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Surety Resource Connection

July 215, 2018

Karen Dunn Kelley,
Under Secretary for Economic Affairs
Performing the Nonexclusive Duties and Functions of the Deputy Secretary of Commerce
Department of Commerce

      RE: Request for Comments
               Cross- Agency Priority Goal: Leveraging Data as a Strategic Asset
               Docket ID USBC–2018–0011

Dear Ms. Kelley,

We are active with a group of collaborators working on data interoperability for the construction of energy and transportation projects utilizing XBRL. Our response, following the outline in the RFC, is to share the work being currently being done on several inter-related and cross agency efforts to contribute to objectives described in the RFC.

Respectfully submitted

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Executive Summary

The barrier to leveraging data as a strategic asset is the ability to aggregate and administer data from multiple sources confident the data elements are consistent and reliable with respect to each individual data element having the same usage, definition and application, and for data interoperability between multiple unrelated systems to enable efficient and cost effective data exchange. This was resolved in large part when the SEC developed the XBRL taxonomy as a free resource for public traded companies to report their US GAAP XBRL financial data to the SEC as a data exchange.

In response to the DOE contest Open Data by Design we demonstrated how construction of the nation's energy infrastructure could follow the best practice of Caltrans and VDOT for building transportation infrastructure, where Caltrans and VDOT monthly progress reports are posted online for transparency to enable data analytics, most importantly predictive analytics for risk management utilizing XBRL.

Under the Smart Grid Interoperability Panel (SGIP) we developed Priority Action Plan 25 to harmonize energy related construction and operational data with the financial markets utilizing XBRL, which led to the DOE Orange Button RFP where respondents and collaborators advocated leveraging XBRL to enable stakeholder data interoperability to reduce the soft costs of developing energy related projects, and reduce burdens on stakeholders.

The emphasis of the collaboration effort is to contribute to the publicly available XBRL taxonomy, and federally recognized machine-readable data standards like FIBO and others, as public resources that can serve multiple purposes for multiple industries and multiple governmental agencies.

The ongoing expansion of the XBRL taxonomy funded by the DOE Orange Button to incorporate all the various data requirements of multiple stakeholders for building infrastructure projects is a public resource available now that can be utilized for cross-agency data interoperability and for data interoperability between government agencies and private industry.

If non-standard, agency specific or proprietary data exchange structures are imposed, the negative impact will be inefficiency, high costs and unreliable data consistency that would undermine the strategic asset.

By utilizing public resources like XBRL and FIBO all stakeholders can concentrate their attention towards developing innovative ways to leverage data interoperability to create strategic assets that make a positive impact through greater efficiency, along with new products and services that create multiple strategic assets.

Not only across government agencies, but across all stakeholders that rely on data to perform their functions.

The "cross-agency" priority goal should appropriately be a "cross-stakeholder" priority goal, where **making an Impact** is made possible by leveraging data.

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Examples of XBRL Data Interoperability as a Strategic Asset

The recently expanded the XBRL taxonomy for cross-stakeholder data interoperability can achieve the following:

- Coordination with NIST, SEC, Treasury, SBA, DOE, DOT and other multiple federal agencies to assure cross agency consistency by leveraging machine readable data standards like XBRL and FIBO.

- The XBRL data standard currently exported by utility companies to the SEC can be used by utility companies to import data from companies doing business with the utilities, from small distributed energy projects to large utility scale facilities that generate energy for the Smart Grid.

- Financial markets that serve energy related companies can utilize the expanded XBRL taxonomy to streamline the process and reduce the burden for securing financing for energy projects with more competitive terms and conditions by reducing the soft costs and improving risk management.

- Insurance markets can utilize the expanded XBRL taxonomy to streamline the application and underwriting process, and reduce the burden for securing innovative insurance products and services for energy infrastructure project that further reduce the soft costs of developing energy projects.

- Utilities can utilize XBRL for reporting to state and federal regulatory bodies.

- State regulatory bodies can utilize XBRL for reporting to federal regulatory bodies.

- State and federal agencies can utilize the upstreamed data to efficiently generate data based on consistent and reliable data aggregated from multiple sources and administer state programs with greater efficiency enabled by data interoperability from multiple stakeholders.

- Surety markets can utilize the expanded XBRL taxonomy to streamline the process for securing surety products and services that further reduce the soft costs of developing energy projects, and improve access to surety credit for small business.

