

DIGITAL ACCOUNTABILITY AND TRANSPARENCY ACT
OF 2013

NOVEMBER 18, 2013.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. ISSA, from the Committee on Oversight and Government
Reform, submitted the following

R E P O R T

[To accompany H.R. 2061]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom
was referred the bill (H.R. 2061) to expand the Federal Funding
Accountability and Transparency Act of 2006 to increase account-
ability and transparency in Federal spending, and for other pur-
poses, having considered the same, report favorably thereon with
an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Digital Accountability and Transparency Act of 2013”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Purposes.
- Sec. 3. Amendments to the Federal Funding Accountability and Transparency Act of 2006.
- Sec. 4. Pilot program to evaluate consolidated recipient reporting.
- Sec. 5. Classified and protected information.
- Sec. 6. American Recovery and Reinvestment Act of 2009 amendments.
- Sec. 7. Disaster Relief Appropriations Act of 2013 amendments.
- Sec. 8. Executive agency accounting and other financial management reports and plans.

SEC. 2. PURPOSES.

The purposes of this Act are to—

- (1) expand the Federal Funding Accountability and Transparency Act of 2006 by disclosing direct Federal agency expenditures and linking Federal contract, loan, and grant spending information to programs of Federal agencies in order to enable taxpayers and policy makers to track Federal spending more effectively;
- (2) provide consistent, reliable, and searchable Government-wide spending data that is displayed accurately for taxpayers and policy makers on USASpending.gov;
- (3) analyze Federal spending data to proactively prevent waste, fraud, abuse, and improper payments;
- (4) simplify reporting for entities receiving Federal funds by streamlining reporting requirements and reducing compliance costs while improving transparency; and
- (5) improve the quality of data submitted to USASpending.gov by holding Federal agencies accountable for the completeness and accuracy of the data submitted.

SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006.

Section 2 of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) is amended—

- (1) in the section heading, by striking “**FULL DISCLOSURE OF ENTITIES RECEIVING FEDERAL FUNDING**” and inserting “**DISCLOSURE OF FEDERAL FUNDING**”;
- (2) in subsection (a)—
 - (A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (7), respectively;
 - (B) by inserting after paragraph (1) the following new paragraph (2):

“(2) **FEDERAL AGENCY.**—The term ‘Federal agency’ has the meaning given the term ‘Executive agency’ under section 105 of title 5, United States Code.”;
 - (C) by inserting after paragraph (3), as redesignated by subparagraph (A), the following new paragraphs:

“(4) **FEDERAL FUNDS.**—The term ‘Federal funds’ means any funds that are made available to or expended by a Federal agency.

“(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
 - (D) in paragraph (7), as redesignated by subparagraph (A)—
 - (i) in subparagraph (B), by striking “paragraph (2)(A)(i)” and inserting “paragraph (3)(A)(i)”; and
 - (ii) in subparagraph (C), by striking “paragraph (2)(A)(ii)” and inserting “paragraph (3)(A)(ii)”; and
- (3) in subsection (b)—
 - (A) in paragraph (1)—
 - (i) by striking “the Office of Management and Budget” and inserting “the Secretary of the Treasury” each place it appears;

- (ii) in subparagraph (F)—
 - (I) in clause (i), by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively;
 - (II) by redesignating clauses (i) and (ii) as subclauses (I) and (II); and
 - (III) by striking the period at the end of subclause (II) as so redesignated and inserting “; and”;
- (iii) by redesignating subparagraphs (A) through (G) as clauses (i) through (vii), respectively, and adjusting the margin accordingly;
- (iv) by striking “for each Federal award—” and inserting the following: “for all Federal funds—”
- “(A) for each Federal agency, component of a Federal agency, appropriations account, program activity, and object class (including any subcomponent of an object class), and other accounts or data as appropriate—”
 - “(i) the amount of budget authority available;
 - “(ii) the amount obligated;
 - “(iii) the amount of outlays;
 - “(iv) the amount of any Federal funds reprogrammed or transferred;
- and
 - “(v) the amount of expired and unexpired unobligated balances; and
- “(B) for each Federal award—”; and
 - (v) in subparagraph (B)(iii), as so designated by this subparagraph, by inserting “, which shall be assigned a unique identifier,” after “information on the award”;
- (B) in paragraph (3)—
 - (i) by striking “The Director of the Office of Management and Budget” and inserting “The Secretary of the Treasury”; and
 - (ii) by striking “the Director” and inserting “the Secretary”;
- (C) in paragraph (4)—
 - (i) by striking “the Director of the Office of Management and Budget” and inserting “the Secretary of the Treasury”; and
 - (ii) by striking “the Director” and inserting “the Secretary”, each place it appears; and
- (D) by adding at the end the following:

“(5) APPLICATION OF DATA STANDARDS.—The Secretary of the Treasury shall apply the data standards established under subsection (e) to all data collection, data dissemination, and data publication required under this section.

