

QUARTERLY FINANCIAL REPORT REAUTHORIZATION ACT

JULY 29, 2015.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CHAFFETZ, from the Committee on Oversight and Government Reform, submitted the following

R E P O R T

[To accompany H.R. 3116]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom was referred the bill (H.R. 3116) to extend by 15 years the authority of the Secretary of Commerce to conduct the quarterly financial report program, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

H.R. 3116, the Quarterly Financial Report Reauthorization Act, extends the authority of the Census Bureau to conduct the Quar-

terly Financial Report Program for an additional 15 years, through September 30, 2030.

#### BACKGROUND AND NEED FOR LEGISLATION

Current law requires the Secretary of Commerce to collect and publish quarterly financial statistics related to manufacturing, mining, and trade corporations.<sup>1</sup> The Quarterly Financial Report (QFR) Program has operated uninterrupted since 1947 and has been conducted by the Department of Commerce and the Census Bureau since 1983.<sup>2</sup>

Data from the QFR program serves as a key indicator of our nation's economic health, including as "a primary source for current estimates of corporate profits for the Nation's Gross Domestic Income Accounts," according to the Census Bureau.<sup>3</sup>

In 2005, Congress reauthorized the QFR program for 10 years, through September 30, 2015.<sup>4</sup> H.R. 3116 extends the authorization for the QFR program through September 30, 2030.

#### LEGISLATIVE HISTORY

H.R. 3116, the Quarterly Financial Report Reauthorization Act, was introduced by Congressman Ted Lieu (D-CA) on July 20, 2015 and referred to the Committee on Oversight and Government Reform. On July 22, 2015, the Committee on Oversight and Government Reform ordered H.R. 3116 favorably reported, without amendment.

#### SECTION-BY-SECTION

##### *Section 1. Short title*

Designates the short title of the bill as the "Quarterly Financial Report Reauthorization Act."

##### *Section 2. Extension of authority for Secretary of Commerce to conduct quarterly financial report program*

Extends by 15 years the authority of the Secretary of Commerce to conduct the quarterly financial report program. The bill amends P.L. 97-454, 13 U.S.C. 91 note, to strike "2015" and insert "2030" as the year in which the authorization for the quarterly financial report program will expire.

#### EXPLANATION OF AMENDMENTS

No amendments were offered during Full Committee consideration of the bill.

#### COMMITTEE CONSIDERATION

On July 22, 2015, the Committee met in open session and ordered reported favorably the bill, H.R. 3116, by voice vote, a quorum being present.

<sup>1</sup> 13 U.S.C. 91 note.

<sup>2</sup> *H.R. Rep. No. 109-164 at 2* (2005).

<sup>3</sup> U.S. Census Bureau, *Quarterly Financial Report*, available at [www.census.gov/econ/qfr/about.html](http://www.census.gov/econ/qfr/about.html) (last visited Jul. 24, 2015).

<sup>4</sup> P.L. 109-79.

## ROLL CALL VOTES

No recorded votes were taken during Full Committee consideration of the bill.

## APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill extends by 15 years the authority of the Secretary of Commerce to conduct the quarterly financial report program. As such this bill does not relate to employment or access to public services and accommodations.

## STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goal or objective of the bill is to extend by 15 years the authority of the Secretary of Commerce to conduct the quarterly financial report program.

## DUPLICATION OF FEDERAL PROGRAMS

No provision of this bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting this bill does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

## FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

## UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement as to whether the provisions of the reported bill include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

## EARMARK IDENTIFICATION

This bill does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

## COMMITTEE ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out this bill. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

## BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of Congressional Budget Office:

*H.R. 3116—Quarterly Financial Report Reauthorization Act*

H.R. 3116 would extend the authority for the Department of Commerce to conduct the quarterly financial report program through 2030. Under that program, which will expire at the end of fiscal year 2015, the Census Bureau collects and publishes statistics on the financial condition of U.S. businesses. Information from the Census Bureau indicates that the program costs about \$5 million a year. Therefore, CBO estimates that implementing the bill would cost \$25 million over the 2016–2020 period, assuming appropriation of the estimated amounts. Enacting H.R. 3116 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 3116 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

The quarterly financial report program, which the bill would extend, requires certain companies to provide survey information on their business and financial data to the Census Bureau. Extending this requirement would be a private-sector mandate on those companies. Based on information from the Census Bureau, CBO estimates that the direct cost to comply with the mandate would fall well below the annual threshold established by UMRA for private-sector mandates (\$154 million in 2015, adjusted annually for inflation).

The CBO staff contacts for this estimate are Susan Willie (for federal costs) and Paige Piper/Bach (for private-sector mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

## CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

**SECTION 4 OF PUBLIC LAW 97-454**

AN ACT To amend title 13, United States Code, to transfer responsibility for the quarterly financial report from the Federal Trade Commission to the Secretary of Commerce and for other purposes.

SEC. 4. (a) This Act shall take effect on the date of the enactment of this Act.

(b) This Act, including the amendments made by this Act, shall cease to have effect after September 30, ~~2015~~ 2030.

(c) Not later than 2 years after such effective date, the Secretary of Commerce shall submit a report to the Congress regarding the administration of the program transferred by this Act. Such report shall describe—

(1) the estimated respondent burden, including any changes in the estimated respondent burden after the transfer of such program;

(2) the application made by various public and private organizations of the information published under such program; and

(3) technical or administration problems encountered in carrying out such program.