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113TH CONGRESS
2D SESSION

S. 994

[Report No. 113–139]

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

IN THE SENATE OF THE UNITED STATES

MAY 21, 2013

Mr. WARNER (for himself, Mr. PORTMAN, Mr. WHITEHOUSE, Mr. COBURN, Mr. MCCAIN, Mr. JOHNSON of Wisconsin, Mr. ENZI, Ms. AYOTTE, Mr. COONS, Mr. CARPER, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

MARCH 27, 2014

Reported by Mr. CARPER, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Digital Accountability
3 and Transparency Act of 2013”.

4 **SEC. 2. PURPOSES.**

5 The purposes of this Act are to—

6 (1) expand the Federal Funding Accountability
7 and Transparency Act of 2006 by disclosing direct
8 Federal agency expenditures and linking Federal
9 contract, loan, and grant spending information to
10 programs of Federal agencies in order to enable tax-
11 payers and policy makers to track Federal spending
12 more effectively;

13 (2) provide consistent, reliable, and searchable
14 Government-wide spending data that is displayed ac-
15 curately for taxpayers and policy makers on
16 USASpending.gov;

17 (3) analyze Federal spending data to
18 proactively prevent waste, fraud, abuse, and im-
19 proper payments;

20 (4) simplify reporting for entities receiving Fed-
21 eral funds by streamlining reporting requirements
22 and reducing compliance costs while improving
23 transparency; and

24 (5) improve the quality of data submitted to
25 USASpending.gov by holding Federal agencies ac-

1 countable for the completeness and accuracy of the
2 data submitted.

3 **SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING AC-**
4 **COUNTABILITY AND TRANSPARENCY ACT OF**
5 **2006.**

6 (a) ~~IN GENERAL.~~—Section 2 of the Federal Funding
7 Accountability and Transparency Act of 2006 (31 U.S.C.
8 6101 note) is amended—

9 (1) in the section heading, by striking “**FULL**
10 **DISCLOSURE OF ENTITIES RECEIVING FED-**
11 **ERAL FUNDING**” and inserting “**DISCLOSURE OF**
12 **FEDERAL FUNDING**”;

13 (2) in subsection (a)—

14 (A) by redesignating paragraphs (2) and
15 (3) as paragraphs (3) and (7), respectively;

16 (B) by inserting after paragraph (1) the
17 following:

18 “(2) ~~FEDERAL AGENCY.~~—The term ‘Federal
19 agency’ has the meaning given the term ‘Executive
20 agency’ under section 105 of title 5, United States
21 Code.”;

22 (C) by inserting after paragraph (3), as re-
23 designated by subparagraph (A), the following:

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

4 “(5) ~~OBJECT CLASS.~~—The term ‘object class’
5 means the category assigned for purposes of the an-
6 nual budget of the President submitted under sec-
7 tion 1105(a) of title 31, United States Code, to the
8 type of property or services purchased by the Fed-
9 eral Government.

10 “(6) ~~PROGRAM ACTIVITY.~~—The term ‘program
11 activity’ has the meaning given that term under sec-
12 tion 1115(h) of title 31, United States Code.”; and

13 ~~(D)~~ in paragraph (7), as redesignated by
14 subparagraph (A)—

15 (i) in subparagraph (B), by striking
16 “paragraph (2)(A)(i)” and inserting “para-
17 graph (3)(A)(i)”; and

18 (ii) in subparagraph (C), by striking
19 “paragraph (2)(A)(ii)” and inserting
20 “paragraph (3)(A)(ii)”;
21

22 ~~(3)~~ in subsection (b)—

23 (A) in paragraph (1)—

24 (i) by striking “the Office of Manage-
ment and Budget” and inserting “the Sec-

retary of the Treasury” each place it appears;

(ii) by redesignating subparagraphs (A) through (G) as clauses (i) through (vii), respectively, and adjusting the margin accordingly;

(iii) by striking “for each Federal award—” and inserting the following: “for all Federal funds—

“(A) for each Federal agency, component of a Federal agency, appropriations account, program activity, and object class (including any subcomponent of an object class), and other accounts or data as appropriate—

“(i) the amount of budget authority available;

“(ii) the amount obligated;

“(iii) the amount of outlays;

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

“(v) the amount of expired and unexpired unobligated balances; and

“(B) for each Federal award—”; and

(iv) in subparagraph (B)(iii), as so designated by this subparagraph, by insert-

ing “, which shall be assigned a unique
 identifier,” after “information on the
 award”;

(B) in paragraph (3)—

(i) by striking “Director of the Office
 of Management and Budget” and inserting
 “Secretary of the Treasury”; and

(ii) by striking “the Director may”
 and inserting “the Secretary may”;

(C) in paragraph (4)—

(i) by striking “Director of the Office
 of Management and Budget” and inserting
 “Secretary of the Treasury”;

(ii) by striking “the Director upon”
 and inserting “the Secretary upon”; and

(iii) by striking “the Director in” and
 inserting “the Secretary in”; and

(D) by adding at the end the following:

“(5) APPLICATION OF DATA STANDARDS.—The

Secretary of the Treasury shall apply the data
 standards established by the Secretary of the Treas-
 ury under subsection (c) to all data collection, data
 dissemination, and data publication required under
 this section.