“(6) DATA FEED TO RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD.—The Secretary of the Treasury shall provide the data described in paragraph (1) to the Recovery Accountability and Transparency Board so that it can be included in the Recovery Operations Center described in subsection (h).”;
- (4) in subsection (c)—
 - (A) in paragraph (1)—
 - (i) in the matter preceding subparagraph (A), by striking “and Grants.gov” and inserting “Grants.gov, the Payment Automation Manager and Financial Information Repository and other data or databases from the Department of the Treasury, the MAX Information System of the Office of Management and Budget, and other data from Federal agencies collected and identified by the Office of Management and Budget”;
 - (ii) in subparagraph (B), by adding “and” at the end; and
 - (iii) by adding at the end the following:

“(C) specify such search shall be confined to Federal funds.”;
 - (B) in paragraph (2), by inserting “the Payment Automation Manager and Financial Information Repository and other data or databases from the Department of the Treasury, the MAX Information System of the Office of Management and Budget, other data from Federal agencies collected and identified by the Office of Management and Budget,” after “Grants.gov website.”;
 - (C) in paragraph (4)—
 - (i) by striking “shall be updated not later” and inserting the following: “shall be updated—”
 - “(A) not later”; and
 - (ii) by adding at the end the following:

“(B) not less than once each quarter with information relating to Federal funds.”;
 - (D) in paragraph (5)—
 - (i) by inserting “Federal funds and” before “Federal awards” the first place it appears;

- (ii) by striking “subsection (a)(2)(A)(i) and those described in subsection (a)(2)(A)(ii)” and inserting “subsection (a)(3)(A)(i) and those described in subsection (a)(3)(A)(ii)”; and
 - (iii) by striking the period at the end and inserting a semicolon; and
 - (E) 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 permit all information published under this section to be downloaded in bulk.”;
 - (5) by redesignating subsections (e), (f), and (g) as subsections (i), (j), and (k), respectively; and
 - (6) by inserting after subsection (d) the following new subsections:
 - “(e) DEPARTMENT OF THE TREASURY REQUIREMENTS FOR DATA STANDARDS.—
 - “(1) IN GENERAL.—The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, the Administrator of General Services, and the heads of Federal agencies, shall establish Government-wide financial data standards for Federal funds, which shall—
 - “(A) include common data elements, such as codes, unique award identifiers, and fields, for financial and payment information required to be reported by Federal agencies and entities receiving Federal funds, including identifiers for Federal awards and entities receiving Federal awards;
 - “(B) to the extent reasonable and practicable, ensure interoperability and incorporate—
 - “(i) common data elements developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;
 - “(ii) common data elements developed and maintained by Federal agencies with authority over contracting and financial assistance, such as the Federal Acquisition Regulatory Council; and
 - “(iii) common data elements developed and maintained by accounting standards organizations; and
 - “(C) include data reporting standards that—
 - “(i) incorporate a widely accepted, nonproprietary, searchable, platform-independent computer-readable format;
 - “(ii) are consistent with and implement applicable accounting principles;
 - “(iii) are capable of being continually upgraded as necessary;
 - “(iv) are structured to specifically support the reporting of financial and performance-related data, such as that any data produced, regardless of reporting need or software used for creation or consumption, is consistent and comparable across reporting situations;
 - “(v) establish, for each data point, a standard method of conveying the reporting period, reporting entity, unit of measure, and other associated attributes; and
 - “(vi) incorporate nonproprietary standards in effect on the date of enactment of the Digital Accountability and Transparency Act of 2013.
 - “(2) DEADLINES.—
 - “(A) GUIDANCE.—The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall issue guidance on the data standards established under paragraph (1) to Federal agencies not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013.
 - “(B) WEBSITE.—Not later than 1 year after the date on which the guidance under clause (i) is issued, the Secretary of the Treasury shall ensure that the website required under this section makes data publicly available in accordance with the data standards established under paragraph (1).
 - “(C) AGENCIES.—Not later than 180 days after the date on which the guidance under subparagraph (A) is issued, each Federal agency shall collect, report, and maintain data in accordance with the data standards established under paragraph (1).
 - “(3) CONSULTATION.—The Secretary of the Treasury shall consult with public and private stakeholders in establishing data standards under this subsection.
- “(f) CONSOLIDATED RECIPIENT FINANCIAL REPORTS.—The Director of the Office of Management and Budget shall—
 - “(1) review the financial reporting required by Federal agencies for Federal award recipients to consolidate financial reporting and reduce duplicative financial reporting and compliance costs for recipients;

“(2) request input from Federal award recipients to reduce duplicative financial reporting, especially from State and local governments and institutions of higher education;

“(3) not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, provide guidance to the heads of Federal agencies regarding how to simplify the reporting requirements for Federal award recipients to consolidate financial reporting, reduce duplicative reporting, and reduce compliance costs, as appropriate; and

“(4) not later than 18 months after the date of enactment of the Digital Accountability and Transparency Act of 2013, submit to Congress a report regarding any legislative action required to consolidate, streamline, or reduce the cost of reporting requirements for Federal award recipients.

