed stage, but it was withdrawn in September after languishing at OIRA for review for over three years. Neither EPA nor OIRA explained the reason for the withdrawal.

### **The 2014 Timeline for Silica and Poultry Health and Safety Rules**

In the fall of 2013, the Occupational Safety and Health Administration (OSHA) finally issued two important proposed rules: a long-awaited rule to protect workers from [exposure to silica](#) dust that can lead to fatal respiratory disease, and a proposal to modernize and improve the recordkeeping and reporting of occupational injuries and illnesses. OSHA's regulatory agenda has featured the silica rule since 2011, but the agency had been unable to move forward because the rule was held up at OIRA for



over two years. The proposed silica rule was finally published in September 2013, and the extended public comment period is due to close on Jan. 27. The recordkeeping rule, proposed in November, will be open for public comment until March 8. Unfortunately, the latest agenda still lists the rules in the proposed rulemaking stage and contains no timelines for completing final rules.

A rule of particular concern that is slated to become final this year is the U.S. Department of Agriculture (USDA) Food Safety and Inspection Service's (FSIS) [controversial proposed rule](#) to shift responsibility for inspections away from agency inspectors to employees of the slaughter and processing plants. USDA received thousands of comments from public health advocates and safety experts opposing the January 2012 proposal. The Center for Effective Government joined a drove of consumer and public interest groups in [urging](#) USDA to withdraw the rule until it had sufficiently examined and resolved concerns about food and worker safety. More recently, worker safety and civil rights organizations [petitioned](#) agencies to better protect workers in poultry and meatpacking plants, again calling on USDA to engage in thorough interagency consultation about worker safety before implementing the proposed rule. Despite [continued opposition](#) from policymakers and food and worker safety experts, USDA shows no signs of slowing down the rule.

Overall, the agenda includes some promising advances in long-awaited proposed and final rules. Still, too many have again been shelved until next year. Furthermore, rules that would provide important protections for citizens – like the silica rule, coal ash standards, and new clean drinking water standards – are still not final, while rules that benefit only industry interests – like the poultry rule – are moving forward. A very mixed bag for 2014.

*Katie Weatherford and Ronald White contributed to this article.*

## **Open Government Prospects in 2014**

**by Sean Moulton**

As we look ahead through the new year, a number of major open government issues will almost certainly become the center of policy debates and offer opportunities for improving transparency. This article presents the top open government issues we believe are most likely to garner the most time and attention of Washington policymakers. And, since every year offers surprises, we also offer a quick list of the most likely "wild card" issues that may emerge in 2014.

### **Freedom of Information Act**

Several ripe opportunities for improvements to the Freedom of Information Act (FOIA) are likely to present themselves in the coming year. The [FOIA Oversight and Implementation Act](#), passed out of committee in March 2013, is pending consideration by the full House. Transparency advocates are hopeful that the Senate will introduce its own FOIA reform bill in 2014. But proposals in other bills could weaken citizen access to certain kinds of public information. For instance, the [House-passed Farm Bill](#) includes dangerous provisions that would restrict access to information about the environmental impacts of large "industrial" agricultural operations.

The administration made several detailed commitments to modernize FOIA in its [2nd Open Government National Action Plan](#), released in [December 2013](#). We expect to see progress in 2014 on: the launch of a consolidated online FOIA service for requesters; common FOIA standards for all agencies; and improved training resources for FOIA professionals and federal employees. Given that the FOIA commitments in the plan were more detailed than other commitments, we may see progress from the administration early in the year.

The FOIA ombudsman, the Office of Government Information Services (OGIS), is also expected to respond to last year's [report from the Government Accountability Office](#) (GAO). That response is expected to include a plan for how OGIS will review agencies' compliance with FOIA, which could be a useful force for encouraging better performance.

## **Surveillance/NSA**

The roiling debate about U.S. government surveillance activities and the National Security Agency (NSA) will continue into 2014 and could result in some major changes in the way secrecy in national security programs is handled. *The Washington Post* speculates that this could be the [biggest policy issue of the year](#).

In December 2013, the White House published the [recommendations of President Obama's own review group](#), which examined the civil liberties, national security, and transparency issues raised by recent revelations about the NSA. That report recommended greater disclosure of surveillance court decisions and public reporting about wiretapping and data collection activities and other concrete steps to promote more transparency and accountability.