1 “(6) DATA FEED TO RECOVERY ACCOUNT-
 2 ABILITY AND TRANSPARENCY BOARD.—The Sec-
 3 retary of the Treasury shall provide the data de-
 4 scribed in paragraph (1) to the Recovery Account-
 5 ability and Transparency Board for inclusion in the
 6 Recovery Operations Center described in subsection
 7 (h).”;

8 (4) in subsection (c)—

9 (A) in paragraph (1)—

10 (i) in the matter preceding subpara-
 11 graph (A), by striking “and Grants.gov”
 12 and inserting “Grants.gov, the Payment
 13 Automation Manager and Federal Infor-
 14 mation Repository and other data or data-
 15 bases from the Department of the Treas-
 16 ury, the MAX Information System of the
 17 Office of Management and Budget, and
 18 other data from Federal agencies collected
 19 and identified by the Office of Manage-
 20 ment and Budget”;

21 (ii) in subparagraph (B), by adding
 22 “and” at the end; and

23 (iii) by adding at the end the fol-
 24 lowing:

1 “(C) specify such search shall be confined
2 to Federal funds;”;

3 (B) in paragraph (2), by inserting “the
4 Payment Automation Manager and Federal In-
5 formation Repository and other data or data-
6 bases from the Department of the Treasury, the
7 MAX Information System of the Office of Man-
8 agement and Budget, other data from Federal
9 agencies collected and identified by the Office of
10 Management and Budget,” after “Grants.gov
11 website;”;

12 (C) in paragraph (4)—

13 (i) by striking “shall be updated not
14 later” and inserting the following: “shall
15 be updated—

16 “(A) not later”; and

17 (ii) by adding at the end the fol-
18 lowing:

19 “(B) not less than once each quarter with
20 information relating to Federal funds;”;

21 (D) in paragraph (5)—

22 (i) by inserting “Federal funds and”
23 before “Federal awards” the first place it
24 appears;

1 (ii) by striking “subsection
 2 (a)(2)(A)(i) and those described in sub-
 3 section (a)(2)(A)(ii)” and inserting “sub-
 4 section (a)(3)(A)(i) and those described in
 5 subsection (a)(3)(A)(ii)”; and

6 (iii) by striking the period at the end
 7 and inserting a semicolon; and

8 (E) by adding at the end the following:

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

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

14 (5) by redesignating subsections (e), (f), and
 15 (g) as subsections (i), (j), and (k), respectively; and

16 (6) by inserting after subsection (d) the fol-
 17 lowing:

18 “(e) DEPARTMENT OF THE TREASURY REQUIRE-
 19 MENTS.—

20 “(1) DATA STANDARDS.—

21 “(A) IN GENERAL.—The Secretary of the
 22 Treasury, in consultation with the Director of
 23 the Office of Management and Budget, the Ad-
 24 ministrator of General Services, and the heads
 25 of Federal agencies, shall establish Government-

1 wide financial data standards for Federal
2 funds, which shall—

3 “(i) include common data elements,
4 such as codes, unique award identifiers,
5 and fields, for financial and payment infor-
6 mation required to be reported by Federal
7 agencies and entities receiving Federal
8 funds, including identifiers for Federal
9 awards and entities receiving Federal
10 awards;

11 “(ii) to the extent reasonable and
12 practicable, ensure interoperability and in-
13 corporate—

14 “(I) common data elements de-
15 veloped and maintained by an inter-
16 national voluntary consensus stand-
17 ards body, as defined by the Office of
18 Management and Budget, such as the
19 International Organization for Stand-
20 ardization;

21 “(II) common data elements de-
22 veloped and maintained by Federal
23 agencies with authority over con-
24 tracting and financial assistance, such

1 as the Federal Acquisition Regulatory
2 Council; and

3 “(III) common data elements de-
4 veloped and maintained by accounting
5 standards organizations; and

6 “(iii) include data reporting standards
7 that—

8 “(I) incorporate a widely accept-
9 ed, nonproprietary, searchable, plat-
10 form-independent computer-readable
11 format;

12 “(II) be consistent with and im-
13 plement applicable accounting prin-
14 ciples;

15 “(III) be capable of being contin-
16 ually upgraded as necessary;

17 “(IV) are structured to specifi-
18 cally support the reporting of financial
19 and performance-related data; such as
20 that any data produced, regardless of
21 reporting need or software used for
22 creation or consumption; is consistent
23 and comparable across reporting situ-
24 ations;

1 “(V) establish, for each data
2 point, a standard method of conveying
3 the reporting period, reporting entity,
4 unit of measure, and other associated
5 attributes; and

6 “(VI) incorporate nonproprietary
7 standards in effect on the date of en-
8 actment of the Digital Accountability
9 and Transparency Act of 2013.