“(g) ACCOUNTABILITY FOR FEDERAL FUNDING.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 2 years thereafter until the date that is 6 years after such date of enactment, the Inspector General of each Federal agency, in consultation with the Comptroller General of the United States, shall review a sampling of the data submitted under this Act by the agency, and shall submit to Congress and make publicly available a report on the completeness, timeliness, quality, and accuracy of the data sampled and the implementation and use of consistent data standards by the Federal agency.

“(2) COMPTROLLER GENERAL.—

“(A) IN GENERAL.—Not later than 2 years after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 2 years thereafter until the date that is 6 years after such date of enactment, and after review of the reports submitted under paragraph (1), the Comptroller General of the United States shall submit to Congress and make publicly available a report on the completeness, timeliness, quality, and accuracy of the data submitted under this Act by each Federal agency and the implementation and use of consistent data standards by each Federal agency.

“(B) RANKING.—The Comptroller General of the United States shall make available a ranking of Federal agencies regarding data quality, accuracy, and compliance with this Act.

“(h) RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD.—

“(1) RESOURCES AND MECHANISMS.—The Recovery Accountability and Transparency Board shall develop and test information technology resources and oversight mechanisms to enhance the transparency of and detect and remediate waste, fraud, and abuse in Federal spending for Inspectors General.

“(2) WEBSITE.—The Recovery Accountability and Transparency Board shall maintain a website informing the public of its activities to identify waste, fraud, and abuse and increase transparency of Federal funds to provide support for Inspectors General.

“(3) RECOVERY OPERATIONS CENTER.—The Recovery Accountability and Transparency Board shall establish and maintain a Recovery Operations Center as a government-wide Internet-based data access system to carry out the functions described in paragraph (4).

“(4) FUNCTIONS OF THE RECOVERY OPERATIONS CENTER.—The functions referred to in paragraph (3) are the following:

“(A) IN GENERAL.—The Recovery Operations Center shall incorporate—

“(i) all information described in subsection (b)(1);

“(ii) other information maintained by Federal, State, local, and foreign government agencies; and

“(iii) other commercially and publicly available information.

“(B) SPECIFIC FUNCTIONS.—The Recovery Operations Center shall be designed and operated to carry out the following functions:

“(i) Combine information described in subsection (b)(1) with other compilations of information, including those listed in subparagraph (A).

“(ii) Permit agencies, in accordance with applicable law, to detect and remediate waste, fraud, and abuse.”.

SEC. 4. PILOT PROGRAM TO EVALUATE CONSOLIDATED RECIPIENT REPORTING.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Recovery Accountability and Transparency Board, in consultation with the Secretary of the Treasury and the Director of the Office of Management and Budget, shall establish a pilot program relating to reporting by recipients of Federal funds (in this section referred to as the “pilot program”) for the purpose of increasing financial transparency to—

(1) display the full cycle of Federal funds;

- (2) improve the accuracy of Federal financial data; and
 - (3) develop recommendations for reducing reporting required of recipients of Federal funds by consolidating and automating financial reporting requirements across the Federal Government.
- (b) REQUIREMENTS.—The pilot program shall—
- (1) include recipients that collectively receive not less than \$1,000,000,000 in Federal funds each fiscal year;
 - (2) include recipients that receive Federal funds under multiple programs across multiple agencies; and
 - (3) include recipients that collectively receive Federal funds under contracts, grants, and subawards.
- (c) REPORTING AND EVALUATION REQUIREMENTS.—Each recipient of Federal funds participating in the pilot program shall submit to the Recovery Accountability and Transparency Board reports on the finances of the selected Federal awards.
- (d) PUBLICATION OF INFORMATION.—All the information collected by the Recovery Accountability and Transparency Board under the pilot program shall be made publicly available and searchable on the website established under section 2 of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note).
- (e) TERMINATION.—The pilot program shall terminate on the date that is 3 years after the date on which the Recovery Accountability and Transparency Board establishes the pilot program.
- (f) REPORT.—Not later than 90 days after the date on which the pilot program terminates under subsection (e), the Recovery Accountability and Transparency Board shall submit to the Office of Management and Budget, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Oversight and Government Reform of the House of Representatives a report on the pilot program, which shall include—
- (1) a description of financial data collected under the pilot program, the accuracy of the data provided, and the cost to collect the data from recipients; and
 - (2) recommendations for—
 - (A) consolidating some or all aspects of Federal financial reporting to reduce the costs to recipients of Federal funds;
 - (B) automating some or all aspects of Federal financial reporting to increase efficiency and reduce the costs to recipients of Federal funds; and
 - (C) improving financial transparency.
- (g) GOVERNMENT-WIDE IMPLEMENTATION.—Not later than 90 days after the date on which the Office of Management and Budget receives the report required by subsection (f), the Director of the Office of Management and Budget shall determine whether to authorize the Recovery Accountability and Transparency Board to extend the recipient reporting requirements of the pilot program to all Federal funds. The Recovery Accountability and Transparency Board shall begin requiring Government-wide recipient reporting at the start of the fiscal year that commences after the fiscal year during which such authorization is granted, and under such terms and conditions that the Board shall determine, in consultation with the Director.

