

1 Purpose: In the nature of a substitute.

2

3

4 S. 994

5

6 To expand the Federal Funding Accountability and  
7 Transparency Act of 2006 to increase accountability and  
8 transparency in Federal spending, and for other purposes.

9

10 Referred to the Committee on \_\_\_\_\_ and ordered to be  
11 printed

12 Ordered to lie on the table and to be printed

13 AMENDMENT IN THE NATURE OF A SUBSTITUTE INTENDED TO BE  
14 PROPOSED BY MR. CARPER (for himself, Mr. PORTMAN, and Mr.  
15 COBURN)

16 Viz:

17 Strike all after the enacting clause and insert the following:

18 **SECTION 1. SHORT TITLE.**

19 This Act may be cited as the “Digital Accountability and Transparency Act of ~~2013~~ 2014”.

20 **SEC. 2. PURPOSES.**

21 The purposes of this Act are to—

22 (1) expand the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C.  
23 6101 note) by disclosing direct Federal agency expenditures and linking Federal contract,  
24 loan, and grant spending information to programs of Federal agencies to enable taxpayers  
25 and policy makers to track Federal spending more effectively;

26 (2) provide consistent, reliable, and searchable Government-wide spending data that is  
27 displayed accurately for taxpayers and policy makers on USASpending.gov;

28 (3) simplify reporting for entities receiving Federal funds by streamlining reporting  
29 requirements and reducing compliance costs while improving transparency; and

30 (4) improve the quality of data submitted to USASpending.gov by holding Federal  
31 agencies accountable for the completeness and accuracy of the data submitted.

32 **SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING**

1 **ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006.**

2 The Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) is  
3 amended—

4 (1) in section 2—

5 (A) in subsection (a)—

6 (i) in the matter preceding paragraph (1), by striking “this section” and  
7 inserting “this Act”;

8 (ii) by redesignating paragraphs (2) and (3) as paragraphs (3) and (7),  
9 respectively;

10 (iii) by inserting after paragraph (1) the following:

11 “(2) FEDERAL AGENCY.—The term ‘Federal agency’ has the meaning given the term  
12 ‘Executive agency’ under section 105 of title 5, United States Code.”; and

13 (iv) by inserting after paragraph (3), as redesignated by subparagraph (A), the  
14 following:

15 “(4) FEDERAL FUNDS.—The term ‘Federal funds’ means any funds that are made  
16 available to or expended by a Federal agency.

17 “(5) OBJECT CLASS.—The term ‘object class’ means the category assigned for purposes of  
18 the annual budget of the President submitted under section 1105(a) of title 31, United States  
19 Code, to the type of property or services purchased by the Federal Government.

20 “(6) PROGRAM ACTIVITY.—The term ‘program activity’ has the meaning given that term  
21 under section 1115(h) of title 31, United States Code.”; and

22 (B) in subsection (c)—

23 (i) in paragraph (4), by striking “and” at the end;

24 (ii) in paragraph (5), by striking the period at the end and inserting a semicolon;  
25 and

26 (iii) by adding at the end the following:

27 “(6) shall have the ability to aggregate data for the categories described in paragraphs (1)  
28 through (5) without double-counting data; and

29 “(7) shall permit all information published under this section to be downloaded in bulk.”;  
30 and

31 (2) by striking sections 3 and 4 and inserting the following:

32 **“SEC. 3. FULL DISCLOSURE OF FEDERAL FUNDS.**

33 “(a) In General.—Not later than 3 years after the date of enactment of the Digital  
34 Accountability and Transparency Act of ~~2013~~ 2014, and every month thereafter, the Secretary of  
35 the Treasury, in consultation with the Director of the Office of Management and Budget, shall  
36 ensure that the information in subsection (b) is posted on the website established under section 2.

1 “(b) Information to Be Posted.—The information to be posted shall include, for each Federal  
2 agency, component of a Federal agency, appropriations account, program activity, and object  
3 class (including any subcomponent of an object class), and other accounts or data as  
4 appropriate—

5 “(1) the amount of budget authority authorized;

6 “(2) the amount obligated;

7 “(3) the amount of outlays;

8 “(4) the amount of any Federal funds reprogrammed or transferred; and

9 “(5) the amount of expired and unexpired unobligated balances.

#### 10 “SEC. 4. DATA STANDARDS.

11 “(a) In General.—The Secretary of the Treasury, in consultation with the Director of the  
12 Office of Management and Budget, the Administrator of General Services, **the Director of the**  
13 **Office of Personnel Management**, and the heads of Federal agencies, shall establish  
14 Government-wide financial data standards for Federal funds, which shall include common data  
15 elements for financial and payment information required to be reported by Federal agencies and  
16 entities receiving Federal funds.