10 “(B) DEADLINES.—

11 “(i) GUIDANCE.—The Secretary of
12 the Treasury, in consultation with the Di-
13 rector of the Office of Management and
14 Budget, shall issue guidance on the data
15 standards established under subparagraph
16 (A) to Federal agencies not later than 1
17 year after the date of enactment of the
18 Digital Accountability and Transparency
19 Act of 2013.

20 “(ii) WEBSITE.—Not later than 1
21 year after the date on which the guidance
22 under clause (i) is issued, the Director of
23 the Office of Management and Budget
24 shall ensure that the website required
25 under this section makes data publically

1 available in accordance with the data
2 standards established under subparagraph
3 (A).

4 “(iii) AGENCIES.—Not later than 180
5 days after the date on which the guidance
6 under clause (i) is issued, each Federal
7 agency shall collect, report, and maintain
8 data in accordance with the data standards
9 established under subparagraph (A).

10 “(C) CONSULTATION.—The Secretary of
11 the Treasury shall consult with public and pri-
12 vate stakeholders in establishing data standards
13 under this paragraph.

14 “(2) IMPROPER PAYMENT PREVENTION.—

15 “(A) IN GENERAL.—The Secretary of the
16 Treasury, in consultation with the heads and
17 Inspectors General of Federal agencies, shall
18 use the data to which the data standards estab-
19 lished under paragraph (1) apply and other
20 available data (including available data from
21 State and local governments) to detect, prevent,
22 and recover improper payments through pre-
23 award, post-award pre-payment, and post-pay-
24 ment analysis, which shall include analysis and
25 investigations incorporating—

1 “(i) review and data matching of pay-
2 ments and beneficiary enrollment lists of
3 State programs carried out using Federal
4 funds for the purposes of identifying eligi-
5 bility duplication, residency ineligibility,
6 duplicate payments, or other potential im-
7 proper payment issues;

8 “(ii) review of multiple Federal agen-
9 cies and programs for which comparison of
10 data could show payment duplication; and

11 “(iii) review of other information the
12 Secretary of the Treasury determines are
13 effective, which may include investigation
14 or review of information from multiple
15 Federal agencies or programs.

16 “(B) REPORT.—Not later than 180 days
17 after the date of enactment of the Digital Ac-
18 countability and Transparency Act of 2013, the
19 Secretary of the Treasury shall submit to Con-
20 gress a report, which may be included as part
21 of another report submitted to Congress, which
22 shall include a description of—

23 “(i) the implementation of the fraud
24 prevention efforts described under sub-
25 paragraph (A); and

1 “(ii) the metrics used in determining
2 whether the fraud prevention efforts have
3 reduced, or contributed to the reduction of,
4 improper payments or improper awards.

5 ~~“(3) IMPROVEMENTS TO ACCESS TO DATA.—~~

6 ~~“(A) IN GENERAL.—In order to carry out~~
7 ~~this Act, upon request by the Secretary of the~~
8 ~~Treasury—~~

9 “(i) the Commissioner of Social Secu-
10 rity shall make available the Social Secu-
11 rity earnings information of a living or de-
12 ceased employee;

13 “(ii) the Director of the Bureau of
14 Prisons shall make available information
15 relating to Federal prisoners; and

16 “(iii) the Secretary of Housing and
17 Urban Development shall make available
18 information in the Credit Alert Verification
19 System of the Department of Housing and
20 Urban Development.

21 ~~“(B) USE AND PROTECTION OF INFORMA-~~
22 ~~TION.—The Secretary of the Treasury—~~

23 “(i) may only use information ob-
24 tained under subparagraph (A) to assist in
25 Federal debt collection and in the preven-

tion, identification or recovery of improper payments; and

“(ii) shall ensure that data to which the data standards established under paragraph (1) apply is adequately protected and collected in a manner consistent with privacy protections provided for by law.

“(f) CONSOLIDATED RECIPIENT FINANCIAL REPORTS.—The Director of the Office of Management and Budget shall—

“(1) review the financial reporting required by Federal agencies for Federal award recipients to reduce duplicative financial reporting and compliance costs for recipients;

“(2) request input from Federal award recipients to reduce duplicative financial reporting, especially from State and local governments and institutes of higher education;

“(3) not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, provide instructions to the heads of Federal agencies regarding how to simplify the reporting requirements for Federal award recipients to reduce duplicative reporting and reports to reduce compliance costs, as appropriate; and

1 “(4) not later than 18 months after the date of
 2 enactment of the Digital Accountability and Trans-
 3 parency Act of 2013, submit to Congress a report
 4 regarding any legislative action required to stream-
 5 line the reporting requirements for Federal award
 6 recipients.

