

109TH CONGRESS
2D SESSION

S. 2718

To require full disclosure by entities receiving Federal funds, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 4, 2006

Mr. ENSIGN introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To require full disclosure by entities receiving Federal funds, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Website for American
5 Taxpayers to Check and Help Deter Out-of-control Gov-
6 ernment Spending Act” or “WATCHDOGS Act”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) AGENCY.—The term “agency” means an
2 Executive agency as defined under section 105 of
3 title 5, United States Code.

4 (2) CONTRACTOR ENTITY.—The term “con-
5 tractor entity” means any entity that receives Fed-
6 eral funds as a general contractor or subcontractor
7 at any tier in connection with a Federal contract.

8 (3) COVERED ENTITY.—The term “covered en-
9 tity” means any entity that receives Federal funds—

10 (A) through a grant or loan, except—

11 (i) a grant or loan under entitlement
12 authority; or

13 (ii) a loan designated by the Office of
14 Management and Budget under section
15 2(a)(3); or

16 (B) under a statutory provision that di-
17 rectly references the entity receiving Federal
18 funds, including any appropriations Act (or re-
19 lated committee or conference report) that spe-
20 cifically identifies the entity.

21 (4) ENTITLEMENT AUTHORITY.—The term “en-
22 titlement authority” has the meaning given under
23 section 3 of the Congressional Budget and Impound-
24 ment Control Act of 1974 (2 U.S.C. 622).

25 (5) ENTITY.—The term “entity”—

1 (A) includes any State or local govern-
2 ment; and

3 (B) shall not include the Federal Govern-
4 ment.

5 **SEC. 3. DISCLOSURE BY ENTITIES.**

6 (a) OFFICE OF MANAGEMENT AND BUDGET.—The
7 Office of Management and Budget—

8 (1) shall issue a Federal funds application num-
9 ber to each covered entity or contractor entity that
10 applies for such number, except that if more than 1
11 covered entity or contractor entity share a single tax
12 identification number, only 1 Federal funds applica-
13 tion number shall be issued for those covered entities
14 or contractor entities;

15 (2) shall develop and establish an updated
16 searchable database website accessible to the public
17 of the information on—

18 (A) each covered entity required to be sub-
19 mitted under subsection (b)(3), including links
20 to other websites described under subsection
21 (b)(3); and

22 (B) each contractor entity required to be
23 submitted under subsection (c)(3);

1 (3) may promulgate regulations to designate
2 loan programs which are not covered by this Act
3 if—

4 (A) the Federal funds under that program
5 are received only by individuals; and

6 (B) the agency administering the program
7 exercises minimal discretion in determining re-
8 cipients other than the application of specific
9 criteria of eligibility; and

10 (4) after consultation with agencies, promulgate
11 regulations to provide exemptions for disclosures of
12 information, covered entities, and contractor entities
13 in the interest of national defense or national secu-
14 rity.

15 (b) REQUIREMENTS FOR COVERED ENTITIES.—Each
16 covered entity shall—

17 (1) apply to the Office of Management and
18 Budget for a Federal funds application number;

19 (2) use the Federal funds application number in
20 any application or other document relating to the re-
21 ceipt of Federal funds; and

22 (3) not later than 45 days before the end of
23 each fiscal year, file a report with the Office of Man-
24 agement and Budget that includes—

1 (A) the dollar amount, of any Federal
2 funds received by the entity in the previous 5
3 years and the identification of such amounts in
4 each year, including an identification of the
5 source of funds from programs based on the
6 Catalogue of Federal Assistance, if applicable;

7 (B) the entity's—

8 (i) primary office and any additional
9 offices;

10 (ii) the tax status; and

11 (iii) tax identification number;

12 (C) the full name, address, and social secu-
13 rity numbers of each officer and director of the
14 entity;

15 (D) an overall annual financial disclosure
16 statement for the previous year (with specific
17 amounts for total lobbying expenses, travel ex-
18 penses, rent, salaries, and decorating expenses);

19 (E) the full name, address, and social se-
20 curity number of each employee making more
21 than \$50,000 each year in gross income;

22 (F) any links to the website of the covered
23 entity providing additional information on that
24 covered entity; and

1 (G) any other relevant information the Of-
2 fice of Management and Budget may require.

3 (c) REQUIREMENTS FOR CONTRACTOR ENTITIES.—

4 Each contractor entity shall—

5 (1) apply to the Office of Management and
6 Budget for a Federal funds application number;

7 (2) use the Federal funds application number in
8 any application or other document relating to the re-
9 ceipt of Federal funds; and

10 (3) not later than 45 days before the end of
11 each fiscal year, file a report with the Office of Man-
12 agement and Budget that includes—

13 (A) the dollar amount, of any Federal
14 funds received by the entity in the previous 5
15 years and the identification of such amounts in
16 each year, including an identification of the
17 source of funds from programs based on the
18 Catalogue of Federal Assistance, if applicable;
19 and

20 (B) the entity's—

21 (i) primary office and any additional
22 offices;

23 (ii) the tax status; and

24 (iii) tax identification number.

25 (d) FEDERAL AGENCIES.—Each agency shall—

1 (1) use the Federal funds application number
2 with respect to any document relating to a covered
3 entity or contractor entity receiving Federal funds,
4 including applications, correspondence, contracts,
5 memoranda, proposals, agreements, and receipts;
6 and

7 (2) make such information relating to covered
8 entities or contractor entities and such documents
9 available to the Office of Management and Budget
10 as the Office may require.

11 (e) APPLICATION OF CERTAIN FEDERAL LAWS TO
12 COVERED ENTITIES AND CONTRACTOR ENTITIES.—

13 (1) IN GENERAL.—Notwithstanding any other
14 provision of law, the provisions of law described
15 under paragraph (2) shall apply to a covered entity
16 or contractor entity to the greatest extent prac-
17 ticable as though that covered entity or contractor
18 entity is a Federal agency, if 10 percent of the busi-
19 ness expenditures or annual budget of a covered en-
20 tity or contractor entity is derived by or from Fed-
21 eral funds.

22 (2) APPLICABLE LAWS.—The provisions of law
23 referred to under paragraph (1) are—

1 (A) section 552 of title 5, United States
2 Code (commonly referred to as the Freedom of
3 Information Act); and

4 (B) subchapter I of chapter 57 of title 5,
5 United States Code (relating to travel and sub-
6 sistence expenses and mileage allowances).

7 (f) REGULATIONS.—The Office of Management and
8 Budget shall promulgate regulations to carry out this Act.

9 (g) EFFECTIVE DATES.—

10 (1) IN GENERAL.—This Act shall take effect on
11 January 1, 2007.

12 (2) REGULATIONS.—Subsection (f) shall take
13 effect on the date of enactment of this Act.

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