- FinTech and InsurTech companies are emerging to provide additional products and services to the financial markets enabled by data interoperability to further improve the financial markets ability to underwrite, administer and deliver improved products and services.

- SBA can utilize the XBRL taxonomy for improving access to surety credit for small business on either DOE energy or DOT transportation projects seamlessly.

- SBA, DOE, utilities and financial markets can utilize XBRL for implementing predictive analytics to make the Smart Grid more secure and resilient.

- Entire supply chain for energy and transportation projects can utilize data interoperability to streamline processes and reduce burdens

- XBRL can be utilized for compliance with legislative mandates like the DATA Act and as a data structure for applying for MGT Act funding and similar measures.

- XBRL can be utilized by the DOE, DOT, SBA, Treasury, SEC, NIST to collectively and by cross agency data interoperability reduce burdens on all stakeholders, from the smallest business to the largest international conglomerate. From the local municipality, the largest state or federal agency.

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Response to Request for Comments

The following is a response to each of the topics raised, with the original RFC text followed by comments in red.

Manage government data as a strategic asset;

Enable the American public, businesses, and researchers to effectively and efficiently access and use data;

Access of data is not the challenge, it is assurance that the individual data elements acquired are consistent with respect to the individual data element definitions being employed for that data being accessed to avoid the "garbage in garbage out" problem.

Access to data should be by public website for most public data, and data that is more sensitive and not for public consumption, by links to specific websites or URL's with access controlled by password or similar access controls.

Improve the use of data for federal decision-making and accountability, including for policy-making, innovation, oversight, and learning; and

By providing the framework for open, reliable and consistent data taxonomies like XBRL, free from constraints, licensing and other barriers to implementation the government will enable both public and private entities to develop innovative applications that support data driven decisions, which will improve the use of data.

Accountability and transparency go hand in hand, and providing data interoperability accomplishes both.

Innovation comes from providing a data exchange framework free from constraints, with the potential to impact multiple stakeholders in multiple industries and market segments.

Facilitate the use of federal data by interested parties to enhance the accessibility and usefulness of that data through commercial ventures, or innovation, or for additional public uses

Commercial ventures should not be given exclusivity to data, or given endorsements. Commercial ventures will adopt open data standards like XBRL if that is the opportunity available.

Consistent data standards across government agencies, and adopted by state and local agencies will facilitate software developers in multiple industries to incorporate import/export functionality into their respective systems.

The more the XBRL taxonomy is expanded to incorporate many uses, the more commercial ventures will utilize the capability to import/export enabled by data interoperability to innovate new products and services.

The more data interoperability is enabled by is standardized across federal and state agencies the more it will be sought out as a resource,

Pillars of the Federal Data Strategy
1. Enterprise Data Governance. Briefly describe which best practices the Federal Government should consider as it sets priorities for managing government data as a strategic asset, including establishing data policies, specifying roles and responsibilities for data privacy, security, and confidentiality protection, and monitoring compliance with standards and policies throughout the information lifecycle.

Data is a reliable asset only if there is consistency in the definitions of each data element so that data exchanged or aggregated is reliable, therefore data reporting should identify what data standard is being employed, such as XBRL, so that each stakeholder can be assured they have the benefit of data reliability.

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Data Policy

To further to reliability of data the government should mandate the use of federally recognized machine readable open data standards, like XBRL and FIBO, for all reporting of data.

To eliminate the inconstancy and unreliability of data the government should prohibit the use of proprietary data standards that impose restrictions or require licensing to utilize.

As with the Department of Energy and the Orange Button, the government should work with all stakeholders in an indentified industry segment to expand the XBRL taxonomy to accommodate the various data elements requirements of multiple stakeholders and industry segments so that information sharing and data exchange can be reliably implemented across industry segments

To facilitate the transition to data standards, digital communications and electronic transactions the government should, as a small incremental step, start by requiring electronic surety bonds on all government contracts and utilize standardized surety bond forms, exactly like the federal form 25 for performance bonds on federal contracts.

To further the transition to data standards, digital communications and electronic transactions the government should prohibit manually prepared paper surety bonds that are very expensive to administer and do not contribute to digital administration of project information.

Specifying roles and responsibilities for data privacy.
> Data privacy is always the responsibility of the holder of the data, which includes the necessary protections for any sharing of data, or for the exchange of data.

Monitoring compliance with standards and policies throughout the information lifecycle.
> There are too many stakeholders for any one monitoring entity to be able to provide a structure without imposing a cumbersome and unworkable framework.

