

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—57

Akaka	Franken	Mikulski
Baucus	Gillibrand	Murray
Bayh	Hagan	Nelson (FL)
Begich	Harkin	Pryor
Bennet	Inouye	Reed
Bingaman	Johnson	Reid
Boxer	Kaufman	Sanders
Brown (OH)	Kerry	Schumer
Burr	Klobuchar	Shaheen
Cantwell	Kohl	Specter
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Conrad	Levin	Udall (NM)
Dodd	Lieberman	Voinovich
Dorgan	Lincoln	Warner
Durbin	McCaskill	Webb
Feingold	Menendez	Whitehouse
Feinstein	Merkley	Wyden

NAYS—40

Alexander	Crapo	Lugar
Barraso	DeMint	McCain
Bennett	Ensign	McConnell
Bond	Enzi	Murkowski
Brown (MA)	Graham	Nelson (NE)
Brownback	Grassley	Risch
Bunning	Gregg	Sessions
Burr	Hatch	Shelby
Chambliss	Hutchison	Snowe
Coburn	Inhofe	Thune
Cochran	Isakson	Vitter
Collins	Johanns	Wicker
Corker	Kyl	
Cornyn	LeMieux	

NOT VOTING—3

Byrd	Roberts	Rockefeller
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The motion was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, for the benefit of all Members, we are trying to work through having an amendment Senator BAUCUS will offer when we dispose of the present amendment.

I have had one Senator come to me and ask: Once we get on the next Baucus amendment, what are we going to do? I will be happy to confer with the Republican leader and see if there is a way of moving forward. We have been on this matter for a long time—not on a contiguous basis, but this is the beginning of the end of the eighth week on this piece of legislation. But we have no desire at this time to have an outline of how we are going to get where we are going to.

I will be happy to visit with the Republican leader because one of his Senators asked me what we were going to do once we get on the Baucus amendment. The plan would be to complete tabling the Baucus amendment, and then the plan would be to recess subject to the call of the Chair. At that time, Senator BAUCUS would lay down the amendment. It is not ready. That is why we are not doing it now. And then we could decide at that time, or maybe even in the morning, how we are going to proceed. I think that gives everyone a general idea. There will be no more votes tonight after we have this one vote.

Mr. President, I move to table the Baucus motion to concur in the House amendment to the Senate amendment with amendment No. 4369, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. BYRD), the Senator from North Dakota (Mr. DORGAN), and the Senator from West Virginia (Mr. ROCKEFELLER) are necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Kansas (Mr. ROBERTS).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 40, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—56

Akaka	Gillibrand	Murray
Baucus	Hagan	Nelson (NE)
Bayh	Harkin	Nelson (FL)
Begich	Inouye	Pryor
Bennet	Johnson	Reed
Bingaman	Kaufman	Reid
Boxer	Kerry	Sanders
Brown (OH)	Klobuchar	Schumer
Burr	Kohl	Shaheen
Cantwell	Landrieu	Specter
Cardin	Lautenberg	Stabenow
Carper	Leahy	Tester
Casey	Levin	Udall (CO)
Conrad	Lieberman	Udall (NM)
Dodd	Lincoln	Warner
Durbin	McCaskill	Webb
Feingold	Menendez	Whitehouse
Feinstein	Merkley	Wyden
Franken	Mikulski	

NAYS—40

Alexander	Crapo	Lugar
Barraso	DeMint	McCain
Bennett	Ensign	McConnell
Bond	Enzi	Murkowski
Brown (MA)	Graham	Risch
Brownback	Grassley	Sessions
Bunning	Gregg	Shelby
Burr	Hatch	Snowe
Chambliss	Hutchison	Thune
Coburn	Inhofe	Vitter
Cochran	Isakson	Voinovich
Collins	Johanns	Wicker
Corker	Kyl	
Cornyn	LeMieux	

NOT VOTING—4

Byrd	Roberts
Dorgan	Rockefeller

The motion to table was agreed to.

The PRESIDING OFFICER. The Senator from Illinois.

