

Calendar No. 733

107TH CONGRESS
2^D SESSION**S. 2644**

IN THE SENATE OF THE UNITED STATES

JUNE 19, 2002

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

OCTOBER 16, 2002

Reported by Mr. LIEBERMAN, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend chapter 35 of 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Accountability of Tax
5 Dollars Act of 2002”.

1 **SEC. 2. AMENDMENTS RELATING TO AUDITING REQUIRE-**
 2 **MENT FOR FEDERAL AGENCY FINANCIAL**
 3 **STATEMENTS.**

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

6 (1) in subsection (a)—

7 (A) by striking “Not later” and inserting
 8 “(1) Except as provided in paragraph (2), not
 9 later”;

10 (B) by striking “each executive agency
 11 identified in section 901(b) of this title” and in-
 12 serting “each covered executive agency”;

13 (C) by striking “1997” and inserting
 14 “2003”; and

15 (D) by adding at the end the following:

16 “(2) A covered executive agency is not required to
 17 prepare an audited financial statement under this section
 18 for any fiscal year for which the total amount of budget
 19 authority available to the agency is less than
 20 \$25,000,000.”;

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

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

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

1 “(e) The term ‘covered executive agency’—

2 “(1) means an executive agency that is not re-
3 quired by another provision of Federal law to pre-
4 pare and submit to the Congress and the Director
5 of the Office of Management and Budget an audited
6 financial statement for each fiscal year, covering all
7 accounts and associated activities of each office, bu-
8 reau, and activity of the agency; and

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

11 (b) WAIVER AUTHORITY.—

12 (1) IN GENERAL.—The Director of the Office of
13 Management and Budget may waive the application
14 of all or part of section 3515(a) of title 31, United
15 States Code, as amended by this section, for finan-
16 cial statements required for the first 2 fiscal years
17 beginning after the date of the enactment of this Act
18 for an agency described in paragraph (2) of this
19 subsection.

20 (2) AGENCIES DESCRIBED.—An agency referred
21 to in paragraph (1) is any covered executive agency
22 (as that term is defined by section 3515(e) of title
23 31, United States Code, as amended by subsection
24 (a) of this section) that is not an executive agency

1 identified in section 901(b) of title 31, United States
2 Code.

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Accountability of Tax*
5 *Dollars Act of 2002”.*

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

9 (a) *IN GENERAL.*—Section 3515 of title 31, United
10 States Code, is amended—

11 (1) *in subsection (a)—*

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

15 (B) *by striking “each executive agency iden-*
16 *tified in section 901(b) of this title” and insert-*
17 *ing “each covered executive agency”; and*

18 (C) *by striking “1997” and inserting*
19 *“2003”;*

20 (2) *in subsection (b) by striking “an executive*
21 *agency” and inserting “a covered executive agency”;*

22 (3) *in subsections (c) and (d) by striking “execu-*
23 *tive agencies” each place it appears and inserting*
24 *“covered executive agencies”; and*

25 (4) *by adding at the end the following:*

1 “(e)(1) *The Director of the Office of Management and*
2 *Budget may exempt a covered executive agency, except an*
3 *agency described in section 901(b), from the requirements*
4 *of this section with respect to a fiscal year if—*

5 “(A) *the total amount of budget authority avail-*
6 *able to the agency for the fiscal year does not exceed*
7 *\$25,000,000; and*

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

14 “(2) *The Director shall annually notify the Committee*
15 *on Government Reform of the House of Representatives and*
16 *the Committee on Governmental Affairs of the Senate of*
17 *each agency the Director has exempted under this subsection*
18 *and the reasons for each exemption.*

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

20 “(1) *means an executive agency that is not re-*
21 *quired by another provision of Federal law to prepare*
22 *and submit to Congress and the Director of the Office*
23 *of Management and Budget an audited financial*
24 *statement for each fiscal year, covering all accounts*

1 *and associated activities of each office, bureau, and*
2 *activity of the agency; and*

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

5 **(b) WAIVER AUTHORITY.—**

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

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

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