On Jan. 9, President Obama [met with lawmakers](#) to discuss the issue. Meanwhile, the independent Privacy and Civil Liberties Oversight Board is expected to release its own report on the issue [in the next few weeks](#). The president will present his NSA surveillance program reforms in a [public speech](#) scheduled for Jan. 17. Recent [conflicting court](#) decisions about the legality of the surveillance programs may add to the pressure for lawmakers to act.

## **Preventing Chemical Disasters**

On Jan. 3, the Chemical Facility Safety and Security Working Group released a much anticipated preliminary set of policy options to improve chemical safety and security. The group offered nine sets of options across several categories, including options for handling and storing ammonium nitrate, requiring facilities to switch to safer chemicals and technologies, and collecting more accident data.

President Obama formed the Working Group via executive order last August in response to the fertilizer plant explosion in West, TX in April. The order tasked three agencies – the U.S. Environmental Protection Agency (EPA), the Department of Homeland Security, and the Department of Labor's Occupational Safety and Health Administration (OSHA) – to identify policy changes that will improve government coordination of chemical safety rules, to modernize hazardous chemical regulations and standards, and to work with stakeholders to identify best practices. The Working Group was supposed to release the policy options by Nov. 1, but its work was delayed by last fall's government shutdown.



The Working Group has [opened a 90-day comment period](#), seeking input on the policy options. A final plan will be submitted to President Obama by May 1. Several listening sessions to gather input from stakeholders on how to prevent chemical disasters are scheduled this month in Los Angeles, Houston, and Washington, D.C., and next month in New York/New Jersey. The Center for Effective Government has been producing maps and factsheets for these sessions. Advocates are hoping for a recommendation to adopt a safer alternatives standard.

## **Reining in Controlled Unclassified Information**

2014 should be an important year for reining in restrictions on controlled unclassified information (CUI). CUI refers to information that the government deems "[sensitive but unclassified](#)" and specifies how it must be stored, whether it can be shared, and the like. While there are valid reasons for controlling some types of unclassified information, such restrictions can also be misused to withhold information that ought to be in the public domain.

In 2010, President Obama issued an [executive order on CUI](#), meant to increase oversight and consistency across agencies. However, the National Archives and Records Administration (NARA), the agency charged with developing the program, has yet to publish guidance explaining how the new system will work. Because of this, agencies haven't implemented anything in the four years since the president issued the order.

Encouragingly, the administration's [2nd Open Government National Action Plan](#) commits to [complete the guidance](#) and move toward full implementation of the CUI executive order. Completing the guidance in 2014 will help rein in the chaotic patchwork of restrictions that agencies have applied to unclassified information. Transparency advocates, such as the Center for Effective Government, are waiting to see the details of that guidance and offer their suggestions for ensuring that CUI reform is successful.

## **Fracking Bans and Legal Challenges**

Fracking, the controversial natural gas and oil extraction practice, is certain to face multiple votes, legal questions, challenges, and protests around the country again this year. Local cities and counties in many states passed bans or moratoriums on fracking activity last year, but many of those efforts face legal challenges this year. At issue is whether local governments have the authority to establish quality-of-life protections that a majority of their constituencies have voted for. In November's election, voters in three Colorado towns passed ballot initiatives that either banned or placed moratoria on fracking. The Colorado Oil and Gas Association, the state's oil and gas trade association, quickly filed suit over two of the bans, arguing that only the state has the authority to ban drilling.

Despite the ongoing threat of legal challenges, more communities are expected to pursue fracking bans or moratoria in this year's elections. For example:

- On Jan. 3, activists in Athens, GA submitted more than the required number of signatures to the city auditor's office to place a fracking ban on the May primary ballot.

- California activists have started collecting signatures for a moratorium on the practice to be included on the Butte County ballot in November.
- Michigan voters are collecting signatures to put a proposal on the November ballot to ban horizontal fracking and fracking waste in the state.
- In Colorado, activists are working on an amendment for the November election that would alter the Colorado state constitution, allowing individual communities to ban or restrict drilling for oil and natural gas. Activists plan to finalize the ballot initiative in the next few weeks, after which they would have to collect signatures to get it on the ballot.

