AMENDMENT NO. _________ Calendar No. _______

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—113th Cong., 1st Sess.

S. 994

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

Referred to the Committee on ________________ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. CARPER (for himself, Mr. PORTMAN, and Mr. COBURN)

Viz:

1 Strike all after the enacting clause and insert the following:

3 SECTION 1. SHORT TITLE.

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

6 SEC. 2. PURPOSES.

7 The purposes of this Act are to—

8 (1) expand the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) by disclosing direct Federal agency expendi-
tures and linking Federal contract, loan, and grant spending information to programs of Federal agencies to enable taxpayers and policy makers to track Federal spending more effectively;

(2) provide consistent, reliable, and searchable Government-wide spending data that is displayed accurately for taxpayers and policy makers on USASpending.gov;

(3) simplify reporting for entities receiving Federal funds by streamlining reporting requirements and reducing compliance costs while improving transparency; and

(4) improve the quality of data submitted to USASpending.gov by holding Federal agencies accountable for the completeness and accuracy of the data submitted.

SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006.

The Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) is amended—

(1) in section 2—

(A) in subsection (a)—
(i) in the matter preceding paragraph (1), by striking “this section” and insert-
ing “this Act”;

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

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

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

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

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

“(5) OBJECT CLASS.—The term ‘object class’ means the category assigned for purposes of the annual budget of the President submitted under section 1105(a) of title 31, United States Code, to the type of property or services purchased by the Fed-
eral Government.
“(6) PROGRAM ACTIVITY.—The term ‘program activity’ has the meaning given that term under section 1115(h) of title 31, United States Code.”; and

(B) in subsection (e)—

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

(ii) in paragraph (5), by striking the period at the end and inserting a semi-colon; and

(iii) by adding at the end the following:

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

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

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

“SEC. 3. FULL DISCLOSURE OF FEDERAL FUNDS.

“(a) IN GENERAL.—Not later than 3 years after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every month thereafter, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall en-
sure that the information in subsection (b) is posted on
the website established under section 2.

“(b) INFORMATION TO BE POSTED.—The informa-
tion to be posted shall include, for each Federal agency,
component of a Federal agency, appropriations account,
program activity, and object class (including any sub-
component of an object class), and other accounts or data
as appropriate—

“(1) the amount of budget authority author-
ized;

“(2) the amount obligated;

“(3) the amount of outlays;

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

“(5) the amount of expired and unexpired un-
obligated balances.

“SEC. 4. DATA STANDARDS.

“(a) IN GENERAL.—The Secretary of the Treasury,
in consultation with the Director of the Office of Manage-
ment and Budget, the Administrator of General Services,
and the heads of Federal agencies, shall establish Govern-
ment-wide financial data standards for Federal funds,
which shall include common data elements for financial
and payment information required to be reported by Fed-
eral agencies and entities receiving Federal funds.
“(b) **Requirements.**—The data standards established under subsection (a) shall, to the extent reasonable and practicable—

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

“(A) an international voluntary consensus standards body;

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

“(C) accounting standards organizations;

“(2) incorporate a widely accepted, nonproprietary, searchable, platform-independent computer-readable format;

“(3) include Government-wide universal identifiers for Federal awards and entities receiving Federal awards;

“(4) be consistent with and implement applicable accounting principles;

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

“(6) produce consistent and comparable data, including across program activities; and
“(7) establish a standard method of conveying the reporting period, reporting entity, unit of measure, and other associated attributes.

“(c) Deadlines.—

“(1) Guidance.—Not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall issue guidance to Federal agencies on the data standards established under subsection (a).

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

“(3) Website.—Not later than 2 years after the date on which the guidance under paragraph (1) is issued, the Director of the Office of Management and Budget and the Secretary of the Treasury shall ensure that the data standards established under subsection (a) are applied to the data made available on the website established under section 2.
“(d) CONSULTATION.—The Secretary of the Treasury shall consult with public and private stakeholders in establishing data standards under this section.

“SEC. 5. SIMPLIFYING FEDERAL AWARD REPORTING.