MORNING BUSINESS

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business and that Senators be recognized for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIAN ARTS AND CRAFTS  
AMENDMENTS ACT OF 2010

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 339, H.R. 725.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 725) to protect Indian arts and crafts through the improvement of applicable criminal proceedings, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. DURBIN. Mr. President, I ask unanimous consent that the Dorgan amendment, which is at the desk, be agreed to; the bill, as amended, be read a third time and passed; the motion to reconsider be laid upon the table, with no intervening action or debate; and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4391) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 725), as amended, was read the third time and passed.

IMPROPER PAYMENTS ELIMINATION AND RECOVERY ACT OF 2009

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 430, S. 1508.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1508) to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Homeland Security and Governmental Affairs, with an amendment, as follows:

S. 1508

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Improper Payments Elimination and Recovery Act of 2009".

SEC. 2. IMPROPER PAYMENTS ELIMINATION AND RECOVERY.

(a) SUSCEPTIBLE PROGRAMS AND ACTIVITIES.—Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (a) and inserting the following:

"(a) IDENTIFICATION OF SUSCEPTIBLE PROGRAMS AND ACTIVITIES.—

"(1) IN GENERAL.—The head of each agency shall, in accordance with guidance prescribed by the Director of the Office of Management and Budget, periodically review all programs and activities that the relevant agency head administers and identify all programs and activities that may be susceptible to significant improper payments.

"(2) FREQUENCY.—Reviews under paragraph (1) shall be performed for each program and activity that the relevant agency head administers during the year after which the Improper Payments Elimination and Recovery Act of 2009 is enacted and at least once every 3 fiscal years thereafter.

**“(3) RISK ASSESSMENTS.—**

**“(A) DEFINITION.—**In this subsection the term ‘significant’ means—

**“(i) except as provided under clause (ii),** that improper payments in the program or activity in the preceding fiscal year may have exceeded—

**“(I) \$10,000,000** of all program or activity payments made during that fiscal year reported and 2.5 percent of program outlays; or

**“(II) \$100,000,000;** and

**“(ii) with respect to fiscal years following September 30th of a fiscal year beginning before fiscal year 2013 as determined by the Office of Management and Budget,** that improper payments in the program or activity in the preceding fiscal year may have exceeded—

**“(I) \$10,000,000** of all program or activity payments made during that fiscal year reported and 1.5 percent of program outlays; or

**“(II) \$100,000,000.**

**“(B) SCOPE.—**In conducting the reviews under paragraph (1), the head of each agency shall take into account those risk factors that are likely to contribute to a susceptibility to significant improper payments, such as—

**“(i) whether the program or activity reviewed is new to the agency;**

**“(ii) the complexity of the program or activity reviewed;**

**“(iii) the volume of payments made through the program or activity reviewed;**

**“(iv) whether payments or payment eligibility decisions are made outside of the agency, such as by a State or local government;**

**“(v) recent major changes in program funding, authorities, practices, or procedures;**

**“(vi) the level and quality of training for personnel responsible for making program eligibility determinations or certifying that payments are accurate; and**

**“(vii) significant deficiencies in the audit report of the agency or other relevant management findings that might hinder accurate payment certification.”**

**(b) ESTIMATION OF IMPROPER PAYMENTS.—**Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (b) and inserting the following:

**“(b) ESTIMATION OF IMPROPER PAYMENTS.—**With respect to each program and activity identified under subsection (a), the head of the relevant agency shall—

**“(1) produce a statistically valid or otherwise appropriate estimate of the improper payments made by each program and activity; and**

**“(2) include those estimates in the accompanying materials to the annual financial statement of the agency required under section 3515 of title 31, United States Code, or similar provision of law and applicable guidance of the Office of Management and Budget.”**

**(c) REPORTS ON ACTIONS TO REDUCE IMPROPER PAYMENTS.—**Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (c) and inserting the following:

