

**Access, Use and Ownership  
Issues Surrounding  
State and Local Government  
Databases**

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**Major Impediment to Sharing Data:**

Claims of traditional ownership interests  
in and attempts at imposition of  
restrictions on factual data

Such attempts are doomed to failure in  
the long run.

**Why?**

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**Traditional economics:** Cost of product  
in a competitive marketplace driven to the  
marginal cost to create another single unit  
of the product.

Cost to create another copy of a dataset is  
close to \$0.

Thus, need to think in terms of alternative  
economic models.

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**Approach 1** - Price data at zero and pursue “logic of the free version”  
(Shapiro & Varian)

Private companies are giving away free versions in order to:

- Build awareness
- Gain follow on sales
- Create a network
- Attract eyeballs for advertising
- Gain competitive advantage

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**Approach 2** - Respond to different markets with different version of datasets.

Distinguish different versions based on:

- time delay
- speed
- convenience
- embedded processing
- comprehensiveness
- user interface
- ability to manipulate
- image resolution
- annoyance avoidance
- support
- guarantees of accuracy, fitness, etc.

Even when the data price goes to zero due to competition, these features will still be valued

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**Major Impediments to Sharing**

1. Widespread belief that data is valuable because you spent \$1,000,000 to collect it
2. Parochial thinking about property rights and naïve economic reasoning

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3. Belief by local and state governments that they can compete with private sector in risky information economics (assuming free market rather than monopolistic practices by gov't.)

4. Price elasticity - Double the price of food and people will still find a way to buy it. Not so for data.

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**State Open Records Laws**

General: Open records and privacy laws of each state determine ability to access both state and local gov't records

Typically more info may be held back than under federal FOIA

Still, laws of most states do not prevent wholesale copying of agency-developed software and databases by private citizens and businesses

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**Question:** Is it good long-term policy to allow a government agency to charge more than marginal costs for database search, duplication, and review when responding to a citizen or business request for government data?

**Proposition:** Local government agencies should be in business of collecting and analyzing data only in support of their legislated public missions. "Value-added products" for private purposes should be left to the private sector to supply.

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## Why?

- 1) Government sanctioned monopolies are notoriously inefficient
- 2) Private enterprise is much more efficient where a market for products exist

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Would the government data be gathered even if copyright failed to exist?

If yes, copyright provides no incentive.

If not, this is strong evidence that copyright is being used to serve primarily private purposes.

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Data, information and intellectual works have classic characteristics of **public goods**

- **nonrival** (one's use does not affect others use) and
- **nonexcludable** (difficult to exclude others from access or use)

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3) Public goods should be provided  
(a) by the government at taxpayer  
expense  
or  
(b) by the privates sector through  
provision of a subsidy (i.e. copyright) to  
produce the public goods.

Two subsidies to government (taxes and  
copyright) make little sense.

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4) All other rights in a democratic society  
extend from our ability to access information.

Democracy can't function effectively unless  
people know what gov't is up to

5) Vesting monopoly powers in information  
utilities will restrict over time the public's  
ability to increase their access to information

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6) Imposition of Revenue Generation  
Approach Requires Contracts/Licensing

- Increases Bureaucracy
- Discourages Widespread Sharing
- Enforcement Burden Substantial

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7) Administrator's Lament:  
"Without using the argument that charging for data will generate revenues to cover our costs, we will never get the initial funding we need to create or maintain our GIS operation."

Problem: use of the argument increases likelihood of ultimate failure

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8) Information is inherently leaky

- In long run, contracts, licenses, & copyright WON'T WORK

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9) Growing distrust of government agencies and institutions.  
(see Democracy and Trust, 1999, M.E. Warren, Ed.)

Hypothesis:

- government data sales raising many concerns for citizens
- lack of adequate answers to questions fosters citizen distrust of government
- growing distrust will invite increased regulation of the practices of government

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**Conclusion:**

From long-term economic, informed citizenry and educational perspectives, allowing wholesale duplication of publicly held geographic information is good for the public welfare.

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