“(a) IN GENERAL.—The Director of the Office of Management and Budget, in consultation with relevant Federal agencies, recipients of Federal funds, including State and local governments, and institutions of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)), shall review the information required to be reported by recipients of Federal awards to identify—

“(1) common reporting elements across the Federal Government;

“(2) unnecessary duplication in financial reporting; and

“(3) unnecessarily burdensome reporting requirements for recipients of Federal awards.

“(b) PILOT PROGRAM.—

“(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, the Director of the Office of Management and Budget, or a designee of the Director, shall establish a pilot program relating to reporting (in this section referred to as
the ‘pilot program’) to facilitate the development of recommendations for—

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

“(B) the elimination of unnecessary duplication in financial reporting; and

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

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

“(A) include a combination of Federal contracts, grants, and subawards, the aggregate value of which is not less than $1,000,000,000;

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

“(C) to the extent practicable, include recipients who receive Federal awards from multiple programs across multiple agencies.

“(3) DATA COLLECTION.—The pilot program shall include data collected during a 12-month reporting cycle.

“(4) REPORTING AND EVALUATION REQUIREMENTS.—Each recipient of a Federal award participating in the pilot program shall submit to the Of-
office of Management and Budget any requested reports of the selected Federal awards.

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

“(6) AGENCY GUIDANCE.—Not later than 90 days after the date on which the pilot program terminates under subsection (b)(5), the Director of the Office of Management and Budget shall provide guidance to the heads of Federal agencies regarding how to simplify the reporting requirements for recipients of Federal awards to reduce unnecessary duplicative reports and to reduce compliance costs, as appropriate.

“(7) REPORT TO CONGRESS.—Not later than 90 days after the date on which the pilot program terminates under subsection (b)(5), the Director of the Office of Management and Budget shall submit to the Committee on Homeland Security and Governmental Affairs and the Committee on the Budget of the Senate and the Committee on Oversight and Government Reform and the Committee on the Budget of the House of Representatives a report on the pilot program, which shall include—
“(A) a description of the data collected under the pilot program, the usefulness of the data provided, and the cost to collect the data from recipients; and

“(B) recommendations for—

“(i) consolidating aspects of Federal financial reporting to reduce the costs to recipients of Federal awards;

“(ii) automating aspects of Federal financial reporting to increase efficiency and reduce the costs to recipients of Federal awards;

“(iii) any legislative action required to simplify the reporting requirements for recipients of Federal awards; and

“(iv) improving financial transparency.

“SEC. 6. ACCOUNTABILITY FOR FEDERAL FUNDING.

“(a) INSPECTOR GENERAL REPORTS.—

“(1) IN GENERAL.—In accordance with paragraph (2), the Inspector General of each Federal agency, in consultation with the Comptroller General of the United States, shall—
“(A) review a statistically valid sampling of the spending data submitted under this Act by the Federal agency; and

“(B) submit to Congress and make publicly available a report assessing the completeness, timeliness, quality, and accuracy of the data sampled and the implementation and use of data standards by the Federal agency.

“(2) Deadlines.—

“(A) First report.—Not later than 18 months after the date on which guidance is issued under section 4(c)(1), the Inspector General of each Federal agency shall submit a report as described in paragraph (1).

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

“(b) COMPTROLLER GENERAL.—Not later than 2 years after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 2 years thereafter until the date that is 6 years after such date of enactment, and after review of the reports submitted under subsection (a), the Comptroller General of the United States shall submit to Congress and make publicly available a report assessing and comparing the data completeness, timeliness, quality, and accuracy of the data submitted under this Act by Federal agencies and the implementation and use of data standards by Federal agencies.

“SEC. 7. CLASSIFIED AND PROTECTED INFORMATION.

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

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

“(2) information protected under section 552a of title 5, United States Code (commonly known as the ‘Privacy Act of 1974’), or section 6103 of the Internal Revenue Code of 1986.”.
SEC. 4. EXECUTIVE AGENCY ACCOUNTING AND OTHER FINANCIAL MANAGEMENT REPORTS AND PLANS.

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

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

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

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

SEC. 5. FUNDING.

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