> Instead it should be self-monitored by the stakeholders that are exchanging the data, public and private, such as the SEC for public company reporting.

> As an example, private entities can rely on the monitoring of the SEC or other public agencies for assurance the data they are administering is compliant with expectations.

> Private B2B policies and procedures can follow the example set by the SEC and other public best practices, but private entities should not have outside compliance terms and conditions imposed.

> Imposition of required policies and procedures on private data exchange would be too cumbersome to implement and too difficult to administer.

In summary, the Data Policy should promote open machine readable data standards, standardization of data sets and data interoperability to encourage innovation. The data policy should prohibit proprietary data sets, and prohibit staying with old paper based policies and procedures.

The Data Policy should make an Impact.

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2. <u>Access, Use, and Augmentation.</u>

List a few best practices that the Federal Government should consider as it develops policies and practices to enable interested parties to effectively and efficiently access and use data assets by:

    (1) Making data available more quickly and in more useful formats;

The format should always follow what is recognized as machine readable data standards that have no license or similar constraint and accepted by the federal government, like XBRL is accepted by the SEC.

States and local government agencies should follow federal data standards by expanding those data taxonomies with data elements they require, and not create competing formats.

Federal, state and local government agencies should work to make Data.Gov and similar portals for stakeholders to a public works contract able to monitor contract progress and track payments, which for maximum efficiency should contain the unique identifiers that would allow stakeholders to clearly associate the contract within their respective systems.

Example: Caltrans publishes all monthly progress payments and include the name of the surety and their surety bond number. This allows the surety industry to accurately and easily track all projects that are bonded by each surety.

All contracts should consider the various stakeholders and incorporate their respective unique identifiers into the contract data set.

    (2) maximizing the amount of non-sensitive data shared with the public; and

Each contract should be evaluated for what information is contained in a monthly progress billing with standard data included in the data set that is accessible, and a supplemental data set that is not available publicly but instead requires access controlled.

    (3) leveraging new technologies and best practices to increase access to sensitive or restricted data while protecting privacy, security, and confidentiality, and the interests of data providers.

The term machine readable data standard accepted by the federal government allows for new technologies and future improvements to be developed without being constrained by having a specific data standard identified.

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3**. Decision-Making and Accountability.**

Which best practices should the Federal Government consider to improve the use of data assets for decision-making and accountability?

Specifically, list best practices for:

- Providing high quality and timely information to inform decision-making and learning;

  Government entities interact with private enterprise for a wide range of products and services, which entails contracts and other defined obligations that often require those private enterprises to secure internal financing, insurance, surety and similar products and services from financial markets that ultimately are impacted by those government contracts.

  The better the government provides access to performance on those contracts, the better the financial markets can provide competitive terms and conditions, and FinTech and InsurTech companies can tailor additional products and services.

  An example is Caltrans posting monthly progress billings so that stakeholders can monitor project performance with high quality and timely information.

- facilitating external research on the effectiveness of government programs and policies which will inform future policymaking; and

  Enabling contracts to be monitored and tracked utilizing consistent and reliable data elements provided by XBRL will no doubt generate better intelligence as the data is aggregated and analyzed across a wide range of industries and stakeholders.

  By having both public and private data utilizing the same data standards, defined as machine readable federally recognized data standard, the ability to generate meaningful data for research is enabled.

- fostering public accountability and transparency by providing accurate and timely spending information, performance metrics, and other administrative data.

  When government agencies provide data in a consistent and reliable data standard like XBRL for accountability and transparency, both public and private entities can evaluate progress, make adjustments, and enact measures to achieve better outcomes.

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4**. Commercialization, Innovation, and Public Use.**

Outline best practices that the Federal Government should consider to facilitate the use of Federal Government data interested parties to enhance the accessibility and usefulness of the data through commercial ventures, or innovation, or for additional public uses. Of particular interest are examples of how the Federal Government can promote data use by the private sector and scientific and research communities, by state and local governments for public policy purposes, for education, and in enabling civic engagement. Please include up to four examples of:

• How enabling external users to access and use government data for commercial or additional public purposes spurs innovative technological solutions and fills gaps in government capacity and knowledge; and

As contracts for infrastructure continue to have their data accessible to enable data analytics over time the growing aggregated sum of data will present intelligence that will enable best practices to be indentified, as well as inefficiencies.