**“(c) REPORTS ON ACTIONS TO REDUCE IMPROPER PAYMENTS.—**With respect to any program or activity of an agency with estimated improper payments under subsection (b), the head of the agency shall provide with the estimate under subsection (b) a report on what actions the agency is taking to reduce improper payments, including—

**“(1) a description of the causes of the improper payments, actions planned or taken to correct those causes, and the planned or actual completion date of the actions taken to address those causes;**

**“(2) in order to reduce improper payments to a level below which further expenditures**

**to reduce improper payments would cost more than the amount such expenditures would save in prevented or recovered improper payments, a statement of whether the agency has what is needed with respect to—**

**“(A) internal controls;**

**“(B) human capital; and**

**“(C) information systems and other infrastructure;**

**“(3) if the agency does not have sufficient resources to establish and maintain effective internal controls under paragraph (2)(A), a description of the resources the agency has requested in its budget submission to establish and maintain such internal controls;**

**“(4) program-specific and activity-specific improper payments reduction targets that have been approved by the Director of the Office of Management and Budget; and**

**“(5) a description of the steps the agency has taken to ensure that agency managers, programs, and, where appropriate, States and localities are held accountable through annual performance appraisal criteria for—**

**“(A) meeting applicable improper payments reduction targets; and**

**“(B) establishing and maintaining sufficient internal controls, including an appropriate control environment, that effectively—**

**“(i) prevent improper payments from being made; and**

**“(ii) promptly detect and recover improper payments that are made.”**

**(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—**Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended—

**(1) by striking subsection (e);**

**(2) by redesignating subsections (d) and (f) as subsections (f) and (g), respectively; and**

**(3) by inserting after subsection (c) the following:**

**“(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—**With respect to any improper payments identified in recovery audits conducted under section 2(h) of the Improper Payments Elimination and Recovery Act of 2009 (31 U.S.C. 3321 note), the head of the agency shall provide with the estimate under subsection (b) a report on all actions the agency is taking to recover improper payments, including—

**“(1) a discussion of the methods used by the agency to recover overpayments;**

**“(2) the amounts recovered, outstanding, and determined to not be collectable, including the percent such amounts represent of the total overpayments of the agency;**

**“(3) if a determination has been made that certain overpayments are not collectable, a justification for that determination;**

**“(4) an aging schedule of the amounts outstanding;**

**“(5) a summary of how recovered amounts have been disposed of;**

**“(6) a discussion of any conditions giving rise to improper payments and how those conditions are being resolved; and**

**“(7) if the agency has determined under section 2(h) of the Improper Payments Elimination and Recovery Act of 2009 (31 U.S.C. 3321 note) that performing recovery audits for any applicable program or activity is not cost effective, a justification for that determination.**

**(e) GOVERNMENTWIDE REPORTING OF IMPROPER PAYMENTS AND ACTIONS TO RECOVER IMPROPER PAYMENTS.—**

**“(1) REPORT.—**Each fiscal year the Director of the Office of Management and Budget shall submit a report with respect to the preceding fiscal year on actions agencies have taken to report information regarding improper payments and actions to recover improper payments to—

**“(A) the Committee on Homeland Security and Governmental Affairs of the Senate;**

**“(B) the Committee on Oversight and Government Reform of the House of Representatives; and**

**“(C) the Comptroller General.**

**“(2) CONTENTS.—**Each report under this subsection shall include—

**“(A) a summary of the reports of each agency on improper payments and recovery actions submitted under this section;**

**“(B) an identification of the compliance status of each agency to which this Act applies;**

**“(C) governmentwide improper payment reduction targets; and**

**“(D) a discussion of progress made towards meeting governmentwide improper payment reduction targets.”**

**(e) DEFINITIONS.—**Section 2 of the Improper Payment Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsections (f) (as redesignated by this section) and inserting the following:

**“(f) DEFINITIONS.—**In this section:

**“(1) AGENCY.—**The term ‘agency’ means an executive agency, as that term is defined in section 102 of title 31, United States Code.