SEC. 5. CLASSIFIED AND PROTECTED INFORMATION.

Section 3 of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) is amended to read as follows:

“SEC. 3. CLASSIFIED AND PROTECTED INFORMATION.

“Nothing in this Act shall require the disclosure to the public or to any person without an identifiable need to know—

“(1) information protected 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. 6. AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 AMENDMENTS.

Division A of Public Law 111–5 is amended—

(1) in section 1501 of title XV, by striking paragraph (4) and inserting the following:

“(4) COVERED FUNDS.—The term ‘covered funds’—

“(A) except as provided in subparagraph (B), means any funds that are expended or obligated from appropriations made under this Act; and

“(B) for purposes of sections 1522 and 1524, means funds that are expended or obligated by an agency from appropriations made under this or any other Act.”;

(2) in section 1512 of title XV, by adding at the end the following:

“(i) EXPIRATION.—The requirements in this section shall expire on September 30, 2013.”;

(3) in section 1523 of title XV, by adding at the end the following:

“(d) EXPIRATION.—The requirements in this section shall expire on September 30, 2013.”;

(4) in section 1526 of title XV, by adding at the end the following:

“(e) EXPIRATION.—The requirements in this section shall expire on September 30, 2013.”; and

(5) in section 1530 of title XV, by striking “September 30, 2013.” and inserting “September 30, 2017.”.

SEC. 7. DISASTER RELIEF APPROPRIATIONS ACT OF 2013 AMENDMENTS.

Division A of Public Law 113–2 is amended in section 904(d)—

(1) by striking “for purposes related to the impact of Hurricane Sandy”;

(2) by striking “related to the impact of Hurricane Sandy” after “receiving appropriations”; and

(3) by striking “related to funds appropriated for the impact of Hurricane Sandy” after “on its activities”.

SEC. 8. EXECUTIVE AGENCY ACCOUNTING AND OTHER FINANCIAL MANAGEMENT REPORTS AND PLANS.

Section 3512(a) of title 31, United States Code, is amended—

(1) in paragraph (1), by inserting “and make available on the website described under section 1122 of this title” after “appropriate committees of the Congress”;

(2) in paragraph (3)(B)(vi), by inserting “, system development, financial management workforce development, related risk assessment and mitigation for the Federal Government as a whole, related risk assessment and mitigation for executive agencies, development of capacity to prevent and detect fraud,” after “equipment acquisitions”; and

(3) in paragraph (4), by adding at the end the following:

“(C) Not later than 90 days after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 90 days thereafter, the Director shall make available on the website described under section 1122 of this title a report regarding—

“(i) specific goals for the most recent full fiscal year, the fiscal year during which the report is submitted, and the fiscal year following the year during which the report is submitted that are necessary steps toward implementing the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) fully and in an effective, efficient, and accurate manner; and

“(ii) the status and progress achieved toward each goal described in clause (i), including any changes to the cost, schedule, or performance baselines of achieving each goal, using earned value management where appropriate.”.

COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

H.R. 2061, the Digital Accountability and Transparency Act—or DATA Act—opens Federal spending to closer scrutiny by the public, watchdog groups, media, executive-branch management, and Congress.

The DATA Act requires Federal agencies to publicly report all of their obligations and expenditures—encompassing both external spending, such as grants, loans, and contracts, and internal spending on salaries, supplies, and facilities. The DATA Act provides for federal spending information to be disclosed publicly on a single online platform. To ensure that these two categories of information may be checked against one another and easily searched and analyzed, the DATA Act imposes common data identifiers and electronic reporting standards on agencies.

The DATA Act builds on the legislative achievements of President Obama and Sens. Tom Coburn, Tom Carper, and John McCain, who sponsored and cosponsored the Federal Funding Ac-

countability and Transparency Act of 2006 (FFATA).¹ FFATA required the Office of Management and Budget (OMB) to establish a website, USASpending.gov, which publishes selected information, gleaned from government-wide databases, for each Federal grant, loan, and contract. The DATA Act requires the same information to be published online, but greatly expands the scope of spending transparency by adding agencies' internal spending data to FFATA's mandate.

The DATA Act also incorporates lessons learned from the American Recovery and Reinvestment Act of 2009 (ARRA), which required the recipients of Federal stimulus funds to report on the receipt and use of those funds to a single central database. The contents of this database are made public on the website Recovery.gov. The Recovery Accountability and Transparency Board ("Recovery Board") maintains the database and has established the Recovery Operations Center (ROC), an analytical tool that combines information reported by stimulus recipients with other databases to detect irregularities and fraud. As of December 31, 2012, the Recovery Board's activities had resulted in more than 2,000 investigations, with 846 convictions, pleas, or judgments relating to questionable awards.² The DATA Act extends the Recovery Board and the ROC as a tool for Inspectors General to identify waste, fraud, abuse, and improper payments.