7 “(g) ACCOUNTABILITY FOR FEDERAL FUNDING.—

8 “(1) IN GENERAL.—Not later than 1 year after
 9 the date of enactment of the Digital Accountability
 10 and Transparency Act of 2013, and every 2 years
 11 thereafter until the date that is 6 years after such
 12 date of enactment, the Inspector General of each
 13 Federal agency, in consultation with the Comptroller
 14 General of the United States, shall review a sam-
 15 pling of the spending data submitted under this Act
 16 by the Federal agency and shall submit to Congress
 17 and make publically available a report in on the
 18 completeness, timeliness, quality, and accuracy of
 19 the data sampled and the implementation and use of
 20 consistent data standards by the Federal agency.

21 “(2) COMPTROLLER GENERAL.—

22 “(A) IN GENERAL.—Not later than 2 years
 23 after the date of enactment of the Digital Ac-
 24 countability and Transparency Act of 2013, and
 25 every 2 years thereafter until the date that is

1 6 years after such date of enactment, and after
 2 review of the reports submitted under para-
 3 graph (1), the Comptroller General of the
 4 United States shall submit to Congress and
 5 make publically available a report on the data
 6 completeness, timeliness, quality, and accuracy
 7 of the data submitted under this Act by each
 8 Federal agency and the implementation and use
 9 of consistent data standards by each Federal
 10 agency.

11 “(B) RANKING.—The Comptroller General
 12 of the United States shall make available a
 13 ranking of Federal agencies regarding data
 14 quality, accuracy, and compliance with this Act.

15 “(h) RECOVERY ACCOUNTABILITY AND TRANS-
 16 PARENCY BOARD.—

17 “(1) RESOURCES AND MECHANISMS.—The Re-
 18 covery Accountability and Transparency Board shall
 19 develop and test information technology resources
 20 and oversight mechanisms to enhance the trans-
 21 parency of, and detect and remediate waste, fraud,
 22 and abuse in, Federal spending for Inspectors Gen-
 23 eral.

24 “(2) WEBSITE.—The Recovery Accountability
 25 and Transparency Board shall maintain a website

1 informing the public of the activities of the Recovery
 2 Accountability and Transparency Board to identify
 3 waste, fraud, and abuse and increase transparency
 4 of Federal spending to provide analytical support for
 5 Inspectors General.

6 ~~“(3) RECOVERY OPERATIONS CENTER.—The~~
 7 ~~Recovery Accountability and Transparency Board~~
 8 ~~shall establish and maintain a Recovery Operations~~
 9 ~~Center as a governmentwide Internet-based data ac-~~
 10 ~~cess system to carry out the functions described in~~
 11 ~~paragraph (4).~~

12 ~~“(4) FUNCTIONS OF THE RECOVERY OPER-~~
 13 ~~ATIONS CENTER.—The functions described in this~~
 14 ~~paragraph are the following:~~

15 ~~“(A) IN GENERAL.—The Recovery Oper-~~
 16 ~~ations Center shall incorporate—~~

17 ~~“(i) all information described in sub-~~
 18 ~~section (b)(1);~~

19 ~~“(ii) other information maintained by~~
 20 ~~Federal, State, local, and foreign govern-~~
 21 ~~ment agencies; and~~

22 ~~“(iii) other commercially and publicly~~
 23 ~~available information.~~

1 ~~“(B) SPECIFIC FUNCTIONS.—The Recovery~~
 2 Operations Center shall be designed and oper-
 3 ated to carry out the following functions:

4 ~~“(i) Combine information described in~~
 5 subsection (b)(1) with other compilations
 6 of information, including those listed in
 7 subparagraph (A).

8 ~~“(ii) Permit Inspectors General, in~~
 9 accordance with applicable law, to detect
 10 and remediate waste, fraud, and abuse.”.

11 **SEC. 4. PILOT PROGRAM TO EVALUATE CONSOLIDATED RE-**
 12 **CIPIENT REPORTING.**

13 (a) ~~IN GENERAL.—~~Not later than 90 days after the
 14 date of enactment of this Act, the Recovery Accountability
 15 and Transparency Board, in consultation with the Sec-
 16 retary of the Treasury and the Director of the Office of
 17 Management, shall establish a pilot program relating to
 18 reporting by recipients of Federal funds (in this section
 19 referred to as the “pilot program”) for the purpose of in-
 20 creasing financial transparency to—

- 21 (1) display the full cycle of Federal funds;
- 22 (2) improve the accuracy of Federal financial
- 23 data; and
- 24 (3) develop recommendations for reducing re-
- 25 porting required of recipients of Federal funds by

1 consolidating and automating financial reporting re-
2 quirements across the Federal Government.

