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S. 994

One Hundred Thirteenth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Friday, the third day of January, two thousand and fourteen

An Act

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

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 "Digital Accountability and Transparency Act of 2014" or the "DATA Act".

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) expand the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) by disclosing direct Federal agency expenditures 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) establish Government-wide data standards for financial data and provide consistent, reliable, and searchable Government-wide spending data that is displayed accurately for taxpayers and policy makers on USASpending.gov (or a successor system that displays the data);

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

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

(5) apply approaches developed by the Recovery Accountability and Transparency Board to spending across the Federal Government.

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 inserting "this Act";

(ii) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (7), respectively;

(iii) by inserting before paragraph (2), as so redesignated, the following:

"(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.";

(iv) by inserting after paragraph (2), as so redesignated, the following:

"(3) FEDERAL AGENCY.—The term 'Federal agency' has the meaning given the term 'Executive agency' under section 105 of title 5, United States Code.";

(v) by inserting after paragraph (4), as so redesignated, the following:

"(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 Federal 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

(vi) by adding at the end the following:

"(8) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.";

(B) in subsection (b)—

(i) in paragraph (3), by striking "of the Office of Management and Budget"; and

(ii) in paragraph (4), by striking "of the Office of Management and Budget";

(C) in subsection (c)—

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

(ii) in paragraph (5), by striking the period at the end and inserting a semicolon; 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 ensure that all information published under this section is available—

"(A) in machine-readable and open formats;

"(B) to be downloaded in bulk; and

"(C) to the extent practicable, for automated processing.";

(D) in subsection (d)—

(i) in paragraph (1)(A), by striking "of the Office of Management and Budget";

(ii) in paragraph (2)—

(I) in subparagraph (A), by striking "of the Office of Management and Budget"; and

(II) in subparagraph (B), by striking "of the Office of Management and Budget";

(E) in subsection (e), by striking "of the Office of Management and Budget"; and

(F) in subsection (g)—

(i) in paragraph (1), by striking "of the Office of Management and Budget"; and

(ii) in paragraph (3), by striking "of the Office of Management and Budget"; 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 2014, and monthly when practicable but not less than quarterly thereafter, the Secretary, in consultation with the Director, shall ensure that the information in subsection (b) is posted on the website established under section 2.

"(b) INFORMATION TO BE POSTED.—For any funds made available to or expended by a Federal agency or component of a Federal agency, the information to be posted shall include—

"(1) for each appropriations account, including an expired or unexpired appropriations account, the amount—

"(A) of budget authority appropriated;

"(B) that is obligated;

"(C) of unobligated balances; and

"(D) of any other budgetary resources;

"(2) from which accounts and in what amount—

"(A) appropriations are obligated for each program activity; and

"(B) outlays are made for each program activity;

"(3) from which accounts and in what amount—

"(A) appropriations are obligated for each object class; and

"(B) outlays are made for each object class; and

"(4) for each program activity, the amount—

"(A) obligated for each object class; and

"(B) of outlays made for each object class.

"SEC. 4. DATA STANDARDS.

"(a) IN GENERAL.—

"(1) ESTABLISHMENT OF STANDARDS.—The Secretary and the Director, in consultation with the heads of Federal agencies, shall establish Government-wide financial data standards for any Federal funds made available to or expended by Federal agencies and entities receiving Federal funds.

"(2) DATA ELEMENTS.—The financial data standards established under paragraph (1) shall include common data elements for financial and payment information required to be reported by Federal 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 unique identifiers for Federal awards and entities receiving Federal awards that can be consistently applied Government-wide;

"(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 2014, the Director and the Secretary shall issue guidance to Federal agencies on the data standards established under subsection (a).

"(2) AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 2 years after the date on which the guidance under paragraph (1) is issued, each Federal agency shall report financial and payment information data in accordance with the data standards established under subsection (a).

"(B) NONINTERFERENCE WITH AUDITABILITY OF DEPARTMENT OF DEFENSE FINANCIAL STATEMENTS.—

"(i) IN GENERAL.—Upon request by the Secretary of Defense, the Director may grant an extension of the deadline under subparagraph (A) to the Department of Defense for a period of not more than 6 months to report financial and payment information data in accordance with the data standards established under subsection (a).

"(ii) LIMITATION.—The Director may not grant more than 3 extensions to the Secretary of Defense under clause (i).

"(iii) NOTIFICATION.—The Director of the Office of Management and Budget shall notify the Committee on Homeland Security and Governmental Affairs and the Committee on Armed Services of the Senate and the Committee on Oversight and Government Reform and the Committee on Armed Services of the House of Representatives of—

"(I) each grant of an extension under clause (i); and

"(II) the reasons for granting such an extension.