The ability to impact that analysis will prompt both public and private entities to innovate ways and means to implement those best practices and address inefficiencies

• how supporting the production and dissemination of comprehensive, accurate, and objective statistics on the state of the nation helps businesses and markets operate more efficiently.

The ability to analyze data for determining ways to improve policies and procedures will draw capital and expertise to respond to the opportunities indentified.

By having the original source data, and the data resulting from innovative new methods all utilizing the same reliable and consistent data standards for machine readable data the innovations will not be constrained as to who can receive or benefit from the resulting data.

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Interim Work Products

5. Principles.
The interagency team on Leveraging Data as a Strategic Asset has written a draft set of principles for a comprehensive data strategy. Please review and provide feedback on their clarity, appropriateness, completeness, and potential duplications.

Leveraging Data as a Strategic Asset: Principles for a Comprehensive Federal Data Strategy

The following broad principles are intended to guide the development of a comprehensive data strategy that encompasses the breadth of data the Federal Government acquires, uses, and disseminates for program, statistical, and mission-support purposes. These principles include concepts reflected in existing principles, such as those for the protection of personal information, for federal statistical agencies, and for federal evidence building. The principles will inform the development of practices and action steps for the Federal Data Strategy throughout the data lifecycle.

Stewardship

1. Exercise Responsibility: Practice effective data stewardship and governance by maintaining modern data security practices, protecting individual privacy, and maintaining promised confidentiality.
   The government should provide an ongoing best practices resource to help guide entities that have data.

2. Uphold Ethics: Consider, monitor, and assess the implications of federal data practices for the public and provide sufficient checks and balances to protect and serve the public interest.
   The government should make all data that is not sensitive or confidential available without attempting to interpret what best serves the public interest, as that introduces subjectivity that may create unnecessary barriers that hinder innovation and use of the data beyond the initial contemplated purposes.

   There should be a well-defined determination of what is sensitive or confidential, which would represent the check and balance.

3. Promote Transparency: Articulate purposes for acquiring, using, and disseminating data and comprehensively document processes and products to inform data users
   Transparency is more than being able to see data being accessed, it must be the ability to administer data that is accessed by being able to import the data into any system.

   Government should provide data with background and context for users to understand its source and intended purpose, but quite often innovation will come from doing new things that were unintended at the outset.

   Government should not try to limit the purpose of data to an intended use, but to offer the data to enable uses that may not have been contemplated.

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Quality

4. Integrate Intentionality: Create, acquire, use, and disseminate data deliberately and thoughtfully, considering quality, consistency, privacy, value, reuse, and interoperability from the start.

> The driver in all instances is the confidence the data has consistent and reliable data definitions, which will require adherence to open machine-readable data standards that are recognized by the federal government.
>
> By utilizing limited and well-defined data standards, like XBRL, the rest of the issues can be handled as situation warrants with respect to privacy, confident the value proposition will be based on the data, not on the ability to administer and analyze the data.

5. Ensure Relevance: Validate that data are high quality, useful, understandable, timely, and needed.

> High quality should be clearly defined as open machine-readable data standards that are recognized by the federal government, such as XBRL, so that the data elements are defined and used consistently and reliability.
>
> How useful the data is should be left to those who access it, as innovative uses for the data may not be known at the outset, but only materialize after time and by those who see beyond the originally contemplated uses.

6. Create Value: Coordinate and prioritize data needs and uses, harness data from multiple sources, and acquire new data only when necessary.

> Government has a role in administrating data generated in government activity, but it should not consider itself the only administer of the data, or should it attempt to aggregate all data generated. Private entities will engage where there is value to aggregated data for data analytics and value-added purposes.
>
> The market will drive what data gets aggregated, and prioritize data needs by demand.
>
> As the public value to aggregated public data becomes evident the government should provide it to the market without constraining public access by pricing or restrictions of some sort.
>
> The government has the responsibility to make sure public data is always available to the public without constraint, and with ease of access. If the market presents that, then the government should offer a public alterative.

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Continuous Improvement

7. Demonstrate Responsiveness: Improve data sharing and access with ongoing input from users and other stakeholders.

As open data standards are adopted and implemented there will be an ongoing need to keep the data standard current, which will require constant updates.

Trade associations are a great resource for this activity, by the government should be ready to step in if needed.

8. Prioritize Best Practices: Model, assess, and continuously update best practices throughout the data lifecycle.

The government should be a resource for best practices and provide guidelines on how to utilize open data standards and data interoperability.