3 ~~(b) REQUIREMENTS.—The pilot program shall—~~

4 ~~(1) include recipients that collectively receive~~
5 ~~not less than \$1,000,000,000 in Federal funds each~~
6 ~~fiscal year;~~

7 ~~(2) include recipients that receive Federal funds~~
8 ~~under multiple programs across multiple agencies;~~
9 ~~and~~

10 ~~(3) include recipients that collectively receive~~
11 ~~Federal funds under contracts, grants, and sub-~~
12 ~~awards.~~

13 ~~(c) REPORTING AND EVALUATION REQUIRE-~~
14 ~~MENTS.—Each recipient of Federal funds participating in~~
15 ~~the pilot program shall submit to the Recovery Account-~~
16 ~~ability and Transparency Board reports on the finances~~
17 ~~of the selected Federal awards.~~

18 ~~(d) PUBLICATION OF INFORMATION.—All the infor-~~
19 ~~mation collected by the Recovery Accountability and~~
20 ~~Transparency Board under the pilot program shall be~~
21 ~~made publicly available and searchable on the website es-~~
22 ~~tablished under section 2 of the Federal Funding Account-~~
23 ~~ability and Transparency Act of 2006 (31 U.S.C. 6101~~
24 ~~note).~~

1 (e) ~~TERMINATION.~~—The pilot program shall termi-
 2 nate on the date that is 3 years after the date on which
 3 the Recovery Accountability and Transparency Board es-
 4 tablishes the pilot program.

5 (f) ~~REPORT TO CONGRESS.~~—Not later than 90 days
 6 after the date on which the pilot program terminates
 7 under subsection (e), the Recovery Accountability and
 8 Transparency Board shall submit to the Committee on
 9 Homeland Security and Governmental Affairs and the
 10 Committee on the Budget of the Senate and the Com-
 11 mittee on Oversight and Government Reform and the
 12 Committee on the Budget of the House of Representatives
 13 a report on the pilot program, which shall include—

14 (1) a description of financial data collected
 15 under the pilot program, the accuracy of the data
 16 provided, and the cost to collect the data from re-
 17 cipients; and

18 (2) recommendations for—

19 (A) consolidating some or all aspects of
 20 Federal financial reporting to reduce the costs
 21 to recipients of Federal funds;

22 (B) automating some or all aspects of Fed-
 23 eral financial reporting to increase efficiency
 24 and reduce the costs to recipients of Federal
 25 funds; and

1 (C) improving financial transparency.

2 **SEC. 5. CLASSIFIED AND PROTECTED INFORMATION.**

3 Section 3 of the Federal Funding Accountability and
4 Transparency Act of 2006 (31 U.S.C. 6101 note) is
5 amended to read as follows:

6 **“SEC. 3. CLASSIFIED AND PROTECTED INFORMATION.**

7 “Nothing in this Act shall require the disclosure to
8 the public or to any person without an identifiable need
9 to know—

10 “(1) information protected under section 552 of
11 title 5, United States Code (commonly known as the
12 ‘Freedom of Information Act’); or

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

17 **SEC. 6. EXPANDING ACCESS BY THE SECRETARY OF THE**
18 **TREASURY TO THE NATIONAL DIRECTORY OF**
19 **NEW HIRES.**

20 Section 453(j)(9) of the Social Security Act (42
21 U.S.C. 653(j)(9)) is amended—

22 (1) in the paragraph heading, by inserting
23 “AND IN THE PREVENTION, IDENTIFICATION, AND
24 RECOVERY OF IMPROPER PAYMENTS” after “COL-
25 LECTION”;

1 (2) in subparagraph (A)—

2 (A) in the matter preceding clause (i), by
3 striking “with respect to persons—” and insert-
4 ing “to assist in Federal debt collection and in
5 the prevention, identification, or recovery of im-
6 proper payments with respect to—”;

7 (B) by striking “who owe” and inserting
8 the following: “persons—

9 “(I) who owe”;

10 (C) by striking “31 U.S.C. 3711(g).” and
11 inserting “section 3711(g) of title 31, United
12 States Code; or”;

13 (D) redesignating clause (ii) as subclause
14 (H), and adjusting the margin accordingly; and

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

16 “(ii) persons—

17 “(I) who receive a payment the
18 head of a Federal executive, judicial,
19 or legislative agency certifies is under
20 review to determine the eligibility of
21 the person to receive the payment; or

22 “(H) whose eligibility, or con-
23 tinuing eligibility, to participate in a
24 program of the Federal Government
25 (including a program administered by

1 a State or local government) is being
2 reviewed.”;

3 (3) in subparagraph (B), by striking “to im-
4 prove collection of the debt” and inserting “for the
5 purposes”;

6 (4) in subparagraph (D), by striking “of col-
7 lecting the debt”;

8 (5) in subparagraph (E)—

9 (A) in clause (i), by striking “of collecting
10 the debt”;

11 (B) in clause (ii), by inserting “and to a
12 Federal, State, or local agency in connection
13 with preventing, identifying, or recovering im-
14 proper payments as described in subparagraph
15 (A)” before the period at the end;

16 (C) in clause (iv)(II), by striking “de-
17 scribed in subparagraph (A),” and all that fol-
18 lows and inserting “; in connection with a pur-
19 pose described in subparagraph (A), to a con-
20 tractor or agent of either Secretary, to the Fed-
21 eral agency (including any contractor or agent
22 of the Federal agency) that referred a debt to
23 the Secretary of the Treasury for collection, or
24 to a Federal, State, or local agency (including
25 any contractor or agent of any such agency) for

purposes of preventing, identifying, or recovering improper payments, subject to the conditions in clause (iii) and such additional conditions as agreed by the Secretaries.”; and

(D) in clause (v), by striking “collecting the debt” and inserting “the purposes”; and

(6) in subparagraph (F), by adding at the end the following: “The Secretary of the Treasury shall reimburse the Secretary for any costs attributable to the prevention, identification, or recovery of improper payments out of any appropriation available to the Secretary of the Treasury for this purpose.”.