BACKGROUND AND NEED FOR LEGISLATION

Over the past four years, the Committee has examined the need to improve the transparency of Federal information, particularly Federal spending data. The Committee's efforts have included seven hearings,³ the formation of the Congressional Transparency Caucus,⁴ and extensive outreach and research by Republican and Democratic Committee staff. H.R. 2061 applies the lessons learned from these activities to open Federal spending to closer scrutiny by the public, watchdog groups, media, executive-branch management, and Congress.

American taxpayers have the right to expect free access to accurate, comprehensive, and useful information describing how the Federal government uses their money. Transparency can provide a check on waste, fraud, and abuse in government⁵—but only if Federal data is reliably published in formats that make it easy to analyze. Decision-makers within the government—including managers

¹ P.L. 109-292.

² Recovery Accountability and Transparency Board 2012 Annual Report, *available at* <http://www.recovery.gov/About/board/Documents/2012%20Annual%20Report.pdf> (Accessed June 28, 2013).

³ "Preventing Stimulus Waste and Fraud: Who are the Watchdogs?" March 19, 2009; "Tracking the Money: Preventing Waste, Fraud and Abuse of Recovery Act Funding," July 8, 2009; "Tracking the Money: How Recovery Act Recipients Account for their Use of Stimulus Dollars," Nov. 19, 2009; "The Freedom of Information Act: Crowd-Sourcing Government Oversight," March 17, 2011; "Achieving Transparency and Accountability in Federal Spending," June 14, 2011; "Transparency Through Technology: Evaluating Federal Open-Government Initiatives," March 11, 2011 (Subcommittee on Technology, Information Policy, Intergovernmental Relations and Procurement Reform); "Improving Oversight and Accountability in Federal Grant Programs," June 23, 2011 (Subcommittee on Technology, Information Policy, Intergovernmental Relations and Procurement Reform).

⁴ See Press Release, "Issa, Quigley Announce Bipartisan Transparency Caucus," March 24, 2010.

⁵ See, e.g., Testimony of Earl Devaney before the Committee on Oversight and Government Reform, June 14, 2011, *available at* http://oversight.house.gov/images/stories/Testimony/Devaney_Testimony_2.pdf, at 4 ("Devaney Testimony") ("Transparency can cause embarrassment, which, in turn, causes self-correcting behavior").

in the executive branch and members serving on the Congressional appropriations and oversight committees—also need this information to make informed choices.

Despite groundbreaking efforts to make Federal spending transparent to Americans, the information currently made available by the government often lacks accuracy, comprehensiveness, and usefulness. For example, the Sunlight Foundation reported that \$1.55 trillion of spending reported on USASpending.gov in FY 2011 was inaccurate, and 64.2 percent of the data reported was inconsistent.⁶ Moreover, USASpending.gov covers Federal grants, contracts, or loans, but not internal agency spending, which means that it cannot provide taxpayers or decision-makers with a complete picture of the cost of a given program, office, or department.

Recovery.gov has demonstrated better accuracy⁷ and relevance⁸ than USASpending.gov. Its recipient-reported data has proved more useful for government-wide oversight than USASpending.gov's data. First, Recovery.gov's recipient-supplied reports are received quarterly, permitting activity to be tracked across time; by contrast, USASpending.gov only publishes data once for each contract, grant, or loan transaction. Second, the recipients of stimulus grants, contracts, and loans have a strong incentive to report accurately under ARRA, because they run the risk of losing their stimulus funding if they do not. Meanwhile, Federal agencies have a weaker incentive to provide accurate data to the government-wide databases that feed USASpending.gov because FFATA's mandate applies to OMB but not to the agencies, and imposes no penalties for noncompliance. However, Recovery.gov's scope is even more limited than that of USASpending.gov; it covers only the grants, loans, and contracts that are funded by the stimulus.

Significantly, the usefulness of both USASpending.gov and Recovery.gov is hampered by the Federal government's long-term failure to adopt common data elements and reporting standards for electronic financial information. For example, there is no system of identifier codes for all Federal awards; instead, every agency separately tracks grants, contracts, and loans using its own distinct system.⁹ Similarly, there is no system of identifier codes for all recipients of Federal grants, contracts, and loans; no master list of all Federal programs; and, in fact, no agreed system of agency codes. Without government-wide identifiers for awards, recipients, programs, agencies, and other data elements, sophisticated electronic searches and comparisons will be impossible, even under a comprehensive spending transparency mandate.

⁶See Sunlight Foundation, *Clearspending: Making Sense of the Federal Checkbook*, available at <http://sunlightfoundation.com/clearspending/> (accessed June 25, 2013). The Sunlight Foundation study covered only grant programs, because grant information on USASpending.gov may be compared to corresponding information in the Catalog of Federal Domestic Assistance, but there is no independent compilation of contract information to which contract data on USASpending.gov may be compared.