**“(2) IMPROPER PAYMENT.—**The term ‘improper payment’—

**“(A) means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and**

**“(B) includes any payment to an ineligible recipient, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), and any payment that does not account for credit for applicable discounts.**

**“(3) PAYMENT.—**The term ‘payment’ means any transfer or commitment for future transfer of Federal funds such as cash, securities, loans, loan guarantees, and insurance subsidies to any non-Federal person or entity, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.

**“(4) PAYMENT FOR AN INELIGIBLE GOOD OR SERVICE.—**The term ‘payment for an ineligible good or service’ shall include a payment for any good or service that is rejected under any provision of any contract, grant, lease, cooperative agreement, or any other procurement mechanism.”

**(f) GUIDANCE BY THE OFFICE OF MANAGEMENT AND BUDGET.—**Section 2 of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) is amended by striking subsection (g) (as redesignated by this section) and inserting the following:

**“(g) GUIDANCE BY THE OFFICE OF MANAGEMENT AND BUDGET.—**

**“(1) IN GENERAL.—**Not later than 6 months after the date of enactment of the Improper Payments Elimination and Recovery Act of 2009, the Director of the Office of Management and Budget shall prescribe guidance for agencies to implement the requirements of this section. The guidance shall not include any exemptions to such requirements not specifically authorized by this section.

**“(2) CONTENTS.—**The guidance under paragraph (1) shall prescribe—

**“(A) the form of the reports on actions to reduce improper payments, recovery actions, and governmentwide reporting; and**

**“(B) strategies for addressing risks and establishing appropriate prepayment and postpayment internal controls.”**

**(g) DETERMINATION OF AGENCY READINESS FOR OPINION ON INTERNAL CONTROL.—**Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget shall develop—

(1) specific criteria as to when an agency should initially be required to obtain an opinion on internal control over financial reporting; and

(2) criteria for an agency that has demonstrated a stabilized, effective system of internal control over financial reporting, whereby the agency would qualify for a multiyear cycle for obtaining an audit opinion on internal control over financial reporting, rather than an annual cycle.

(h) RECOVERY AUDITS.—

(1) DEFINITION.—In this subsection, the term “agency” has the meaning given under section 2(f) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) as redesignated by this Act.

(2) IN GENERAL.—

(A) CONDUCT OF AUDITS.—Except as provided under paragraph (4) and if not prohibited under any other provision of law, the head of each agency shall conduct recovery audits with respect to each program and activity of the agency that expends \$1,000,000 or more annually if conducting such audits would be cost-effective.

(B) PROCEDURES.—In conducting recovery audits under this subsection, the head of an agency—

(i) shall give priority to the most recent payments and to payments made in any program or programs identified as susceptible to significant improper payments under section 2(a) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note);

(ii) shall implement this subsection in a manner designed to ensure the greatest financial benefit to the Government; and

(iii) may conduct recovery audits directly, by procuring performance of recovery audits by contract (subject to the availability of appropriations), or by any combination thereof.

(C) RECOVERY AUDIT CONTRACTS.—With respect to recovery audits procured by an agency by contract—

(i) subject to subparagraph (B)(iii), the head of the agency may authorize the contractor to notify entities (including persons) of potential overpayments made to such entities, respond to questions concerning potential overpayments, and take other administrative actions with respect to overpayment claims made or to be made by the agency; and

(ii) such contractor shall have no authority to make final determinations relating to whether any overpayment occurred and whether to compromise, settle, or terminate overpayment claims.

(D) CONTRACT TERMS AND CONDITIONS.—The agency shall include in each contract for procurement of performance of a recovery audit a requirement that the contractor shall—

(i) provide to the agency periodic reports on conditions giving rise to overpayments identified by the contractor and any recommendations on how to mitigate such conditions; and

(ii) notify the agency of any overpayments identified by the contractor pertaining to the agency or to any other agency or agencies that are beyond the scope of the contract.

(E) AGENCY ACTION FOLLOWING NOTIFICATION.—An agency shall take prompt and appropriate action in response to a report or notification by a contractor under subparagraph (D)(ii), to collect overpayments and shall forward to other agencies any information that applies to such agencies.