SEC. 7. AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 AMENDMENTS.

Title XV of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 286) is amended—

(1) in section 1501, by striking paragraph (4) and inserting the following:

“(4) COVERED FUNDS.—The term ‘covered funds’—

“(A) except as provided in subparagraph (B), means any funds that are expended or obligated from appropriations made under this Act; and

1 “(B) for purposes of sections 1522 and
2 1524, means funds that are expended or obli-
3 gated by an agency from appropriations made
4 under this or any other Act.”;

5 (2) in section 1512, by adding at the end the
6 following:

7 “(i) EXPIRATION.—The requirements under this sec-
8 tion shall terminate on September 30, 2013.”;

9 (3) in section 1523, by adding at the end the
10 following:

11 “(d) EXPIRATION.—The requirements under this sec-
12 tion shall terminate on September 30, 2013.”;

13 (4) in section 1526, by adding at the end the
14 following:

15 “(e) EXPIRATION.—The requirements under this sec-
16 tion shall terminate on September 30, 2013.”; and

17 (5) in section 1530, by striking “September 30,
18 2013,” and inserting “September 30, 2017.”.

19 **SEC. 8. DISASTER RELIEF APPROPRIATIONS ACT OF 2013**
20 **AMENDMENTS.**

21 Section 904(d) of division A of the Disaster Relief
22 Appropriations Act of 2013 (Public Law 113–2, 127 Stat.
23 18) is amended in section 904(d)—

24 (1) by striking “for purposes related to the im-
25 pact of Hurricane Sandy”;

1 (2) by striking “related to the impact of Hurri-
 2 cane Sandy” after “receiving appropriations”; and

3 (3) by striking “related to funds appropriated
 4 for the impact of Hurricane Sandy” after “on its ac-
 5 tivities”.

6 **SEC. 9. EXECUTIVE AGENCY ACCOUNTING AND OTHER FI-**
 7 **NANCIAL MANAGEMENT REPORTS AND**
 8 **PLANS.**

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

11 (1) in paragraph (1), by inserting “and make
 12 available on the website described under section
 13 1122” after “appropriate committees of Congress”;

14 (2) in paragraph (3)(B)(vi), by inserting “, sys-
 15 tem development, financial management workforce
 16 development, related risk assessment and mitigation
 17 for the Federal Government as a whole, related risk
 18 assessment and mitigation for executive agencies,
 19 development of capacity to prevent and detect
 20 fraud,” after “equipment acquisitions”; and

21 (3) in paragraph (4), by adding at the end the
 22 following:

23 “(C) Not later than 90 days after the date of enact-
 24 ment of the Digital Accountability and Transparency Act
 25 of 2013, and every 90 days thereafter, the Director shall

1 make available on the website described under section
 2 ~~1122~~ a report regarding—

3 “(i) specific goals for the most recent full fiscal
 4 year, the fiscal year during which the report is sub-
 5 mitted, and the fiscal year following the year during
 6 which the report is submitted that are necessary
 7 steps toward implementing the Federal Funding Ac-
 8 countability and Transparency Act of 2006 (31
 9 U.S.C. 6101 note) fully and in an effective, efficient,
 10 and accurate manner; and

11 “(ii) the status and progress achieved toward
 12 each goal described in clause (i), including any
 13 changes to the cost, schedule, or performance base-
 14 lines of achieving each goal, using earned value man-
 15 agement where appropriate.”.

16 **SECTION 1. SHORT TITLE.**

17 *This Act may be cited as the “Digital Accountability*
 18 *and Transparency Act of 2013” or the “DATA Act”.*

19 **SEC. 2. PURPOSES.**

20 *The purposes of this Act are to—*

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

1 *taxpayers and policy makers to track Federal spend-*
 2 *ing more effectively;*

3 *(2) provide consistent, reliable, and searchable*
 4 *Government-wide spending data that is displayed ac-*
 5 *curately for taxpayers and policy makers on*
 6 *USASpending.gov;*

7 *(3) simplify reporting for entities receiving Fed-*
 8 *eral funds by streamlining reporting requirements*
 9 *and reducing compliance costs while improving trans-*
 10 *parency; and*

11 *(4) improve the quality of data submitted to*
 12 *USASpending.gov by holding Federal agencies ac-*
 13 *countable for the completeness and accuracy of the*
 14 *data submitted.*

15 **SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING AC-**
 16 **COUNTABILITY AND TRANSPARENCY ACT OF**
 17 **2006.**