⁷By the end of the first quarter of calendar 2011, only 17 recipients had failed to file recipient reports under ARRA twice, and the number of three-time non-reporters was seven. Devaney Testimony at 5.

⁸In contrast with the extensive use of the Recovery Operations Center by the Recovery Board and inspectors general throughout the executive branch to detect irregularities and fraud, Federal authorities do not use USASpending.gov for any oversight-related purpose.

⁹See Recovery Accountability and Transparency Board white paper, "Solutions for Accountability and Transparency: Uniform Governmentwide Award ID Number."

THE DATA ACT'S SOLUTION

The DATA Act tasks the Department of the Treasury with establishing government-wide data standards for federal spending. The Department of the Treasury will collect Federal spending information and publish that information in formats that make it easy to search, sort, and download. Treasury is further directed to designate common electronic data elements and reporting standards for the spending information it collects.

The DATA Act also shifts from OMB to Treasury the responsibility for administering the FFATA-required website maintaining federal spending data. Treasury can comply with this provision by assuming control over the administration of the USASpending.gov site. The data posted on USASpending.gov will contain information from more sources than it currently does, increasing the availability and accuracy of data. All data on USASpending.gov will be available in a machine-readable, searchable format and downloadable in bulk.

Reporting requirements will be strengthened by the DATA Act. For all federal funds, agencies will report the amount of budget authority available, the amount obligated, the amount of outlays, and the amount of expired or unobligated balances.

The DATA Act also seeks to reduce the burden of reporting. The Office of Management and Budget is tasked with reviewing current financial reporting requirements and making recommendations instructing agencies on how to simplify reporting to reduce duplication and compliance costs.

Under the DATA Act, the Recovery Board will remain as a resource for Inspectors General to identify waste, fraud, abuse, and improper payments. It will continue to run the ROC, which shall incorporate information reported under the DATA Act as well as other available sources.

The Recovery Board shall also conduct a three year pilot program to evaluate consolidated financial reporting and its ability to increase financial transparency and reduce compliance costs and burdens. The pilot program will review \$1 billion in Federal funds in the form of grants, contracts, and subawards. Participants will be selected by the Recovery Board from recipients of Federal funds, and are to include a diverse group that collectively receives funds under multiple programs across multiple agencies.

LEGISLATIVE HISTORY

The DATA Act builds on the Federal Funding Accountability and Transparency Act of 2006 ("FFATA").¹⁰ FFATA required the Office of Management and Budget (OMB) to establish a website, USASpending.gov, which publishes selected information, gleaned from government-wide databases, for each Federal grant, loan, and contract. The DATA Act requires the same information to be published online, but greatly expands the scope of spending transparency by adding agencies' internal spending data to FFATA's mandate.

In the 111th Congress, the Committee twice reported legislation to impose consistent data technologies on Federal spending infor-

¹⁰Pub. L. 109-292.

mation. On July 30, 2009, the Committee reported, by voice vote, H.R. 2392, the Government Information Transparency Act, which had been introduced by then-Ranking Member Darrell Issa and co-sponsored by then-Chairman Edolphus Towns. The Government Information Transparency Act would have required OMB to adopt consistent electronic data standards for Federal financial information and would have required agencies to use those standards. The House never acted on the Government Information Transparency Act.

On December 10, 2009, the Committee reported, by voice vote, S. 303, the reauthorization of the Federal Financial Assistance Management Improvement Act of 1999, with a bipartisan manager's amendment which incorporated the data-standards language of the previous Government Information Transparency Act. The House passed S. 303 via suspension on December 14, 2009. However, the Senate never acted, before the end of the 111th Congress, to reconcile differences between its original version of the bill and the House-passed version.

In the 112th Congress, Chairman Issa and Ranking Member Cummings introduced H.R. 2140, the DATA Act, on June 13, 2011. Senator Warner introduced a companion bill, S. 1222, on June 16, 2011. The DATA Act was discussed during a hearing of the full Committee on June 14, 2011, and amended during a Committee business meeting on June 22, 2011. After amending the legislation, the Committee favorably reported it by voice vote. On April 25, 2012, on a motion to suspend the rules and pass the bill, the DATA Act was agreed to by voice vote and referred to the Senate. The Senate did not take action to pass H.R. 2140, or S. 1222. Senator Warner introduced a new version of the DATA Act, S. 3600, on September 20, 2012. At the end of the 112th Congress, the Senate had not taken action to pass H.R. 2140 or either of the Senate DATA Act bills.

