

104TH CONGRESS  
2D SESSION

# H. R. 3064

To increase the overall economy and efficiency of Government operations and enable more efficient use of Federal funding, by coordinating Federal financial assistance programs and promoting local flexibility.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 1996

Mr. HOYER introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To increase the overall economy and efficiency of Government operations and enable more efficient use of Federal funding, by coordinating Federal financial assistance programs and promoting local flexibility.

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 “Family Services Im-  
5       provement Act of 1996”.

6       **SEC. 2. FINDINGS.**

7       The Congress finds that—

1           (1) historically, Federal programs have ad-  
2           dressed the Nation’s problems by providing categor-  
3           ical financial assistance with detailed requirements  
4           relating to the use of funds;

5           (2) while the assistance described in paragraph  
6           (1) has been directed at critical problems, some pro-  
7           gram requirements may inadvertently impede the ef-  
8           fective delivery of services, and the Federal govern-  
9           ment should exercise leadership in eliminating these  
10          impediments;

11          (3) the Nation’s state, local, and tribal govern-  
12          ments and private, nonprofit organizations are deal-  
13          ing with increasingly complex problems that require  
14          the coordinated delivery of many kinds of services;

15          (4) the Nation’s communities are diverse, and  
16          different needs are present in different communities;  
17          and

18          (5) it is more important than ever for the Fed-  
19          eral Government to—

20                 (A) review, coordinate, and rationalize  
21                 rules, regulations and policies governing the  
22                 range of Federal financial assistance programs;

23                 (B) reduce the barriers between programs  
24                 that impede state, local, and tribal govern-

1           ments’ ability to deliver services in a coordi-  
2           nated and effective manner; and

3                   (C) promote more effective and efficient  
4           local delivery of services.

5 **SEC. 3. PURPOSES.**

6           The purposes of this Act are to—

7                   (1) remove Federal impediments to coordination  
8           of service delivery;

9                   (2) enable more efficient use of Federal, State,  
10          and local resources through program coordination  
11          and reduction of regulation;

12                   (3) facilitate cooperation among and coordina-  
13          tion of programs operated by state, local, and tribal  
14          governments and private, nonprofit organizations;  
15          and

16                   (4) place less emphasis in Federal service pro-  
17          grams on measuring resources and procedures and  
18          more emphasis on accountability for achieving policy  
19          goals.

20 **SEC. 4. DEFINITIONS.**

21          For purposes of this Act—

22                   (1) the term “eligible Federal financial assist-  
23          ance program”—

24                           (A) means a Federal program under which  
25          financial assistance is available, directly or indi-

1           rectly, to a State, local, or tribal government or  
2           a qualified organization to carry out a specified  
3           program;

4           (B) does not include a Federal program  
5           under which financial assistance is provided by  
6           the Federal Government directly to a bene-  
7           ficiary of that financial assistance, or to a State  
8           to provide financial or food voucher assistance  
9           directly to a beneficiary (but may include ad-  
10          ministrative costs for such a program if admin-  
11          istrative funding levels are set separately from  
12          benefit funding by law or regulation);

13          (C) includes the services portion of a pro-  
14          gram that provides both direct cash payments  
15          and services; and

16          (D) does not include a direct spending pro-  
17          gram (as defined under the Budget Enforce-  
18          ment Act of 1990 (2 U.S.C. 900(c)(8)).

19          (2) the term “eligible State, local, or tribal gov-  
20          ernment” means a State, local, or tribal government  
21          that is eligible to receive financial assistance under  
22          one or more eligible Federal financial assistance pro-  
23          grams;

24          (3) the term “local government” means—

1 (A) a subdivision of a State that is a unit  
2 of general local government (as defined under  
3 section 6501 of title 31, United States Code);

4 (B) any combination of political subdivi-  
5 sions described in subparagraph (A) recognized  
6 by the Council; and

7 (C) local education agencies (as defined  
8 under section 8801(18) of title 20, United  
9 States Code);

10 (4) the term “qualified organization” means a  
11 private, nonprofit organization described in section  
12 501(c)(3) of the Internal Revenue Code of 1986 that  
13 is exempt from taxation under section 501(a) of the  
14 Internal Revenue Code of 1986;

15 (5) the term “State” means each of the 50  
16 States, the District of Columbia, Puerto Rico, Amer-  
17 ican Samoa, Guam, and the Virgin Islands;

18 (6) the term “qualified consortium” means a  
19 group that—

20 (A) is composed of any combination of  
21 qualified organizations, State agencies, or local  
22 agencies that receive federally appropriated  
23 funds, and

1 (B) includes representatives from not less  
2 than three organizations providing services in  
3 not less than three of the following areas:

4 (i) Education.

5 (ii) Head Start.

6 (iii) Child care.

7 (iv) Family support and preservation.

8 (v) Maternal and child health.

9 (vi) Job training.

10 (vii) Housing.

11 (viii) Nutrition.

12 (ix) Juvenile justice.

13 (x) Drug abuse prevention and treat-  
14 ment; and

15 (7) the term “tribal government” means the  
16 governing entity of an Indian tribe as defined in the  
17 Federally Recognized Indian Tribe List Act of 1994  
18 (25 U.S.C. 479a), and any amendments to such Act.

19 **SEC. 5. ESTABLISHMENT OF FEDERAL COORDINATION**  
20 **COUNCIL.**

21 (a) The President shall designate a Federal Coordi-  
22 nation Council, in this Act referred to as “Council”, com-  
23 posed of the following:

24 (1) The Secretary of the Treasury.