## Agency Open Government Plans

The president's 2009 [Open Government Directive](#) tasked federal agencies to create agency open government plans and update them every two years. The plans are supposed to "describe how [each agency] will improve transparency and integrate public participation and collaboration into its activities." Agencies [published the first plans in 2010](#) and [published updated plans in 2012](#). The next two-year update is due this year.

The Open Government Plans could be a powerful tool to help create a culture of greater openness in government, but the process has lost steam. [As we wrote at the time](#), "There is an ongoing need for government-wide coordination and oversight of the open government plans." The administration's [National Action Plan](#) said the administration would issue new guidance to agencies on how to prepare their plans – an indication that the White House would play a more active role in the planning process. In the coming months, the open government community will be looking for strong guidance from the White House and bringing their ideas for the plans to the agencies.

## Wild Card Issues

We offer the following seven "wild card issues" that are likely to get some attention in 2014; they may not become major issues but offer the possibility for some policy changes.

- **Toxics Safety:** Congress is expected to continue to work on the first major update to the Toxic Substances Control Act (TSCA) of 1976, our primary and extremely dysfunctional chemical safety law. The Senate Environment and Public Works Committee, chaired by Sen. Barbara Boxer (D-CA), is attempting to resolve differences between a [controversial bipartisan bill](#) and earlier legislation offered by the late Sen. Frank Lautenberg (D-NJ). Meanwhile, the House of Representatives is expected to draft its own legislation.
- **E-Government:** In its December 2013 [Open Government National Action Plan](#), the administration committed to update policies for federal websites in 2014. In the wake of the beleaguered launch of HealthCare.gov in October 2013, President Obama pledged to seek [reforms in how government delivers technology projects](#). Agencies are also working to implement the May 2013 [executive order on data transparency](#). Initial inventories of agencies' data holdings are expected in the early part of the year.

- **Keystone XL Pipeline:** President Obama is expected to make a decision on Keystone XL, a controversial project that would transport tar sands oil (which is more corrosive than crude oil) from Canada through America's heartland to Texas. In the early part of 2014, the U.S. State Department is expected to release its final environmental impact statement, which will feed into the president's decision. The project has divided many Americans, as the pipeline will cut through at least six U.S. states and create air, water, and public health risks in its wake.
- **Medicare spending:** In December 2013, [House](#) and [Senate](#) committees approved bills that would publicly [disclose](#) payments made to physicians by Medicare while protecting patients' privacy. Those provisions are part of a package changing Medicare's physician payment formula, which Congress is expected to vote on by the end of March. At \$555 billion in annual expenditures, Medicare is an ideal candidate for greater transparency, especially since increased public scrutiny can detect and deter fraud.
- **GMO Labeling:** Despite previous losses, groups in favor of labeling food containing or consisting of genetically modified organisms (GMO) continue legislative efforts at the state level. Groups in Oregon, Colorado, and Arizona are collecting signatures to generate ballot initiatives on GMO labels, which would allow voters to determine whether food containing GMOs should be labeled.
- **Fiscal transparency:** In its Second Open Government National Action Plan, the administration made several general commitments to expand the spending data being made available and to improve USAspending.gov, the government's main vehicle for disseminating the data. We expect a more detailed plan in spring of 2014.
- **Secret Trade Agreement:** The Trans-Pacific Partnership (TPP), a regional free-trade agreement between the U.S. and several Pacific countries that could curtail crucial public protection activities and profoundly impact public policy issues, has been negotiated with [unprecedented secrecy](#). Now [legislation](#) that grants the president "fast-track authority" and allows him to simply sign the agreement and send it to Congress for a straight up-or-down vote has been introduced – with no room for amendments and limited floor debate. Some observers think a TPP deal could be struck as early as April, when President Obama is set to tour Asia. Others say nothing will move this election year. In the wake of NAFTA's recognized job losses, and with sluggish job growth still plaguing the nation, the public is likely to be skeptical of new trade agreements.

Even with dysfunction and gridlock, given the range and importance of the issues raised here, 2014 could to be an eventful year for disclosure and open government.

*Gavin Baker and Sofia Plagakis contributed to this article.*



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