18 *The Federal Funding Accountability and Trans-*
 19 *parency Act of 2006 (31 U.S.C. 6101 note) is amended—*

20 *(1) in section 2—*

21 *(A) in subsection (a)—*

22 *(i) in the matter preceding paragraph*
 23 *(1), by striking “this section” and inserting*
 24 *“this Act”;*

1 (ii) by redesignating paragraphs (2)
 2 and (3) as paragraphs (3) and (7), respec-
 3 tively;

4 (iii) by inserting after paragraph (1)
 5 the following:

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

10 (iv) by inserting after paragraph (3),
 11 as redesignated by subparagraph (A), the
 12 following:

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

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

22 “(6) *PROGRAM ACTIVITY.*—The term ‘program
 23 activity’ has the meaning given that term under sec-
 24 tion 1115(h) of title 31, United States Code.”; and

25 (B) in subsection (c)—

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

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

6 (iii) by adding at the end the fol-
7 lowing:

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

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

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

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

16 “(a) *IN GENERAL.*—Not later than 3 years after the
17 date of enactment of the Digital Accountability and Trans-
18 parency Act of 2013, and every month thereafter, the Sec-
19 retary of the Treasury, in consultation with the Director
20 of the Office of Management and Budget, shall ensure that
21 the information in subsection (b) is posted on the website
22 established under section 2.

23 “(b) *INFORMATION TO BE POSTED.*—The information
24 to be posted shall include, for each Federal agency, compo-
25 nent of a Federal agency, appropriations account, program

1 activity, and object class (including any subcomponent of
 2 an object class), and other accounts or data as appro-
 3 priate—

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

5 “(2) the amount obligated;

6 “(3) the amount of outlays;

7 “(4) the amount of any Federal funds repro-
 8 grammed or transferred; and

9 “(5) the amount of expired and unexpired unob-
 10 ligated balances.

11 **“SEC. 4. DATA STANDARDS.**

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

20 “(b) *REQUIREMENTS.*—The data standards established
 21 under subsection (a) shall, to the extent reasonable and
 22 practicable—

23 “(1) incorporate widely accepted common data
 24 elements, such as those developed and maintained
 25 by—

1 “(A) *an international voluntary consensus*
 2 *standards body;*

3 “(B) *Federal agencies with authority over*
 4 *contracting and financial assistance; and*

5 “(C) *accounting standards organizations;*

6 “(2) *incorporate a widely accepted, nonpropri-*
 7 *etary, searchable, platform-independent computer-*
 8 *readable format;*

9 “(3) *include Government-wide universal identi-*
 10 *fiers for Federal awards and entities receiving Fed-*
 11 *eral awards;*

12 “(4) *be consistent with and implement applica-*
 13 *ble accounting principles;*

14 “(5) *be capable of being continually upgraded as*
 15 *necessary;*

16 “(6) *produce consistent and comparable data, in-*
 17 *cluding across program activities; and*

18 “(7) *establish a standard method of conveying*
 19 *the reporting period, reporting entity, unit of meas-*
 20 *ure, and other associated attributes.*

21 “(c) *DEADLINES.—*

22 “(1) *GUIDANCE.—Not later than 1 year after the*
 23 *date of enactment of the Digital Accountability and*
 24 *Transparency Act of 2013, the Secretary of the Treas-*
 25 *ury, in consultation with the Director of the Office of*

1 *Management and Budget, shall issue guidance to Fed-*
 2 *eral agencies on the data standards established under*
 3 *subsection (a).*

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

10 “(3) *WEBSITE.*—*Not later than 2 years after the*
 11 *date on which the guidance under paragraph (1) is*
 12 *issued, the Director of the Office of Management and*
 13 *Budget and the Secretary of the Treasury shall ensure*
 14 *that the data standards established under subsection*
 15 *(a) are applied to the data made available on the*
 16 *website established under section 2.*

17 “(d) *CONSULTATION.*—*The Secretary of the Treasury*
 18 *shall consult with public and private stakeholders in estab-*
 19 *lishing data standards under this section.*

20 **“SEC. 5. SIMPLIFYING FEDERAL AWARD REPORTING.**

21 “(a) *IN GENERAL.*—*The Director of the Office of Man-*
 22 *agement and Budget, in consultation with relevant Federal*
 23 *agencies, recipients of Federal funds, including State and*
 24 *local governments, and institutions of higher education (as*
 25 *defined in section 102 of the Higher Education Act of 1965*

1 (20 U.S.C. 1002)), shall review the information required
 2 to be reported by recipients of Federal awards to identify—

3 “(1) common reporting elements across the Fed-
 4 eral Government;

5 “(2) unnecessary duplication in financial report-
 6 ing; and

7 “(3) unnecessarily burdensome reporting require-
 8 ments for recipients of Federal awards.