In the 113th Congress, Chairman Issa and Ranking Member Cummings reintroduced the DATA Act, H.R. 2061, on May 21, 2013. On the same day, Senator Warner and Senator Portman introduced a companion bill in the Senate, S. 994. H.R. 2061 was discussed during a business meeting of the full Committee on May 22, 2013. After amending the DATA Act, the Committee favorably reported it to the House of Representatives by voice vote. On November 6, 2013, S. 994 was ordered reported out of the Senate Homeland Security and Government Affairs Committee, with an amendment.

SECTION-BY-SECTION

Section 1. Short title; table of contents

The short title of the bill is the "Digital Accountability and Transparency Act of 2013." This section also contains the Table of Contents.

Section 2. Purposes

This section explains the purposes of the Act:

- (1) to expand the Federal Funding Accountability and Transparency Act of 2006 (FFATA) by disclosing direct Federal agency expenditures;

- (2) to provide consistent, reliable, searchable spending data and make it available to the public;
- (3) to analyze Federal spending data to prevent waste, fraud, abuse, and improper payments;
- (4) to simplify and streamline reporting requirements for entities receiving Federal funds; and
- (5) to improve the quality of data submitted to USASpending.gov.

Section 3. Amendments to the Federal Funding Accountability and Transparency Act of 2006

This section amends FFATA in the following ways:

(1) The website established under FFATA, USASpending.gov, will no longer be maintained by the Office of Management and Budget (OMB). Instead, Treasury will run USASpending.gov and maintain the data.

(2) USASpending.gov will incorporate data from more sources, including the Payment Automation Manager and Financial Information Repository and other data or databases from the Department of the Treasury, the MAX Information System of the Office of Management and Budget, and other data from agencies collected and identified by OMB. All information shall be available in a machine-readable, searchable format and be bulk downloadable.

(3) Reporting will be expanded from all federal “awards” to all federal funds. All agencies must now report the following for all federal funds:

- (i) the amount of budget authority available;
- (ii) the amount obligated;
- (iii) the amount of outlays; and
- (iv) the amount of expired and unexpired unobligated balances.

Additionally, entities receiving funds from the government shall be assigned unique identifiers. Reporting for all federal funds shall be updated not less than once each quarter.

(4) The Secretary of the Treasury shall establish data standards for all federal funds, and shall apply the standards to all data collection, dissemination, and publication. The standards shall include common data elements, such as codes, unique award identifiers, and fields. Treasury shall issue guidance on data standards no later than 1 year after the date of enactment.

(5) OMB shall review financial reporting requirements and make recommendations to simplify the requirements. No later than 1 year after enactment, OMB shall instruct agencies on how to simplify reporting requirements to reduce duplicative reporting and compliance costs. Not later than 18 months after enactment, OMB shall issue a report to Congress identifying any legislative action required to consolidate, streamline, or reduce the cost of reporting requirements.

(6) The Inspector General of each agency shall review a sampling of data submitted under this Act by each agency every two years. It shall report to Congress on the quality, accuracy, and timeliness of data submitted, as well as compliance with this Act. The Comptroller General shall also report on the quality of data and compliance with this Act.

(7) The Recovery Accountability and Transparency Board shall serve as a resource for Inspectors General to use to identify fraud, waste, abuse, and improper payments. The Board shall develop resources and mechanisms to detect and remediate waste, fraud, and abuse. It shall maintain a website to inform the public of its activities. It shall also run the Recovery Operations Center (ROC). The ROC shall act as a data access system that shall incorporate data reported under this Act as well as other data from Federal, State, local, and foreign governments and commercially and publicly available information.

(8) The data reported under this Act shall be provided to the Recovery Accountability and Transparency Board to be included in its Recovery Operations Center and used for detecting fraud, waste, abuse, and improper payments.

Section 4. Pilot program to evaluate consolidated recipient reporting

The Recovery Accountability and Transparency Board shall conduct a 3-year pilot program to evaluate consolidated reporting and its ability to increase financial transparency and reduce the compliance burden on federal fund awardees. The pilot will include recipients that collectively receive more than \$1 billion in federal funds, received funds from multiple agencies, and in the form of contracts, grants, and subawards. At the end of the pilot, the Board shall submit its findings and recommendations to Congress.

Section 5. Classified and protected information

This amends FFATA to specify that nothing in this Act shall require the disclosure of information protected under the Freedom of Information Act, the Privacy Act of 1974, or section 6103 of the Internal Revenue Code of 1986.

Section 6. American Recovery and Reinvestment Act of 2009 amendments

This section amends the American Recovery and Reinvestment Act of 2009 (ARRA) by setting expiration dates for the requirements under the Act as September 30, 2013. The Recovery Accountability and Transparency Board shall be extended from September 30, 2013, to September 30, 2017.

Section 7. Disaster Relief Appropriations Act of 2013 amendments

This section amends the Disaster Relief Appropriations Act of 2013 by striking the requirement that the Recovery Accountability and Transparency Board may review funds “appropriated for the impact of Hurricane Sandy.”

Section 8. Executive agency accounting and other financial management reports and plans

This section amends Section 3512(a) of title 31, U.S.C. by requiring information reported under this section to be made available on a public website. It also requires the Director of OMB to make available on the website a report on specific goals related to implementation of this Act and the status of achieving those goals.

