A BILL

To expand the responsibilities of the Special Inspector General for Iraq Reconstruction to provide independent and objective audits and investigations relating to the Federal programs for Hurricane Katrina recovery.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Special Inspector General for Relief and Reconstruction Act of 2005”.

SEC. 2. SPECIAL INSPECTOR GENERAL FOR RELIEF AND RECONSTRUCTION.

(a) REDESIGNATION.—(1) Section 3001 of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1234; 5 U.S.C. App. 3 section 8G note) is amended—

(A) in subsection (b), by striking “Office of the Special Inspector General for Iraq Reconstruction” and inserting “Office of the Special Inspector General for Relief and Reconstruction”; and

(B) in subsection (c)(1), by striking all after “The head of the Office of the Special Inspector General” and inserting “for Relief and Reconstruction is the Special Inspector General for Relief and Reconstruction (in this section referred to as the ‘Inspector General’). If a vacancy occurs after the service of the individual as provided under subsection (b) of the Special Inspector General for Relief and Reconstruction Act of 2005, the Inspector General shall be appointed by the Director of the Office of Management and Budget President, by and with the advice and consent of the Senate.”.
(2)(A) The heading of such section is amended to read as follows:

“SEC. 3001. SPECIAL INSPECTOR GENERAL FOR RELIEF AND RECONSTRUCTION.”.

(B) The heading of title III of such Act is amended to read as follows:

“TITLE III—SPECIAL INSPECTOR GENERAL FOR RELIEF AND RECONSTRUCTION”.

(b) CONTINUATION IN OFFICE.—The individual serving as the Special Inspector General for Iraq Reconstruction as of the date of the enactment of this Act may continue to serve as the Special Inspector General for Relief and Reconstruction (with all additional duties and responsibilities as provided under this Act) after that date without reappointment under paragraph (1) of section 3001(c) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004, but remaining subject to removal as specified in paragraph (4) of that section.

(c) PURPOSES.—Subsection (a) of such section is amended—

(1) in paragraph (1), by inserting “and for Hurricane Katrina recovery activities” after “Iraq Relief and Reconstruction Fund”; and
(2) in paragraph (3), by striking “the Secretary of State and the Secretary of Defense” and inserting “the Secretary of State, the Secretary of Homeland Security, the Secretary of Defense, and the heads of other Federal agencies, as appropriate,”.

(d) Responsibilities of Assistant Inspector General for Auditing.—Subsection (d) of such section is amended to read as follows:

“(d) Assistant Inspectors General.—(1) The Inspector General shall, in accordance with applicable laws and regulations governing the civil service—

“(A) appoint 1 or more Assistant Inspectors General for Auditing who shall have the responsibility for supervising the performance of auditing activities relating to—

“(i) programs and operations supported by the Iraq Relief and Reconstruction Fund; and

“(ii) programs and operations relating to Hurricane Katrina recovery activities; and

“(B) appoint 1 or more Assistant Inspectors General for Investigations who shall have the responsibility for supervising the performance of investigative activities relating to such programs and operations.”.
(e) SUPERVISION.—Such section is further amended—

(1) in subsection (e)—

(A) in paragraph (1), by striking “the Secretary of State and the Secretary of Defense” and inserting “the Director of the Office of Management and Budget, the Secretary of State, and the Secretary of Defense”; and

(A) by striking paragraph (1) and inserting the following:

“(1)(A) Except as provided in paragraph (2), the Inspector General shall report directly to, and be under the general supervision of, the Secretary of State and the Secretary of Defense with respect to activities relating to the Iraq Relief and Reconstruction Fund.

“(B) Except as provided in paragraph (2), the Inspector General shall report directly to, and be under the general supervision of, the Director of the Office of Management and Budget and the Secretary of Homeland Security with respect to activities relating to Hurricane Katrina recovery activities.”; and

(B) in paragraph (2)—

(i) by striking “Department of Defense, the Department of State, or the United States Agency for International
6

Development” and inserting “Federal Government”; and

(ii) by inserting “and Hurricane Katrina recovery activities” after “Iraq Relief and Reconstruction Fund”;

(2) in subsection (f)—

(A) in paragraph (1)—

(i) by inserting “(A)” after“(1)”;

(ii) by redesignating subparagraphs (A) through (E) as clauses (i) through (v), respectively; and

(iii) by adding at the end the following:

“(B) It shall be the duty of the Inspector General to conduct and coordinate audits and investigations of the treatment, handling, and expenditure of amounts appropriated or otherwise made available for Hurricane Katrina recovery by the Federal Government, and of the programs, operations, and contracts carried out utilizing such funds, including—

“(i) the oversight and accounting of the obligation and expenditure of such funds;