17 “(b) Requirements.—The data standards established under subsection (a) shall, to the extent  
18 reasonable and practicable—

19 “(1) incorporate widely accepted common data elements, such as those developed and  
20 maintained by—

21 “(A) an international voluntary consensus standards body;

22 “(B) Federal agencies with authority over contracting and financial assistance; and

23 “(C) accounting standards organizations;

24 “(2) incorporate a widely accepted, nonproprietary, searchable, platform-independent  
25 computer-readable format;

26 “(3) include Government-wide universal identifiers for Federal awards and entities  
27 receiving Federal awards;

28 “(4) be consistent with and implement applicable accounting principles;

29 “(5) be capable of being continually upgraded as necessary;

30 “(6) produce consistent and comparable data, including across program activities; and

31 “(7) establish a standard method of conveying the reporting period, reporting entity, unit  
32 of measure, and other associated attributes.

33 “(c) Deadlines.—

34 “(1) GUIDANCE.—Not later than 1 year after the date of enactment of the Digital  
35 Accountability and Transparency Act of ~~2013~~ **2014**, the Secretary of the Treasury, in  
36 consultation with the Director of the Office of Management and Budget, shall issue  
37 guidance to Federal agencies on the data standards established under subsection (a).

1 “(2) AGENCIES.—Not later than 1 year after the date on which the guidance under  
2 paragraph (1) is issued, each Federal agency shall collect, report, and maintain financial and  
3 payment information data in accordance with the data standards established under  
4 subsection (a).

5 “(3) WEBSITE.—Not later than 2 years after the date on which the guidance under  
6 paragraph (1) is issued, the Director of the Office of Management and Budget and the  
7 Secretary of the Treasury shall ensure that the data standards established under subsection  
8 (a) are applied to the data made available on the website established under section 2.

9 “(d) Consultation.—The Secretary of the Treasury shall consult with public and private  
10 stakeholders in establishing data standards under this section.

## 11 “SEC. 5. SIMPLIFYING FEDERAL AWARD REPORTING.

12 “(a) In General.—The Director of the Office of Management and Budget, in consultation with  
13 relevant Federal agencies, recipients of Federal funds, including State and local governments,  
14 and institutions of higher education (as defined in section 102 of the Higher Education Act of  
15 1965 (20 U.S.C. 1002)), shall review the information required to be reported by recipients of  
16 Federal awards to identify—

17 “(1) common reporting elements across the Federal Government;

18 “(2) unnecessary duplication in financial reporting; and

19 “(3) unnecessarily burdensome reporting requirements for recipients of Federal awards.

20 “(b) Pilot Program.—

21 “(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of the Digital  
22 Accountability and Transparency Act of ~~2013~~ **2014**, the Director of the Office of  
23 Management and Budget, or a designee of the Director, shall establish a pilot program  
24 relating to reporting (in this section referred to as the ‘pilot program’) to facilitate the  
25 development of recommendations for—

26 “(A) common reporting elements across the Federal Government;

27 “(B) the elimination of unnecessary duplication in financial reporting; and

28 “(C) the reduction of compliance costs for recipients of Federal awards.

29 “(2) REQUIREMENTS.—The pilot program shall—

30 “(A) include a combination of Federal contracts, grants, and subawards, the  
31 aggregate value of which is not less than \$1,000,000,000 **and not more than**  
32 **\$2,000,000,000**;

33 “(B) include a diverse group of recipients of Federal awards; and

34 “(C) to the extent practicable, include recipients who receive Federal awards from  
35 multiple programs across multiple agencies.

36 “(3) DATA COLLECTION.—The pilot program shall include data collected during a  
37 12-month reporting cycle.

38 “(4) REPORTING AND EVALUATION REQUIREMENTS.—Each recipient of a Federal award

1 participating in the pilot program shall submit to the Office of Management and Budget any  
2 requested reports of the selected Federal awards.

3 “(5) TERMINATION.—The pilot program shall terminate on the date that is 2 years after  
4 the date on which the Director of the Office of Management and Budget establishes the  
5 pilot program.

6 “(6) AGENCY GUIDANCE.—Not later than 90 days after the date on which the pilot  
7 program terminates under subsection (b)(5), the Director of the Office of Management and  
8 Budget shall provide guidance to the heads of Federal agencies regarding how to simplify  
9 the reporting requirements for recipients of Federal awards to reduce unnecessary  
10 duplicative reports and to reduce compliance costs, as appropriate.

11 “(7) REPORT TO CONGRESS.—Not later than 90 days after the date on which the pilot  
12 program terminates under subsection (b)(5), the Director of the Office of Management and  
13 Budget shall submit to the Committee on Homeland Security and Governmental Affairs and  
14 the Committee on the Budget of the Senate and the Committee on Oversight and  
15 Government Reform and the Committee on the Budget of the House of Representatives a  
16 report on the pilot program, which shall include—

17 “(A) a description of the data collected under the pilot program, the usefulness of the  
18 data provided, and the cost to collect the data from recipients; and

19 “(B) recommendations for—

20 “(i) consolidating aspects of Federal financial reporting to reduce the costs to  
21 recipients of Federal awards;

22 “(ii) automating aspects of Federal financial reporting to increase efficiency  
23 and reduce the costs to recipients of Federal awards;

24 “(iii) any legislative action required to simplify the reporting requirements for  
25 recipients of Federal awards; and

26 “(iv) improving financial transparency.