9. Invest in Learning: Promote a culture of continuous and collaborative learning with data and about data.

Public educational facilities should provide STEM education in partnership with private companies to both provide educational opportunities to students and create graduates that are prepared to contribute in a modern society.

10. Practice Accountability: Audit data practices, document and learn from results, and make changes as needed based on findings.

The government should be a role model for best practices and provide ongoing outreach efforts to learn how to best utilize open data standards and data interoperability.

Principles

European Statistical System Code of Practice (http://ec.europa.eu/eurostat/ web/quality/european-statistics-code-of- practice);

Fair Information Practice Principles as cited in (https://cep.gov/ cep-final-report.html);

First Principles of Project Management, (http:// www.maxwideman.com/papers/ principles/defns.htm);

Guiding Principles for Evidence-Based Policymaking (https://cep.gov/cep-final- report.html);

Key Principles of Government Information from the American Library Association, (http:// www.ala.org/advocacy/govinfo/ keyprinciples);

OMB Statistical Standards (https://www.whitehouse.gov/ omb/information-regulatory-affairs/ statistical-programs-standards/);

Principles and Practices for a Federal Statistical Agency, Sixth Edition, (https://www.nap.edu/read/24810/ chapter/1).

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6**. Call for Use Cases.**
What Use Cases should the Federal Government consider in developing the Federal Data Strategy?

Federal Data Strategy: Call for Use Cases

To solve the most pressing issues facing the nation, we must leverage data as a strategic asset. The United States Federal Data Strategy seeks to replicate, scale, and prioritize key data use cases to serve the public.

What is a Use Case?

For the purposes of the Federal Data Strategy, a "Use Case" is a data practice or method that leverages data to support an articulable Federal agency mission or public interest outcome. The Federal Data Strategy is seeking best practices, missed opportunities, common solutions, and game changers that can help inform the four strategy areas:

1. Enterprise Data Governance. What data governance and stewardship practices should the Federal Government be employing and why

    Mandate the use of machine readable data standards recognized by the federal government in all public works contracts, federal, state and local where federal funds are involved.

    The DATA Act addresses this objective and should be rigorously applied

    With consistent and reliable data definitions and structure used throughout various agencies, and implemented on the administration of all contracts, the private market will develop innovative and efficient tools, products and services to exploit the data interoperability.

2. Use, Access, and Augmentation. What data interoperability techniques or coordination tactics would better serve agency missions and the public?
    The use of machine readable data standards recognized by the federal government, like XBRL

3. Decision-making and Accountability. How can the Federal Government better assist policy-makers with data?
    By enabling the private sector to develop analytics and best practices to generate data and reporting that the government can replicate or incorporate depending the cost factors.

4. Commercialization, Innovation, and Public Use. What data solutions could address a pervasive problem in government service delivery or the public sphere?
    The use of machine readable data standards recognized by the federal government, like XBRL, to enable the private sector to innovate ways to exploit the data for data driven decisions.

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These use cases will be identified and discussed in the Federal Data Strategy, and a select number of ready use cases will be assessed more deeply in The Data Incubator Project.

What is The Data Incubator Project?
A select number of Use Cases deemed "ripe for testing" will be included in The Data Incubator Project. To be "ripe for testing," these Use Cases must demonstrate potential for replication, scaling, and mission impact. They also must have a ready team for further exploration and assessment purposes.

The Data Incubator Project is not a new platform or set of resources, but rather is focused research aimed at identifying methods for the Federal Data Strategy and for agencies going forward. The Federal Data Strategy team will seek academic, private sector, and NGO partnerships to further our learning from The Data Incubator Project.

How can I submit a Use Case?
Please submit information about Use Cases in response to this RFC by July 27, 2018.

To ensure complete use case entries, please provide as much contextual information as possible, such as:

contact information for follow-up questions,
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the Federal agencies or bureaus related to the relevant data, related reference materials (including URLs) such as documentation about the data, practice, or goal of the project, and why this Use Case should be included in Federal Data Strategy development.

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Proposed Use Cases

Use Case #1: Federal Contracts should require standardized electronic surety bonds utilizing XBRL for the data standard, and prohibit paper bonds.

