

112TH CONGRESS
2D SESSION

H. R. 6420

To improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2012

Mr. CLARKE of Michigan (for himself, Mr. LARSON of Connecticut, Mr. LEWIS of Georgia, and Mr. DAVIS of Illinois) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

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 “Federal Financial As-
5 sistance Management Improvement Act of 2012”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1 (1) there are over 600 different Federal finan-
2 cial assistance programs to implement domestic pol-
3 icy;

4 (2) while the assistance described in paragraph
5 (1) has been directed at critical problems, some Fed-
6 eral administrative requirements may be duplicative,
7 burdensome, or conflicting, thus impeding cost-effec-
8 tive delivery of services at the local level;

9 (3) the Nation's State, local, and tribal govern-
10 ments and private, nonprofit organizations are deal-
11 ing with increasingly complex problems which re-
12 quire the delivery and coordination of many kinds of
13 services; and

14 (4) streamlining and simplifying Federal finan-
15 cial assistance administrative procedures and report-
16 ing requirements will improve the delivery of services
17 to the public.

18 **SEC. 3. PURPOSES.**

19 The purposes of this Act are to—

20 (1) improve the effectiveness and performance
21 of Federal financial assistance programs;

22 (2) simplify Federal financial assistance appli-
23 cation and reporting requirements;

24 (3) improve the delivery of services to the pub-
25 lic; and

1 (4) facilitate greater coordination among those
2 responsible for delivering such services.

3 **SEC. 4. DEFINITIONS.**

4 In this Act:

5 (1) DIRECTOR.—The term “Director” means
6 the Director of the Office of Management and Budget.
7 et.

8 (2) FEDERAL AGENCY.—The term “Federal
9 agency” means any agency as defined under section
10 551(1) of title 5, United States Code.

11 (3) FEDERAL FINANCIAL ASSISTANCE.—The
12 term “Federal financial assistance” has the meaning
13 given that term under section 7501(a) of title 31,
14 United States Code, under which Federal financial
15 assistance is provided, directly or indirectly, to a
16 non-Federal entity.

17 (4) LOCAL GOVERNMENT.—The term “local
18 government” has the meaning given that term under
19 section 7501(a) of title 31, United States Code.

20 (5) NON-FEDERAL ENTITY.—The term “non-
21 Federal entity” means a State, local government, or
22 nonprofit organization.

23 (6) NONPROFIT ORGANIZATION.—The term
24 “nonprofit organization” means any corporation,

1 trust, association, cooperative, or other organization
2 that—

3 (A) is operated primarily for scientific,
4 educational, service, charitable, or similar pur-
5 poses in the public interest;

6 (B) is not organized primarily for profit;
7 and

8 (C) uses net proceeds to maintain, im-
9 prove, or expand the operations of the organiza-
10 tion.

11 (7) STATE.—The term “State” means each
12 State of the United States, the District of Columbia,
13 the Commonwealth of Puerto Rico, the Virgin Is-
14 lands of the United States, Guam, American Samoa,
15 the Commonwealth of the Northern Mariana Is-
16 lands, any other territory or possession of the
17 United States, and any instrumentality thereof, any
18 multi-State, regional, or interstate entity which has
19 governmental functions, and any federally recognized
20 Indian tribe.

21 (8) TRIBAL GOVERNMENT.—The term “tribal
22 government” means an Indian tribe, as that term is
23 defined in section 7501(a) of title 31, United States
24 Code.

1 (9) UNIFORM ADMINISTRATIVE RULE.—The
2 term “uniform administrative rule” means a Govern-
3 mentwide uniform rule for any generally applicable
4 requirement established to achieve national policy
5 objectives that applies to multiple Federal financial
6 assistance programs across Federal agencies.

7 **SEC. 5. DUTIES OF THE DIRECTOR.**

8 (a) IN GENERAL.—The Director, in consultation with
9 agency heads and representatives of non-Federal entities,
10 shall direct, coordinate, and assist Federal agencies in im-
11 plementing—

12 (1) a common application and reporting system,
13 including—

14 (A) a common application or set of com-
15 mon applications, wherein a non-Federal entity
16 can apply for Federal financial assistance from
17 multiple Federal financial assistance programs
18 that serve similar purposes and are adminis-
19 tered by different Federal agencies;

20 (B) a common system, including electronic
21 processes, wherein a non-Federal entity can
22 apply for, manage, and report on the use of
23 funding from multiple Federal financial assist-
24 ance programs that serve similar purposes and

1 are administered by different Federal agencies;
2 and

3 (C) uniform administrative rules for Fed-
4 eral financial assistance programs across dif-
5 ferent Federal agencies; and

6 (2) an interagency process for addressing—

7 (A) ways to streamline and simplify Fed-
8 eral financial assistance administrative proce-
9 dures and reporting requirements for non-Fed-
10 eral entities;

11 (B) improved interagency and intergovern-
12 mental coordination of information collection
13 and sharing of data pertaining to Federal fi-
14 nancial assistance programs, including appro-
15 priate information sharing consistent with sec-
16 tion 552a of title 5, United States Code; and

17 (C) improvements in the timeliness, com-
18 pleteness, and quality of information received
19 by Federal agencies from recipients of Federal
20 financial assistance.

21 (b) LEAD AGENCY AND WORKING GROUPS.—The Di-
22 rector may designate a lead agency to assist the Director
23 in carrying out the responsibilities under this section. The
24 Director may use interagency working groups to assist in
25 carrying out such responsibilities.

1 (c) REVIEW OF PLANS AND REPORTS.—Upon the re-
2 quest of the Director, agencies shall submit to the Direc-
3 tor, for the Director’s review, information and other re-
4 porting regarding agency implementation of this Act.

5 (d) EXEMPTIONS.—The Director may exempt any
6 Federal agency or Federal financial assistance program
7 from the requirements of this Act if the Director deter-
8 mines that the Federal agency does not have a significant
9 number of Federal financial assistance programs. The Di-
10 rector shall maintain a list of exempted agencies which
11 shall be available to the public through the website of the
12 Office of Management and Budget.

13 (e) REPORT ON RECOMMENDED CHANGES IN LAW.—
14 Not later than 18 months after the date of the enactment
15 of this Act, the Director shall submit to Congress a report
16 containing recommendations for changes in law to improve
17 the effectiveness, performance, and coordination of Fed-
18 eral financial assistance programs.

19 (f) DEADLINE.—All actions required under this sec-
20 tion shall be carried out not later than 18 months after
21 the date of the enactment of this Act.

22 **SEC. 6. COLLECTION OF INFORMATION.**

23 Nothing in this Act shall be construed to prevent the
24 Director or any Federal agency from gathering, or to ex-
25 empt any recipient of Federal financial assistance from

1 providing, information that is required for review of the
2 financial integrity or quality of services of an activity as-
3 sisted by a Federal financial assistance program.

4 **SEC. 7. JUDICIAL REVIEW.**

5 There shall be no judicial review of compliance or
6 noncompliance with any of the provisions of this Act. No
7 provision of this Act shall be construed to create any right
8 or benefit, substantive or procedural, enforceable by any
9 administrative or judicial action.

10 **SEC. 8. STATUTORY REQUIREMENTS.**

11 Nothing in this Act shall be construed as a means
12 to deviate from the statutory requirements relating to ap-
13 plicable Federal financial assistance programs.

14 **SEC. 9. EFFECTIVE DATE AND SUNSET.**

15 This Act shall take effect on the date of the enact-
16 ment of this Act and shall cease to be effective 8 years
17 after such date of enactment.

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