25 (2) The Attorney General.

- 1           (3) The Secretary of the Interior.
- 2           (4) The Secretary of Agriculture.
- 3           (5) The Secretary of Commerce.
- 4           (6) The Secretary of Labor.
- 5           (7) The Secretary of Health and Human Serv-
- 6           ices.
- 7           (8) The Secretary of Housing and Urban Devel-
- 8           opment.
- 9           (9) The Secretary of Transportation.
- 10          (10) The Secretary of Education.
- 11          (11) The Secretary of Energy.
- 12          (12) The Secretary of Veterans Affairs.
- 13          (13) The Secretary of Defense.
- 14          (14) The Director of the Federal Emergency
- 15          Management Agency.
- 16          (15) The Administrator of the Environmental
- 17          Protection Agency.
- 18          (16) The Director of National Drug Control
- 19          Policy.
- 20          (17) The Administrator of the Small Business
- 21          Administration.
- 22          (18) The Director of the Office of Management
- 23          and Budget.
- 24          (19) The Administrator of the General Services
- 25          Administration.

1 (20) The Chair, Council of Economic Advisers.

2 (21) The Assistant to the President for Domes-  
3 tic Policy.

4 (22) The Assistant to the President for Eco-  
5 nomic Policy.

6 (23) Any additional members appointed at the  
7 discretion of the President.

8 (b) The President shall designate the Chair of the  
9 Council from among the members of the Council.

10 (c) The Council shall perform the following functions:

11 (1) Review regulations governing eligible Fed-  
12 eral financial assistance programs in the areas listed  
13 in section 4(1)(A) and identify more efficient oper-  
14 ation and coordination of such programs.

15 (2) Coordinate and assist Federal agencies in  
16 eliminating, revising, and coordinating regulations,  
17 including regulations with respect to the blending of  
18 funds.

19 (3) Coordinate and assist Federal agencies in  
20 creating an application to be used to apply for as-  
21 sistance from eligible Federal financial assistance  
22 programs in the areas listed in section 4(1)(A).

23 (4) Coordinate and assist Federal agencies in  
24 creating a release form to be used by a client to au-  
25 thorize or prohibit service providers, including



1 schools, from sharing information across eligible  
2 Federal financial assistance programs.

3 (5) Coordinate and assist agencies in creating a  
4 system wherein an organization or consortium of or-  
5 ganizations may use one proposal to apply for fund-  
6 ing from multiple eligible Federal financial assist-  
7 ance programs.

8 (6) Evaluate current performance standards  
9 and evaluation criteria for eligible Federal financial  
10 assistance programs, and make specific rec-  
11 ommendations to Federal agencies regarding how to  
12 revise such standards and criteria in order to estab-  
13 lish specific and measurable performance and out-  
14 come measures by which program success may be  
15 judged and future funding decisions made.

16 (7) Ensure that Federal grants program cri-  
17 teria award priority funding to qualified consortia.

18 (8) Establish interagency teams comprised of  
19 staff from the agencies that administer the covered  
20 federal financial assistance programs to provide  
21 training and technical assistance to assist program  
22 coordination.

23 (9) Establish interagency teams to provide out-  
24 come-based, cross-program evaluation of coordinated  
25 programs.

1           (10) Identify not less than ten qualified consor-  
2           tia to participate in a demonstration program to de-  
3           termine the benefits of the following accountability  
4           procedures:

5                   (A) The qualified consortium shall select  
6                   program goals from a set of specific and meas-  
7                   urable goals identified by the State in which the  
8                   members of the consortium are located.

9                   (B) The qualified consortium shall develop  
10                  a flexibility and coordination plan to describe—

11                           (i) how the consortium will attain  
12                           these goals;

13                           (ii) how performance will be meas-  
14                           ured; and

15                           (iii) how the consortium will identify  
16                           subgroups within the community, and col-  
17                           lect and maintain data to measure the im-  
18                           pact of the plan on individuals, the  
19                           subgroups, and the community.

20 **SEC. 6. INCENTIVES TO FORM CONSORTIA.**

21           (a) Notwithstanding any other provision of law, mem-  
22           bers of a qualified consortium shall be exempted, without  
23           any waiver application or approval, but subject to prior  
24           notification to the agency administering the affected Fed-  
25           eral assistance programs, from meeting requirements or

1 providing services which are met or performed by another  
2 member of the consortium, so long as the standards of  
3 the requirement or service are met by that other member  
4 of the consortium.

5 (b) Any funds which each individual program saves  
6 from the program coordination described in subsection (a)  
7 may be retained by the consortium in a flexible account.  
8 Flexible account funds may be used to expand, improve,  
9 or otherwise augment services provided by the consortium,  
10 consistent with the intent of Federal programs managed  
11 by consortium members, including data systems develop-  
12 ment and joint professional development with staff from  
13 other consortium members.

14 (c) Any agency or organization that is a member of  
15 a consortium may at its discretion set aside a maximum  
16 of 10 percent of its Federal funds in the flexible account  
17 described in subsection (b).

18 (d) The flexible account described in subsection (b)  
19 shall be administered in accordance with a memorandum  
20 of understanding agreed to by each member of the consor-  
21 tium.

22 (e) The Federal agencies with jurisdiction over Fed-  
23 eral financial assistance programs included in a consor-  
24 tium may designate a cognizant agency to audit flexible  
25 fund expenditures.

