

107TH CONGRESS
2^D SESSION

H. R. 4685

IN THE SENATE OF THE UNITED STATES

OCTOBER 8, 2002

Received

AN ACT

To amend title 31, United States Code, to expand the types of Federal agencies that are required to prepare audited financial statements.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Accountability of Tax
3 Dollars Act of 2002”.

4 **SEC. 2. AMENDMENTS RELATING TO AUDITING REQUIRE-**
5 **MENT FOR FEDERAL AGENCY FINANCIAL**
6 **STATEMENTS.**

7 (a) IN GENERAL.—Section 3515 of title 31, United
8 States Code, is amended—

9 (1) in subsection (a)—

10 (A) by striking “Not later” and inserting
11 “(1) Except as provided in subsection (e), not
12 later”;

13 (B) by striking “each executive agency
14 identified in section 901(b) of this title” and in-
15 serting “each covered executive agency”; and

16 (C) by striking “1997” and inserting
17 “2003”;

18 (2) in subsection (b) by striking “an executive
19 agency” and inserting “a covered executive agency”;

20 (3) in subsection (c) and (d) by striking “execu-
21 tive agencies” each place it appears and inserting
22 “covered executive agencies”; and

23 (4) by adding at the end the following:

24 “(e)(1) The Director of the Office of Management
25 and Budget may exempt a covered executive agency, ex-

1 cept an agency described in section 901(b), from the re-
2 quirements of this section with respect to a fiscal year if—

3 “(A) the total amount of budget authority
4 available to the agency for the fiscal year does not
5 exceed \$25,000,000; and

6 “(B) the Director determines that requiring an
7 annual audited financial statement for the agency
8 with respect to the fiscal year is not warranted due
9 to the absence of risks associated with the agency’s
10 operations, the agency’s demonstrated performance,
11 or other factors that the Director considers relevant.

12 “(2) The Director shall annually notify the Com-
13 mittee on Government Reform of the House of Represent-
14 atives and the Committee on Governmental Affairs of the
15 Senate of each agency the Director has exempted under
16 this subsection and the reasons for each exemption.

17 “(f) The term ‘covered executive agency’—

18 “(1) means an executive agency that is not re-
19 quired by another provision of Federal law to pre-
20 pare and submit to the Congress and the Director
21 of the Office of Management and Budget an audited
22 financial statement for each fiscal year, covering all
23 accounts and associated activities of each office, bu-
24 reau, and activity of the agency; and

1 “(2) does not include a corporation, agency, or
2 instrumentality subject to chapter 91 of this title.”.

3 (b) WAIVER AUTHORITY.—

4 (1) IN GENERAL.—The Director of the Office of
5 Management and Budget may waive the application
6 of all or part of section 3515(a) of title 31, United
7 States Code, as amended by this section, for finan-
8 cial statements required for the first 2 fiscal years
9 beginning after the date of the enactment of this Act
10 for an agency described in paragraph (2) of this
11 subsection.

12 (2) AGENCIES DESCRIBED.—An agency referred
13 to in paragraph (1) is any covered executive agency
14 (as that term is defined by section 3515(f) of title
15 31, United States Code, as amended by subsection
16 (a) of this section) that is not an executive agency
17 identified in section 901(b) of title 31, United States
18 Code.

Passed the House of Representatives October 7,
2002.

Attest:

JEFF TRANDAHL,

Clerk.