(3) DISPOSITION OF AMOUNTS RECOVERED.—

(A) IN GENERAL.—Amounts collected by agencies each fiscal year through recovery audits conducted under this subsection shall be treated in accordance with this paragraph.

(B) USE FOR FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—Not more than 25 percent of the amounts collected by an agency through recovery audits—

(i) shall be available, subject to appropriation, to the head of the agency or the State or local government administering the program or activity to carry out the financial management improvement program of the agency under paragraph (4);

(ii) may be credited, if applicable, for that purpose by the head of an agency to any agency appropriations and funds that are available for obligation at the time of collection; and

(iii) shall be used to supplement and not supplant any other amounts available for that purpose and shall remain available until expended.

(C) USE FOR ORIGINAL PURPOSE.—Not more than 25 percent of the amounts collected by an agency—

(i) [shall be credited to the appropriation or fund, if any, available for obligation at the time of collection] *shall be deposited and available subject to appropriation* for the same general purposes as the appropriation or fund from which the overpayment was made; and

(ii) shall remain available for the same period and purposes as the appropriation or fund to which credited.

(D) USE FOR INSPECTOR GENERAL ACTIVITIES.—Not more than 5 percent of the amounts collected by an agency shall be available, subject to appropriation, to the Inspector General of that agency for—

(i) the Inspector General to carry out this Act; or

(ii) any other activities of the Inspector General relating to investigating improper payments or auditing internal controls associated with payments.

(E) DEPOSIT OF PROCEEDS.—Funds made available under subparagraphs (B) and (D) by appropriations shall be—

(i) deposited into the appropriate program integrity accounts of the agency or the State or local government administering the program or activity; and

(ii) expended only as authorized in annual appropriations Acts.

(F) REMAINDER.—Amounts collected that are not applied in accordance with subparagraphs (B), (C), or (D) or to meet obligations to recovery audit contractors shall be deposited in the Treasury as miscellaneous receipts.

(G) EXCEPTIONS RELATING TO ENTITLEMENT AND TAX CREDIT PROGRAMS.—This paragraph shall not apply to amounts collected through recovery audits conducted under this subsection relating to—

(i) entitlement programs under section 3(9) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(9)); or

(ii) tax credit programs under the Internal Revenue Code of 1986.

(4) FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—

(A) REQUIREMENT.—The head of each agency shall conduct a financial management improvement program, consistent with rules prescribed by the Director of the Office of Management and Budget.

(B) PROGRAM FEATURES.—In conducting the program, the head of the agency—

(i) shall, as the first priority of the program, address problems that contribute directly to agency improper payments; and

(ii) may seek to reduce errors and waste in other agency programs and operations.

(5) OTHER RECOVERY AUDIT REQUIREMENTS.—

(A) IN GENERAL.—Subchapter VI of chapter 35 of title 31, United States Code, is repealed.

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) TABLE OF SECTIONS.—The table of sections for chapter 35 of title 31, United States Code, is amended by striking the matter relating to subchapter VI.

(ii) DEFINITION.—Section 3501 of title 31, United States Code, is amended by striking “and subchapter VI of this title”.

(iii) HOMELAND SECURITY GRANTS.—Section 2022(a)(6) of the Homeland Security Act of 2002 (6 U.S.C. 612(a)(6)) is amended by striking “(as that term is defined by the Director of the Office of Management and Budget under section 3561 of title 31, United States Code)” and inserting “under section 2(h) of the Improper Payments Elimination and Recovery Act of 2009 (31 U.S.C. 3321 note)”.

(6) RULE OF CONSTRUCTION.—Except as provided under paragraph (5), nothing in this section shall be construed as terminating or in any way limiting authorities that are otherwise available to agencies under existing provisions of law to recover improper payments and use recovered amounts.