> Federal Agency: All Federal Agencies, NIST
>
> Federal contracts already have standardized forms, example Form 25 and Form 24.
>
> See comments to USDOT to reduce burdens on building transportation infrastructure projects.
>
> The surety industry has been working with XBRL and incorporating the data standard as an industry best practice to increase efficiency and reduce the significant high cost of manually preparing paper bonds along with eliminating the potential for errors in document preparation that result in economic losses for stakeholders.
>
> Errors in manually prepared paper bonds cause the government to reject a low bidder's proposal and necessitating they award to the second bidder at a higher cost to the government.
>
> The data elements utilized in the digital electronic bond are consistent with the data elements of the underlying contract enabling more efficient administration.

Use Case #2: All contracts that are associated with the national energy infrastructure, the Smart Grid, should require a uniform single national standard surety electronic surety bond form tailored for the risk being bonded utilizing XBRL for the data standard, and prohibit paper bonds.

> Federal Agency: DOE, FERC, NIST
> Sample: Surety Bonds tailored for the Smart Grid
> Sample: Federal Surety Bond Form 24 & 25
> Same business case as Use Case #1
>
> There are over 3,500 different utilities nationally, multiple entities that provide energy under various structures, and the Smart Grid is expanding constantly with new providers of energy under a changing distribution model. The obligations of stakeholders are common throughout the national system, and ultimately regulated by FERC.
>
> This does not mean everyone has the same contract, just the same standardized surety bond form for the risk being bonded. The surety bond backs the terms of the contract, so each contract can be individually drafted and have the specific terms and conditions each stakeholder wants. By having the contract contain the variable terms and conditions specific to a project or project owner, and not the surety bond, the surety underwriting can focus on the contract, providing all stakeholders with clear, predictable and reliable claims handling by the surety industry because the surety obligation and clams handling is consistent, predictable and reliable.
>
> Implementing data standards enables data driven decisions with data analytics and predictive analytics.
>
> Having multiple interpretations of those common obligations, and multiple legal contracts each with their own nuances creates a major challenge for financial markets to evaluate and underwrite financial products and services costing thousands of additional manhours and significant legal expense.
>
> Having consistently defined obligations by FERC, utilizing XBRL data elements, would enable the financial markets to significantly streamline their providing products and services, increase their responsiveness plus provide more reliable and predicate claims response.

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Use Case #3: Treasury List of Acceptable Surety Companies to Include Electronic Claim Address
Federal Agency: Treasury, All Federal Agencies.
Sample: Treasury List of Acceptable Surety Companies (T-List)

The T-List provides consumers with a way to locate the home office of every qualified surety, verify the license for each surety and underwriting limitations the Department of Treasury has established for each company and is a well-recognized resource for accepting surety bonds.

With surety bond data transitioning to digital the T-List should be expanded so that federal, state and local agencies, along with private consumers can establish the capability to notify a surety of a potential claim by having the surety claim department email address included as part of the information available.

This will allow efficient automation of the claims notification process for federal, state and local agencies and the private consumer plus allow the surety the opportunity to receive notification of a problem that could be mitigated with early notification.

Use Case #4: Smart Grid System Performance measurement and monitoring to utilize XBRL for reporting
Federal Agency: DOE, NIST, FERC
Sample: Data Exchange Pilot
Sample: DOE XBRL Orange Button

Having consistent and reliable data throughout the Smart Grid will enable the entire supply chain to streamline the procurement and construction process, and support financial markets underwriting and administration of products and services.

The energy grids reliability and resilience is dependent on quick, predictable and reliable response to stakeholder defaults, and data standards enabled data interoperability, along with consistent monitoring standards will provide the foundation for significant risk management.

Use Case #5: State DOT's to post contract monthly progress payments in XBRL
Federal Agency: USDOT, NIST
Example: Caltrans and VDOT
Sample: Application to monitor contract progress: www.ProjectStatusConnection.com
Sample: AB1223 – Construction contract payments: Internet Web site posting.

Providing the surety and financial markets with real time monitoring data on the projects that are associated with credit extension, particularly to surety markets, will improve access to surety credit for contractors, provide improved risk management for sureties, and provide improved responsiveness to DOT's when projects are experiencing stress and potential default.

The data elements in the monthly reporting would tie to the contract, and the digital electronic surety bond for more efficient administration.

The surety would be able to detect a deteriorating situation on a contract it had provided bonding on with predictive analytics.

Early warning would allow the surety to mitigate the potential default before it escalated into a major problem, for the benefit of the surety, the DOT and the public.