“(ii) the monitoring and review of reconstruction activities funded by such funds;
“(iii) the monitoring and review of contracts funded by such funds;

“(iv) the monitoring and review of the transfer of such funds and associated information between and among departments, agencies, and entities of the United States, State and local governments, and private and nongovernmental entities;

“(v) the maintenance of records on the use of such funds to facilitate future audits and investigations of the use of such funds; and

“(vi) the monitoring of Federal grants and benefit programs.”; and

(B) in paragraph (4)—

(i) by inserting “(A)” after “(4)”;

(ii) by striking all after “cooperation of” and inserting “the inspectors general and auditing entities of all other Federal departments and agencies, and State and local government entities.”; and departments and agencies.”; and

(iii) by adding at the end the following:

“(B)(i) The Inspector General shall ensure, to the greatest extent possible, that the activities of the Inspector General do not duplicate audits and investigations of in-
spectors general and other auditors of Federal departments and agencies, and State and local government enti-

ties.

“(ii) The Inspector General shall notify the inspector
general of the relevant agency or department before initi-
ating an audit or investigation relating to Hurricane
Katrina activities.

“(iii) Nothing in this section shall be construed to
limit the statutory authority of inspectors general to con-
duct audits or investigations relating to Hurricane
Katrina activities.”;

(3) in subsection (h)(4)(B), by striking “Sec-
retary of State or Secretary of Defense” and insert-
ing “Director of the Office of Management and
Budget and heads of relevant agencies”; and

(4) in subsection (h)(5)—

(A) by inserting “(A)” after “(5)”;

(B) by inserting “for activities relating to
Iraq” after “operation of such offices”; and

(C) by adding at the end the following:

“(B) The Secretary of Homeland Security shall pro-
vide the Inspector General with appropriate and adequate
office space, together with such equipment, office supplies,
and communications facilities and services as may be nec-
essary for the operations of such offices for activities relat-
ing to Hurricane Katrina, and shall provide necessary maintenance services for such offices and equipment and facilities located therein.”.

(f) REPORTS RELATING TO THE IRAQI RELIEF AND RECONSTRUCTION.—Subsection (i) of such section is amended by adding at the end the following:

“(7)(A) The Inspector General shall also submit each report under this subsection to the Secretary of State and the Secretary of Defense.

“(B)(i) Not later than 30 days after receipt of a report under subparagraph (A), the Secretary of State and the Secretary of Defense may submit to the appropriate committees of Congress any comments on the matters covered by the report as the Secretary of State or the Secretary of Defense, as the case may be, considers appropriate.

“(ii) A report under this subparagraph may include a classified annex if the Secretary of State or the Secretary of Defense, as the case may be, considers it necessary.”.

(g) REPORTS RELATING TO HURRICANE KATRINA RELIEF AND RECONSTRUCTION.—Subsection (j) of such section is amended to read as follows:

“(j) REPORTS RELATING TO HURRICANE KATRINA RELIEF AND RECONSTRUCTION.—(1)(A) At the end of
each calendar quarter, beginning with the first full quarter
after the date of enactment of the Special Inspector Gen-
eral for Relief and Reconstruction Act of 2005, the Inspect-
ator General shall submit to the appropriate committees of
Congress a report summarizing for the period of that
quarter the activities of the Inspector General and of the
Hurricane Katrina recovery activities of the Federal Gov-
ernment. Each report shall include, for the period covered
by such report, a detailed statement of all obligations, ex-
penditures, and revenues associated with recovery activi-
ties for Hurricane Katrina, including the following:

“(i) Obligations and expenditures of appro-
priated funds.

“(ii) Accounting of the costs incurred to date
for Hurricane Katrina recovery, together with the
estimate of the Federal Government’s costs to com-
plete each project and each program.

“(iii) Operating expenses of any Federal de-
partments, agencies, or entities receiving appro-
priated funds for Hurricane Katrina recovery activi-
ties.

“(iv) In the case of any contract described in
paragraph (2)—

“(I) the amount of the contract or other
agreement;
“(II) a brief discussion of the scope of the contract or other agreement;

“(III) a discussion of how the contracting department or agency identified, and solicited offers from, potential contractors to perform the contract, together with a list of the potential contractors that were issued solicitations for the offers; and

“(IV) the justification and approval documents on which was based the determination to use procedures other than procedures that provide for full and open competition.

“(B) The first quarterly report required to be submitted under subparagraph (A) shall also summarize activities for Hurricane Katrina recovery undertaken before that quarter.

“(2) A contract described in this paragraph is any major contract or other agreement that is entered into by any department or agency of the United States Government that involves the use of amounts appropriated or otherwise made available for Hurricane Katrina recovery with any public or private sector entity.