(i) REPORT ON RECOVERY AUDITING.—Not later than 2 years after the date of the enactment of this Act, the Chief Financial Officers Council established under section 302 of the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note), in consultation with the Council of Inspectors General on Integrity and Efficiency established under section 7 of the Inspector General Reform Act of 2009 (Public Law 110-409) and recovery audit experts, shall conduct a study of—

(1) the implementation of subsection (h);

(2) the costs and benefits of agency recovery audit activities, including those under subsection (h), and including the effectiveness of using the services of—

(A) private contractors;

(B) agency employees;

(C) cross-servicing from other agencies; or

(D) any combination of the provision of services described under subparagraphs (A) through (C); and

(3) submit a report on the results of the study to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

SEC. 3. COMPLIANCE.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term “agency” has the meaning given under section 2(f) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) as redesignated by this Act.

(2) ANNUAL FINANCIAL STATEMENT.—The term “annual financial statement” means the annual financial statement required under section 3515 of title 31, United States Code, or similar provision of law.

(3) COMPLIANCE.—The term “compliance” means that the agency—

(A) has published an annual financial statement for the most recent fiscal year and posted that report and any accompanying materials required under guidance of the Office of Management and Budget on the agency website;

(B) if required, has conducted a program specific risk assessment for each program or activity that conforms with section 2(a) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note);

(C) if required, publishes improper payments estimates for all programs and activities identified under section 2(b) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in the accompanying materials to the annual financial statement;

(D) publishes programmatic corrective action plans prepared under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may

have in the accompanying materials to the annual financial statement;

(E) publishes improper payments reduction targets established under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may have in the accompanying materials to the annual financial statement for each program assessed to be at risk, and is meeting such targets; and

(F) has reported an improper payment rate of less than 10 percent for each program and activity for which an estimate was published under section 2(b) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note).

(b) ANNUAL COMPLIANCE REPORT BY INSPECTORS GENERAL OF AGENCIES.—Each fiscal year, the Inspector General of each agency shall determine whether the agency is in compliance and submit a report on that determination to—

(1) the head of the agency;

(2) the Committee on Homeland Security and Governmental Affairs of the Senate;

(3) the Committee on Oversight and Governmental Reform of the House of Representatives; and

(4) the Comptroller General.

(c) REMEDIATION.—

(1) NONCOMPLIANCE.—

(A) IN GENERAL.—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) in a fiscal year, the head of the agency shall submit a plan to Congress describing the actions that the agency will take to come into compliance.

(B) PLAN.—The plan described under subparagraph (A) shall include—

(i) measurable milestones to be accomplished in order to achieve compliance for each program or activity;

(ii) the designation of a senior agency official who shall be accountable for the progress of the agency in coming into compliance for each program or activity; and

(iii) the establishment of an accountability mechanism, such as a performance agreement, with appropriate incentives and consequences tied to the success of the official designated under clause (ii) in leading the efforts of the agency to come into compliance for each program and activity.

(2) NONCOMPLIANCE FOR 2 FISCAL YEARS.—

(A) IN GENERAL.—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) for 2 consecutive fiscal years for the same program or activity, and the Director of the Office of Management and Budget determines that additional funding would help the agency come into compliance, the head of the agency shall obligate additional funding, in an amount determined by the Director, to intensify compliance efforts.

(B) FUNDING.—In providing additional funding described under subparagraph (A), the head of an agency shall use any reprogramming or transfer authority available to the agency. If after exercising that reprogramming or transfer authority additional funding is necessary to obligate the full level of funding determined by the Director of the Office of Management and Budget under subparagraph (A), the agency shall submit a request to Congress for additional reprogramming or transfer authority.

(3) REAUTHORIZATION PROPOSALS.—If an agency is determined by the Inspector General of that agency not to be in compliance under subsection (b) for more than 3 consecutive fiscal years for the same program or activity, the head of the agency shall, not later than 30 days after such determination, submit to Congress—

(A) reauthorization proposals for each program or activity that has not been in com-

pliance for 3 or more consecutive fiscal years; or

(B) proposed statutory changes necessary to bring the program or activity into compliance.

