January 19, 2016

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

Submitted via Regulations.gov

Dear Ms. Flowers:

The Project On Government Oversight (POGO) provides the following public comment to “Federal Acquisition Regulation; Unique Identification of Entities Receiving Federal Awards,” (80 Fed. Reg. 72035, November 18, 2015). As an independent nonprofit organization committed to achieving a more accountable and transparent federal government, POGO has a longstanding interest in federal contracting issues and in creating a non-proprietary unique identification numbering system for federal contractors and grantees.

The federal government awards over a trillion dollars each year in contracts and grants, but the only way the government can track the recipient entities is by using a proprietary identification number. This requires the government to pay Dun & Bradstreet millions in licensing fees to use their Data Universal Numbering System (DUNS). In 2014, the Recovery Accountability and Transparency Board, the federal agency overseeing stimulus and Hurricane Sandy spending, decided not to renew that licensing agreement, which means the government and the public lost identifier data on billions of dollars spent under the Recovery Act.

POGO supports the proposal to end Dun & Bradstreet’s monopoly by amending the Federal Acquisition Regulation to redefine unique entity identifiers. While we understand how the federal government came to rely on the DUNS identifiers, the fact remains that the DUNS system was not developed to serve as a government identifier and thus fails to serve the needs of the government and the public. It is long past time to replace DUNS with a better system.

The DUNS number should be replaced with a non-proprietary, unique entity identifier that will link parent companies with all of their subsidiaries. This system should reveal all domestic and foreign relationships, including parents, subsidiaries, joint-ventures, partnering arrangements, and mentor programs.

We believe the new system would have to fulfill at least three specific needs: Completeness, Confirmation, and Connectability.
Completeness: The new identifier system must capture all entities—including publicly traded and private businesses, for-profit and non-profit organizations, state and local government offices, and academic institutions—that receive or could receive an award from the federal government.

Confirmation: The system must have confirmation mechanisms in place to ensure use of the correct identifier. Such mechanisms need to be built into the system so that when entities are submitting information, they cannot submit out-of-date identifiers or be issued new and unnecessary identifiers.

Connectability: Identifier data must be sharable and usable across federal agencies as well as with state and local governments. The new identifier will have to operate as bridge to connect data about the same entities that is held in different locations.

Meeting these needs will make data more shareable and usable, and promote better quality analytical tools within and outside of government. The purpose of updating the identifier system is to address the shortcomings of the past process and establish a modern approach that will maximize the benefits we get from a proper identifier.

We would also urge the Office of Management and Budget, Department of the Treasury, General Services Administration, and the Award Committee for E-Government to launch the process to explore potential alternatives to the existing identifiers as discussed in the proposed rule.

As part of this decision-making process, the Administration will assess the utility of various non-proprietary identifiers such as the Commercial and Government Entity (CAGE) Code and the Legal Entity Identifier (LEI). However, it may well require a new government program to provide the scope and consistency of identifiers that are needed for this data. We look forward to participating in the process.

If you have any questions, I can be reached at smoulton@pogo.org or (202) 347-1122.

Sincerely,

Sean Moulton
Open Government Program Manager