9 “(b) PILOT PROGRAM.—

10 “(1) ESTABLISHMENT.—Not later than 1 year
 11 after the date of enactment of the Digital Account-
 12 ability and Transparency Act of 2013, the Director of
 13 the Office of Management and Budget, or a designee
 14 of the Director, shall establish a pilot program relat-
 15 ing to reporting (in this section referred to as the
 16 ‘pilot program’) to facilitate the development of rec-
 17 ommendations for—

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

20 “(B) the elimination of unnecessary dupli-
 21 cation in financial reporting; and

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

24 “(2) REQUIREMENTS.—The pilot program
 25 shall—

1 “(A) include a combination of Federal con-
 2 tracts, grants, and subawards, the aggregate
 3 value of which is not less than \$1,000,000,000;

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

6 “(C) to the extent practicable, include re-
 7 cipients who receive Federal awards from mul-
 8 tiple programs across multiple agencies.

9 “(3) DATA COLLECTION.—The pilot program
 10 shall include data collected during a 12-month report-
 11 ing cycle.

12 “(4) REPORTING AND EVALUATION REQUIRE-
 13 MENTS.—Each recipient of a Federal award partici-
 14 pating in the pilot program shall submit to the Office
 15 of Management and Budget any requested reports of
 16 the selected Federal awards.

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

21 “(6) AGENCY GUIDANCE.—Not later than 90
 22 days after the date on which the pilot program termi-
 23 nates under paragraph (5), the Director of the Office
 24 of Management and Budget shall provide guidance to
 25 the heads of Federal agencies regarding how to sim-

1 *plify the reporting requirements for recipients of Fed-*
 2 *eral awards to reduce unnecessary duplicative reports*
 3 *and to reduce compliance costs, as appropriate.*

4 “(7) *REPORT TO CONGRESS.*—Not later than 90
 5 *days after the date on which the pilot program termi-*
 6 *nates under paragraph (5), the Director of the Office*
 7 *of Management and Budget shall submit to the Com-*
 8 *mittee on Homeland Security and Governmental Af-*
 9 *airs and the Committee on the Budget of the Senate*
 10 *and the Committee on Oversight and Government Re-*
 11 *form and the Committee on the Budget of the House*
 12 *of Representatives a report on the pilot program,*
 13 *which shall include—*

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

18 “(B) *recommendations for—*

19 “(i) *consolidating aspects of Federal fi-*
 20 *nancial reporting to reduce the costs to re-*
 21 *cipients of Federal awards;*

22 “(ii) *automating aspects of Federal fi-*
 23 *nancial reporting to increase efficiency and*
 24 *reduce the costs to recipients of Federal*
 25 *awards;*

1 “(iii) any legislative action required to
 2 simplify the reporting requirements for re-
 3 cipients of Federal awards; and
 4 “(iv) improving financial trans-
 5 parency.

6 **“SEC. 6. ACCOUNTABILITY FOR FEDERAL FUNDING.**

7 “(a) *INSPECTOR GENERAL REPORTS.*—

8 “(1) *IN GENERAL.*—In accordance with para-
 9 graph (2), the Inspector General of each Federal agen-
 10 cy, in consultation with the Comptroller General of
 11 the United States, shall—

12 “(A) review a statistically valid sampling
 13 of the spending data submitted under this Act by
 14 the Federal agency; and

15 “(B) submit to Congress and make pub-
 16 lically available a report assessing the complete-
 17 ness, timeliness, quality, and accuracy of the
 18 data sampled and the implementation and use of
 19 data standards by the Federal agency.

20 “(2) *DEADLINES.*—

21 “(A) *FIRST REPORT.*—Not later than 18
 22 months after the date on which guidance is
 23 issued under section 4(c)(1), the Inspector Gen-
 24 eral of each Federal agency shall submit a report
 25 as described in paragraph (1).

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

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

23 **“SEC. 7. CLASSIFIED AND PROTECTED INFORMATION.**

24 *“Nothing in this Act shall require the disclosure to the*
 25 *public of—*

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

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

8 **SEC. 4. EXECUTIVE AGENCY ACCOUNTING AND OTHER FI-**
9 **NANCIAL MANAGEMENT REPORTS AND**
10 **PLANS.**

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

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

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

18 “(C) Not later than 1 year after the date of
19 enactment of the Digital Accountability and
20 Transparency Act of 2013, and every 5 years
21 thereafter, the Director shall make available on
22 the website described under section 1122 a report
23 regarding the implementation of the Federal
24 Funding Accountability and Transparency Act
25 of 2006 (31 U.S.C. 6101 note).”.

1 **SEC. 5. FUNDING.**

2 *The Secretary of the Treasury may use amounts in*
3 *the Department of the Treasury franchise fund established*
4 *under the matter under the heading “Treasury Franchise*
5 *Fund” (as contained in section 101(f) of division A of title*
6 *I of Public Law 104–208 (31 U.S.C. 322 note; 110 Stat.*
7 *3009–316)) without further appropriation to carry out this*
8 *Act and the amendments made by this Act.*

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113TH CONGRESS
2D Session

S. 994

[Report No. 113-139]

A BILL

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

MARCH 27, 2014

Reported with an amendment