

May 18, 2009

The Honorable Mark R. Warner
459A Russell
Washington, DC 20510

The Honorable Mel Martinez
356 Russell
Washington, DC 20515

Dear Senator Warner and Senator Martinez:

We write in support of S. 910, a bill that would amend the Emergency Economic Stabilization Act to add greater transparency to the Troubled Assets Relief Program (TARP). The bill would require the Treasury Department to establish a database that would provide ongoing, continuous and close to real-time updates of the distribution of TARP funds. Such a database would allow for detailed analysis of the effectiveness of the TARP money in stimulating prudent lending and strengthening the health of the financial institutions receiving the funds.

While FinancialStability.gov is an excellent start for TARP oversight, there are many TARP activities and related data that are not captured there. S. 910 would integrate public and private sources to track the TARP funds, collecting all regulatory filings, internal models, financial models and analytics associated with the TARP assistance. Making all relevant information available in a centralized database, updated daily, will make it much simpler to determine whether the funds are being used as intended.

We have one suggestion for improving the bill and that is to make it clear that the database must be publicly available. We believe this was your intent, but the text of the bill is not clear. Both government officials and members of the public have roles to play in ensuring the accountability of TARP, so the database should be public.

A centralized, public database of information about the TARP would enable analysis of the data by the TARP Investigator General, the Congressional Oversight Panel, and the public. Giving the public and the oversight bodies access to this data will greatly increase citizen confidence in the TARP program. In addition, this will allow watchdog groups to analyze the data, reuse it and present it in novel ways, and uncover risky practices among TARP institutions.

Thank you for advocating greater TARP transparency and effectiveness. We look forward to working with you and your colleagues for swift passage of S. 910.

Sincerely,

Ari Schwartz
Center for Democracy and Technology

Gary Bass
OMB Watch

Danielle Brian
Project On Government Oversight

Ryan Alexander
Taxpayers for Common Sense

Patrice McDermott
OpenTheGovernment.org