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Use Case #6: Local agencies to post contract monthly progress payments in XBRL
> Federal Agency: NIST
> Example: California AB1223 – Law requiring all state agencies to post monthly progress payment on contracts
>
> Same business case as Use Case #2
>
> California agencies are required by law to post monthly progress payments, and federal assistance for best practices will not only help California agencies, but be a model for all other states to enact similar policies and procedures that are consistent nationwide.

Use Case #7: Federal standardized Pre-qualification, Company Profile and basic Financial Statement
> Federal Agency: SBA, All Federal Agencies
> Sample: Chico Common App
> Sample: SBA
> Sample: California Public Utility Commission Supplier Diversity Program
> Sample: Student STEM Program – Mapping all the SBA and CPUC forms to XBRL
>
> Federal agencies routinely require entities to submit information on their companies as a procurement requirement, and in most cases the information requested is similar across agencies. Having standardized data elements that can populate/import the common data elements will streamline the procurement process for federal agencies, make it easier for companies to do business with the federal agency, and make it easier for the financial markets to provide products and services.
>
> The complete XBRL US GAAP taxonomy contains all the data fields for public companies to report their financial statement to the SEC, but that volume of data elements is too much for most common entities, and subset of data elements defined as a Basic Financial Statement can contain enough data fields to be comprehensive enough for most purposes.
>
> Having a Basic Financial Statement with a condensed list of data elements would enable a wide range of software systems to incorporate the import/export functionality and contribute to a streamlined procurement process for federal agencies that require financial statements for private entities, make it easier for entities to so business with the federal agency and improve access to surety and bank credit.

Stakeholder Engagement

7. What are the best mechanisms for engaging stakeholders in the development of the data strategy?
> Engagement with trade associations and industry groups

What platforms and processes are both comprehensive and efficient for collecting stakeholder feedback on interim work products and input on next steps?
> Requests for Comments
>
> Engagement with trade associations and industry groups

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Request for Comments   K Dixon Wright, Dixon@Surety-RC.com, Surety Resource Connection
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Action Plan - Data Interoperability
Promote the use of XBRL, FIBO and other federally recognized machine readable data standards to stimulate innovation and competition.

Prohibit the use of proprietary data standards for data exchange that constrains innovation and stifles competition for compliance with public laws.

Promote the use of industry trade group published data sets to be synergized with federally recognized machine readable data standards like XBRL and FIBO, and to have the respective trade associations maintain and update their data sets as warranted and under their control, and for the benefit of their constituency.

Prohibit any industry trade group from imposing any constraints, licensing requirements, or fees of any kind on the use of the trade association data set if that data set is contributed to, and incorporated into, machine open data standards like XBRL and FIBO.

Action Plan – Digital Commerce
Promote the use of secure electronic bonds. There are a number of competitive companies that already provide the service now and are in place ready to serve.

Prohibit the continued use of expensive and burdensome paper bonds that are subject to fraud.

Promote the use of competitive industry standardized surety bond delivery and administration systems on all public works.

Prohibit public agencies from imposing proprietary bond delivery and administration systems. Examples are PennDOT and Nationwide Multistate Licensing System and Registry (NMLS)

Action Plan – Multi-agency data interoperability
Require all federal, state and local agencies to adopt federally recognized machine readable data standards like XBRL and FIBO as part of any funding provided by the government under MGT Act, the Federal Information Technology Acquisition Reform Act and others that provide funding for system upgrades.

Prohibit all federal, state and local agencies that receive funding from adopting or implementing a data standard or reporting requirement that does not utilize federally recognized machine readable data standards like XBRL and FIBO, or any requirement that is a "silo approach" to a single industry, trade association, or government entity.

Action Plan – Cyber
Promote the engagement of stakeholders in best practices for cyber risk mitigation by the federal government providing clear policies and procedures as part of the Cybersecurity Information Sharing Act that when followed provide legal liability cover for all entities and stakeholders.

Provide a national defense posture for providing private entities and stakeholders with a national cyber protection resource, including real time monitoring and threat detection, to establish an offensive approach to mitigating cyber risk.

Provide a clear demarcation of liability resulting from a cyber-attack, where the government assumes liability for consequential liabilities and the entity attacked is only responsible for their internal costs and recovery expenses with the objective of providing the insurance market with a quantified risk and limited exposure to make cyber insurance more affordable and responsive.

Engage with various working groups as part of the National Cybersecurity Public-Private Partnership.