(d) COMPLIANCE ENFORCEMENT PILOT PROGRAMS.—

(1) IN GENERAL.—The Director of the Office of Management and Budget may establish 1 or more pilot programs which shall test potential accountability mechanisms with appropriate incentives and consequences tied to success in ensuring compliance with this Act and eliminating improper payments.

(2) REPORT.—Not later than 5 years after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit a report to Congress on the findings associated with any pilot programs conducted under paragraph (1). The report shall include any legislative or other recommendations that the Director determines necessary.

(e) REPORT ON CHIEF FINANCIAL OFFICERS ACT OF 1990.—Not later than 1 year after the date of the enactment of this Act, the Chief Financial Officers Council established under section 302 of the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note) and the Council of Inspectors General on Integrity and Efficiency established under section 7 of the Inspector General Reform Act of 2009 (Public Law 110-409), in consultation with a broad cross-section of experts and stakeholders in Government accounting and financial management shall—

(1) jointly examine the lessons learned during the first 20 years of implementing the Chief Financial Officers Act of 1990 (31 U.S.C. 901) and identify any reforms or improvements to the legislative and regulatory compliance framework for Federal financial management that will optimize Federal agency efforts to—

(A) publish relevant, timely, and reliable reports on Government finances; and

(B) implement internal controls that mitigate the risk for fraud, waste, and error in Government programs; and

(2) submit a report on the results of the examination to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Oversight and Government Reform of the House of Representatives; and

(C) the Comptroller General.

Mr. DURBIN. Mr. President, I ask unanimous consent that the committee-reported amendment be withdrawn; the Carper substitute amendment, which is at the desk, be agreed to, and the bill, as amended, be read a third time and passed; the motions to reconsider be laid upon the table, without intervening action or debate; and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was withdrawn.

The amendment (No. 4392) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill (S. 1508), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

NATIONAL POST-TRAUMATIC STRESS DISORDER AWARENESS DAY

Mr. DURBIN. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 541, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 541) designating June 27, 2010, as "National Post-Traumatic Stress Disorder Awareness Day."

There being no objection, the Senate proceeded to consider the resolution.

Mr. DURBIN. Mr. President, I ask unanimous consent that the resolution be agreed to; that a Conrad amendment to the preamble be agreed to; the preamble, as amended, be agreed to; the motions to reconsider be laid upon the table, with no intervening action or debate; and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution was agreed to.

The amendment (No. 4393) was agreed to as follows:

Strike the preamble and insert the following:

Whereas the brave men and women of the United States Armed Forces, who proudly serve the United States, risk their lives to protect the freedom of the United States and deserve the investment of every reasonable resource to ensure their lasting physical, mental, and emotional well-being;

Whereas up to 15 percent of Operation Iraqi Freedom and Operation Enduring Freedom veterans, 10 percent of Operation Desert Storm veterans, 30 percent of Vietnam veterans, and 8 percent of the general population of the United States suffer or have suffered from Post Traumatic Stress Disorder (referred to in this preamble as "PTSD");

Whereas the incidence of PTSD in members of the military is rising as the United States Armed Forces conducts 2 wars, exposing hundreds of thousands of soldiers to traumatic life-threatening events;

Whereas from 2000 to 2009, approximately 76,000 Department of Defense patients were diagnosed with PTSD;

Whereas the Department of Defense patients—

(1) were hospitalized more than 5,300 times with a primary diagnosis of PTSD; and

(2) had more than 578,000 outpatient visits in which PTSD was the primary diagnosis;

Whereas PTSD significantly increases the risk of depression, suicide, and drug and alcohol related disorders and deaths;

Whereas the Departments of Defense and Veterans Affairs have made significant advances in the prevention, diagnosis, and treatment of PTSD and the symptoms of PTSD, but many challenges remain; and

Whereas the establishment of a National Post-Traumatic Stress Disorder Awareness Day will raise public awareness about issues related to PTSD: Now, therefore, be it

The preamble, as amended, was agreed to.

The resolution, with its preamble, as amended, is as follows: