

107TH CONGRESS
2D SESSION

H. R. 5577

To disqualify certain persons from receiving Federal funds.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 8, 2002

Mr. PAUL introduced the following bill; which was referred to the Committee
on Government Reform

A BILL

To disqualify certain persons from receiving Federal funds.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Truth in Financing
5 Act”.

6 **SEC. 2. DISQUALIFICATION FOR FEDERAL FUNDING.**

7 Notwithstanding any other provision of law, any re-
8 cipient of Federal funds shall be disqualified for Federal
9 funding of any type if, at a time when the recipient is
10 receiving Federal funds for any of the recipient’s activi-
11 ties, the recipient is found by any Federal agency or Fed-
12 eral or State court to have—

1 (1) made a false statement on an application
2 for Federal funds;

3 (2) violated any Federal law or regulation or
4 State or local law punishable by imprisonment for at
5 least 6 months or a fine of at least \$5,000; and

6 (3) aided or abetted the violation of any law or
7 regulation described in paragraph (2).

8 **SEC. 3. CAUSE OF ACTION.**

9 Notwithstanding any other provision of law, or any
10 judicial decision relating to issues of standing, any citizen
11 of the United States may bring a private cause of action
12 against any organization receiving Federal funds for vio-
13 lating the prohibition of section 2.

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