"(3) WEBSITE.—Not later than 3 years after the date on which the guidance under paragraph (1) is issued, the Director and the Secretary 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 Director and the Secretary 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, in consultation with relevant Federal agencies, recipients of Federal awards, 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 2014, the Director, or a Federal agency designated by the Director, shall establish a pilot program (in this section referred to as the 'pilot program') with the participation of appropriate Federal agencies to facilitate the development of recommendations for—

"(A) standardized 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 and not more than $2,000,000,000;

"(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 Office of Management and Budget or the Federal agency designated under paragraph (1), as appropriate, 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 pilot program is established.

"(6) REPORT TO CONGRESS.—Not later than 90 days after the date on which the pilot program terminates under paragraph (5), the Director 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) a discussion of any legislative action required and 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) simplifying the reporting requirements for recipients of Federal awards; and

"(iv) improving financial transparency.

"(7) GOVERNMENT-WIDE IMPLEMENTATION.—Not later than 1 year after the date on which the Director submits the report under paragraph (6), the Director shall issue guidance to the heads of Federal agencies as to how the Government-wide financial data standards established under section 4(a) shall be applied to the information required to be reported by entities receiving Federal awards to—

"(A) reduce the burden of complying with reporting requirements; and

"(B) simplify the reporting process, including by reducing duplicative reports.

"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 publically 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 the Director and the Secretary issue guidance to Federal agencies under section 4(c)(1), the Inspector General of each Federal agency shall submit and make publically available 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 and make publically available 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 REPORTS.—

"(1) IN GENERAL.—In accordance with paragraph (2) and after a review of the reports submitted under subsection (a), the Comptroller General of the United States shall submit to Congress and make publically 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.

"(2) DEADLINES.—Not later than 30 months after the date on which the Director and the Secretary issue guidance to Federal agencies under section 4(c)(1), and every 2 years thereafter until the date that is 4 years after the date on which

the first report is submitted under this subsection, the Comptroller General of the United States shall submit and make publically available a report as described in paragraph (1).

"(c) RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD DATA ANALYSIS CENTER.—

"(1) IN GENERAL.—The Secretary may establish a data analysis center or expand an existing service to provide data, analytic tools, and data management techniques to support—

"(A) the prevention and reduction of improper payments by Federal agencies; and

"(B) improving efficiency and transparency in Federal spending.

"(2) DATA AVAILABILITY.—The Secretary shall enter into memoranda of understanding with Federal agencies, including Inspectors General and Federal law enforcement agencies—

"(A) under which the Secretary may provide data from the data analysis center for—

"(i) the purposes set forth under paragraph (1);

"(ii) the identification, prevention, and reduction of waste, fraud, and abuse relating to Federal spending; and

"(iii) use in the conduct of criminal and other investigations; and

"(B) which may require the Federal agency, Inspector General, or Federal law enforcement agency to provide reimbursement to the Secretary for the reasonable cost of carrying out the agreement.

"(3) TRANSFER.—Upon the establishment of a data analysis center or the expansion of a service under paragraph (1), and on or before the date on which the Recovery Accountability and Transparency Board terminates, and in addition to any other transfer that the Director determines is necessary under section 1531 of title 31, United States Code, there are transferred to the Department of the Treasury all assets identified by the Secretary that support the operations and activities of the Recovery Operations Center of the Recovery Accountability and Transparency Board relating to the detection of waste, fraud, and abuse in the use of Federal funds that are in existence on the day before the transfer.

"SEC. 7. CLASSIFIED AND PROTECTED INFORMATION.

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

"(1) information that would be exempt 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. 8. NO PRIVATE RIGHT OF ACTION.

"Nothing in this Act shall be construed to create a private right of action for enforcement of any provision of this Act.".

SEC. 4. EXECUTIVE AGENCY ACCOUNTING AND OTHER FINANCIAL MANAGEMENT REPORTS AND PLANS.

Section 3512(a)(1) of title 31, United States Code, is amended by inserting "and make available on the website described under section 1122" after "appropriate committees of Congress".

SEC. 5. DEBT COLLECTION IMPROVEMENT.

Section 3716(c)(6) of title 31, United States Code, is amended—

(1) by inserting "(A)" before "Any Federal agency";

(2) in subparagraph (A), as so designated, by striking "180 days" and inserting "120 days"; and

(3) by adding at the end the following:

"(B) The Secretary of the Treasury shall notify Congress of any instance in which an agency fails to notify the Secretary as required under subparagraph (A).".

Speaker of the House of Representatives.

Vice President of the United States and President of the Senate.