“(3) Not later than 45 days after the date of enactment of the Special Inspector General for Relief and Reconstruction Act of 2005, the Inspector General shall sub-
mit to the appropriate committees of Congress an interim report on the status of Hurricane Katrina recovery activities of the Federal Government. The interim report shall include the following:

“(A) The operational activities of the Office of the Special Inspector General for Relief and Reconstruction.

“(B) The status of auditors and investigators deployed to the Gulf of Mexico region of the United States.

“(C) A strategic plan for oversight, including audits of no bid contracts.

“(D) Vulnerabilities identified and immediate actions to address such vulnerabilities.

“(E) Measures taken to coordinate interagency oversight elements.

“(4) Not later than March 31, 2006, and semiannually thereafter, the Inspector General shall submit to the appropriate committees of Congress a report meeting the requirements of section 5 of the Inspector General Act of 1978 (5 U.S.C. App.).

“(5) The Inspector General shall publish each report under this subsection on an accessible Federal Government Internet Web site.
“(6) Nothing in this subsection shall be construed to authorize the public disclosure of information that is—

“(A) specifically prohibited from disclosure by any other provision of law;

“(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

“(C) a part of an ongoing criminal investigation.

“(7)(A) The Inspector General shall also submit each report under this subsection to the Director of the Office of Management and Budget, Secretary of Defense Homeland Security, or heads of other appropriate agencies.

“(B) Not later than 30 days after receipt of a report under paragraph (1), the Director of the Office of Management and Budget and the heads of other appropriate agencies may submit to the appropriate committees of Congress any comments on the matters covered by the report as the Director of the Office of Management and Budget and heads of relevant agencies consider appropriate.

“(8) The Inspector General shall respond to any reasonable summons to appear and testify before any duly constituted committee of Congress.”.
(h) TRANSPARENCY.—Subsection (k) of such section is amended—

(1) in paragraph (1), by striking “subsection (i), the Secretary of State and the Secretary of Defense shall jointly” and inserting “subsection (i) or (j), the Director of the Office of Management and Budget and the heads of the relevant departments shall”; and

(2) in paragraph (2), by striking “subsection (j)(2) of comments on a report under subsection (i), the Secretary of State and the Secretary of Defense shall jointly” and inserting “subsection (i)(7)(B) or (j)(7)(B) of comments on a report under subsection (i) or (j), the Director of the Office of Management and Budget and the heads of relevant departments shall”.

(i) WAIVER.—Subsection (l) of such section is amended—

(1) in paragraph (1), by inserting “or paragraph (1) or (3) of subsection (j)” after “subsection (i)”; and

(2) in paragraph (2), by inserting “or paragraph (1) or (3) of subsection (j)” after “subsection (i)” each place that term occurs.
(j) APPROPRIATE COMMITTEES OF CONGRESS.—
Subsection (m) of such section is amended—

(1) in paragraph (1), by striking “and Foreign
Relations” and inserting “Foreign Relations, and
Homeland Security and Governmental Affairs”; and

(2) in paragraph (2), by striking “and Inter-
national Relations” and inserting “International Re-
lations, and Homeland Security”.

(k) FUNDING.—Subsection (n) of such section is
amended by adding at the end the following:

“(3) There are authorized to be appropriated to the
Office of the Special Inspector General for Relief and Re-
construction to carry out the responsibilities of the Special
Inspector General relating to Hurricane Katrina recovery
$80,000,000 for fiscal year 2006.”.

(l) TERMINATION.—Subsection (o) of such section is
amended to read as follows:

“(o) TERMINATION.—(1)(A) The responsibilities of
the Office of the Special Inspector General for Relief and
Reconstruction with respect to the Iraq Relief and Recon-
struction Fund shall terminate on the date that is 10
months after the date, as determined by the Secretary of
State and Secretary of Defense, on which 80 percent of
the amounts appropriated or otherwise made available to
the Iraq Relief and Reconstruction Fund by chapter 2 of title II of this Act have been obligated.

“(B) The responsibilities of the Office of the Special Inspector General for Relief and Reconstruction with respect to Hurricane Katrina recovery activities shall terminate 2 years after the date of enactment of the Special Inspector General for Relief and Reconstruction Act of 2005.

“(2) The Office of the Special Inspector General for Relief and Reconstruction shall terminate on the later date occurring under subparagraph (A) or (B) of paragraph (1).”
A BILL

S. 1738

109TH CONGRESS

To expand the responsibilities of the Special Inspector General for Iraq Reconstruction to provide independent and objective audits and investigations relating to Federal programs for Hurricane Katrina recovery.