27 “(c) **Government-wide Implementation.**—Not later than [X] after the date on which the  
28 Director of the Office of Management and Budget submits the report under subsection  
29 (b)(7), the Director shall determine, based on the review conducted under subsection (a)  
30 and the recommendations developed under subsection (b), how the data standards  
31 established under section 4(a) may be applied to the information required to be reported by  
32 recipients of Federal awards to—

33 “(1) **reduce the burden of complying with the reporting requirements; and**

34 “(2) **simplify the reporting process.**

## 35 “SEC. 6. ACCOUNTABILITY FOR FEDERAL FUNDING.

36 “(a) **Inspector General Reports.**—

37 “(1) **IN GENERAL.**—In accordance with paragraph (2), the Inspector General of each  
38 Federal agency, in consultation with the Comptroller General of the United States, shall—

39 “(A) review a statistically valid sampling of the spending data submitted under this

1 Act by the Federal agency; and

2 “(B) submit to Congress and make publically available a report assessing the  
3 completeness, timeliness, quality, and accuracy of the data sampled and the  
4 implementation and use of data standards by the Federal agency.

5 “(2) DEADLINES.—

6 “(A) FIRST REPORT.—Not later than 18 months after the date on which guidance is  
7 issued under section 4(c)(1), the Inspector General of each Federal agency shall submit  
8 a report as described in paragraph (1).

9 “(B) SUBSEQUENT REPORTS.—On the same date as the Inspector General of each  
10 Federal agency submits the second and fourth reports under sections 3521(f) and  
11 9105(a)(3) of title 31, United States Code, that are submitted after the report under  
12 subparagraph (A), the Inspector General shall submit a report as described in  
13 paragraph (1). The report submitted under this subparagraph may be submitted as a  
14 part of the report submitted under section 3521(f) or 9105(a)(3) of title 31, United  
15 States Code.

16 “(b) Comptroller General.—Not later than 2 years after the date of enactment of the Digital  
17 Accountability and Transparency Act of ~~2013~~ 2014, and every 2 years thereafter until the date  
18 that is 6 years after such date of enactment, and after review of the reports submitted under  
19 subsection (a), the Comptroller General of the United States shall submit to Congress and make  
20 publically available a report assessing and comparing the data completeness, timeliness, quality,  
21 and accuracy of the data submitted under this Act by Federal agencies and the implementation  
22 and use of data standards by Federal agencies.

23 “(c) Recovery Operations Center.—Effective on the date on which the Recovery  
24 Accountability and Transparency Board terminates, there are transferred to the Office of  
25 the Inspector General of the Department of the Treasury all system, software, and  
26 hardware of the Recovery Operations Center of the Recovery Accountability and  
27 Transparency Board relating to the detection and remediation of waste, fraud, and abuse  
28 in the use of Federal funds by Federal agencies that are in existence on the day before the  
29 termination.

30 “SEC. 7. CLASSIFIED AND PROTECTED INFORMATION.

31 “Nothing in this Act shall require the disclosure to the public of—

32 “(1) information protected from disclosure under section 552 of title 5, United States  
33 Code (commonly known as the ‘Freedom of Information Act’); or

34 “(2) information protected under section 552a of title 5, United States Code (commonly  
35 known as the ‘Privacy Act of 1974’), or section 6103 of the Internal Revenue Code of  
36 1986.”.

37 SEC. 4. EXECUTIVE AGENCY ACCOUNTING AND  
38 OTHER FINANCIAL MANAGEMENT REPORTS AND  
39 PLANS.

1 Section 3512(a) of title 31, United States Code, is amended—

2 (1) in paragraph (1), by inserting “and make available on the website described under  
3 section 1122” after “appropriate committees of Congress”; and

4 (2) in paragraph (4), by adding at the end the following:

5 “(C) Not later than 1 year after the date of enactment of the Digital Accountability  
6 and Transparency Act of ~~2013~~ **2014**, and every 5 years thereafter, the Director shall  
7 make available on the website described under section 1122 a report regarding the  
8 implementation of the Federal Funding Accountability and Transparency Act of 2006  
9 (31 U.S.C. 6101 note).”.

## 10 **SEC. 5. DEBT COLLECTION IMPROVEMENT.**

11 Section 3716(c)(6) of title 31, United States Code, is amended—

12 (1) by striking “Any Federal agency” and inserting “(A) Any Federal agency”;

13 (2) in subparagraph (A), as so designated, by striking “180 days” and inserting “120  
14 days”; and

15 (3) by adding at the end the following:

16 “(B) The Secretary of the Treasury shall notify Congress of any instance in which an  
17 agency fails to notify the Secretary as required under subparagraph (A).”.

## 18 **SEC. 6. FUNDING.**

19 The Secretary of the Treasury may use amounts in the Department of the Treasury franchise  
20 fund established under the matter under the heading “Treasury Franchise Fund” (as contained in  
21 section 101(f) of division A of title I of Public Law 104–208 (31 U.S.C. 322 note; 110 Stat.  
22 3009–316)) without further appropriation to carry out this Act and the amendments made by this  
23 Act.