



January 11, 2016

General Services Administration
Regulatory Secretariat (MVCB)
ATTN: Ms. Flowers
1800 F Street NW, 2nd Floor
Washington, DC 20405

Re: FAR Case 2015-022

Dear Ms. Flowers,

On behalf of the Center for Data Innovation (datainnovation.org), we are pleased to submit these comments in response to the request for public comment from the Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA) on the proposed revisions to the Federal Acquisition Regulation (FAR) to re-designate the terminology for unique identification of entities receiving federal awards.¹

The Center for Data Innovation is a non-profit, non-partisan think tank focusing on the impact of the increased use of information on the economy and society. The Center formulates and promotes pragmatic public policies designed to enable data-driven innovation in the public and private sectors, create new economic opportunities, and improve quality of life. The Center is affiliated with the Information Technology and Innovation Foundation (ITIF).

The proposal by the DoD, GSA, and NASA to amend the FAR to remove requirements to use the Data Universal Numbering System (DUNS) unique identifier standard, a proprietary unique identifier developed by business information reporting company Dun & Bradstreet, is a welcome step forward for government transparency and will make the FAR comport with federal open data policy, which specifically disallows the use of proprietary data standards.²

Unique identifiers help federal government agencies accurately report and track their spending. They also enable transparency-enhancing services such as USAspending.gov, a site which allows members of the public to easily analyze timely and detailed data about how federal agencies do

¹ "Federal Acquisition Regulation; Unique Identification of Entities Receiving Federal Awards," Federal Register, November 18, 2015, <https://www.federalregister.gov/articles/2015/11/18/2015-29414/federal-acquisition-regulation-unique-identification-of-entities-receiving-federal-awards>.

² "M-13-13" Office of Management and Budget, May 9, 2013, <https://www.whitehouse.gov/sites/default/files/omb/memoranda/2013/m-13-13.pdf>.



business with private companies.³ However, the FAR, which governs the federal government's purchasing process, specifically requires the use of DUNS numbers as unique identifiers, despite the fact that non-proprietary unique identifiers exist and would be equally effective.⁴ Every business that contracts with the federal government must have a DUNS number, and the federal government must pay Dun & Bradstreet for a license to use this data.

The requirement to exclusively use DUNS numbers is problematic because it limits how the federal government can use its own data. Should the federal government decide to not renew its license to use DUNS numbers, much of its own data would be unusable and lost as a public resource. This is what happened in September 2014, when the federal government's Recovery Accountability and Transparency Board decided not to spend \$1.4 million to renew its contract with Dun & Bradstreet to use DUNS numbers to track \$800 billion in federal stimulus spending.⁵ As a result, neither the government nor the public was able to use this data after the contract expired.

Federal open data policy requires the use of non-proprietary standards for government data for good reason: when an agency uses non-proprietary standards, any company is free to develop tools and services to work with its data and agencies can award contracts for the most competitive, cost-effective solutions.⁶ In 2012, the Government Accountability Office concluded that the requirements to use DUNS numbers as unique identifiers effectively gave Dun & Bradstreet a monopoly on this service, leading to increased costs and reduced transparency.⁷

³ "USASpending.gov," Department of the Treasury, accessed January 11, 2016, <https://www.usaspending.gov/transparency/Pages/default.aspx>.

⁴ "Legal Entity Identifier (LEI)," Office of Financial Research, accessed January 11, 2016, <https://financialresearch.gov/data/legal-entity-identifier/>.

⁵ Christian Davenport, "Data on \$800 billion in stimulus spending will disappear this year. Here is Why.," *Washington Post*, September 9, 2014, https://www.washingtonpost.com/business/economy/data-on-800-billion-in-stimulus-spending-will-disappear-this-year-here-is-why/2014/09/09/ad277ff4-350a-11e4-8f02-03c644b2d7d0_story.html.

⁶ "M-13-13" Office of Management and Budget, May 9, 2013, <https://www.whitehouse.gov/sites/default/files/omb/memoranda/2013/m-13-13.pdf>.

⁷ "Government Is Analyzing Alternatives for Contractor Identification Numbers," Government Accountability Office, June 12, 2012, <http://gao.gov/assets/600/591551.pdf>.



This proposed change to the FAR is a critical first step towards eliminating the use of proprietary standards in government as it removes the legal requirements for agencies to use DUNS numbers as unique identifiers. Though it will take time for the federal government to completely transition away from the use of proprietary identifiers, it is encouraging to see the federal government recognize the value of non-proprietary standards and work towards making spending data more open and accessible.

Sincerely,

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