EXPLANATION OF AMENDMENTS

Chairman Issa offered a manager's amendment to give the Office of Management and Budget an option of extending all or part of the pilot program for consolidated financial reporting at the end of the three year pilot. The amendment was agreed to.

COMMITTEE CONSIDERATION

On May 22, 2013, the Committee met in open session and ordered reported favorably the bill, H.R. 2061, as amended, by voice vote, a quorum being present.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill requires Federal agencies to publicly report all of their obligations and expenditures—encompassing both external spending, such as grants, loans, and contracts, and internal spending on salaries, supplies, and facilities. As such this bill does not relate to employment or access to public services and accommodations.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF
THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 2061 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting H.R. 2061 does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

EARMARK IDENTIFICATION

H.R. 2061 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

DUPLICATION OF FEDERAL PROGRAMS

H.R. 2061 does not establish or reauthorize a Program of the Federal Government known to be duplicative of another Federal program.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 2061. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 2061 from the Director of Congressional Budget Office:

NOVEMBER 13, 2013.

Hon. DARRELL ISSA,
Chairman, Committee on Oversight and Government Reform,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2061, the Digital Accountability and Transparency Act of 2013.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 2061—Digital Accountability and Transparency Act of 2013

Summary: H.R. 2061 aims to make information on federal expenditures more easily available, accessible, and transparent. The bill would require the U.S. Department of the Treasury to establish common standards for financial data provided by all government agencies and to expand the amount of data that agencies must provide to the government website, USASpending. H.R. 2061 also would authorize the Recovery Accountability and Transparency Board to continue to operate through 2017 and would direct the board to conduct a three-year pilot program to make it easier for federal contractors and grant recipients to comply with reporting requirements. Finally, the legislation would require the Office of Management and Budget (OMB), the Government Accountability Office (GAO), and agency Inspectors General (IGs) to submit additional reports to the Congress.

CBO estimates that implementing the bill would cost \$395 million over the 2014–2018 period, assuming appropriation of the necessary amounts, mostly for collecting and reporting financial information across government agencies. The legislation also could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would not be significant. Enacting the bill would not affect revenues.

H.R. 2061 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would result from complying with conditions for receiving federal assistance.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2061 is shown in the following table. The costs of this legislation fall within budget function 800 (general government) and all other budget functions that include agency spending.

	By fiscal year, in millions of dollars—					
	2014	2015	2016	2017	2018	2014–2018
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Recovery Accountability and Transparency Board:						
Estimated Authorization Level	17	26	29	30	0	102
Estimated Outlays	15	26	29	30	2	102
Collection and Reporting of Federal Data:						
Estimated Authorization Level	35	50	75	75	50	285
Estimated Outlays	32	53	75	75	50	285
Other Reporting:						
Estimated Authorization Level	1	2	1	3	1	8
Estimated Outlays	1	2	1	3	1	8
Total Changes:						
Estimated Authorization Level	53	78	105	108	51	395
Estimated Outlays	48	81	105	108	53	395

Basis of estimate: For this estimate, CBO assumes that the legislation will be enacted near the end of 2013, that the necessary amounts will be appropriated near the start of each fiscal year, and that spending will follow historical patterns for similar activities.

Recovery Act Accountability and Transparency Board

H.R. 2061 would authorize the appropriation of such sums as are necessary to continue the operations of the recovery board through fiscal year 2017. The recovery board was created by the American Recovery and Reinvestment Act of 2009 (ARRA) to oversee ARRA spending and to prevent waste, fraud, and abuse in federal programs. (The board's authority to oversee ARRA spending expired on September 30, 2013, but the Disaster Relief Appropriations Act of 2013 authorized the board to oversee spending related to Hurricane Sandy through the end of fiscal year 2015.) Under the bill, the board would continue to review and report on other federal spending. Based on the recovery board's funding for fiscal year 2013 (\$27 million, after sequestration) and on information from the board, and after adjusting for spending related to Hurricane Sandy and anticipated inflation, CBO estimates that continuing the operations of the recovery board through 2017 would cost \$102 million over the 2014–2018 period, assuming appropriation of the necessary funds.

Collection and reporting of financial data

The federal government uses many databases to monitor and track agency spending. For example, three major databases—the U.S. Census Bureau's Federal Assistance Award Data System, the General Services Administration's Federal Procurement Data System, and the U.S. Department of Health and Human Services' website, Grants—contain information about federal grants and contracts. That information on federal spending is also available through OMB's website, USASpending, which displays award amounts for all federal contracts, grants, and loans. The recovery board's website, Recovery, also provides information on federal spending, but it *includes detailed information only on activities initiated under ARRA*.

H.R. 2061 would transfer responsibility for operating and maintaining USASpending to the Treasury Department and expand that website to include all federal spending. The department also would be required to establish standards for developing and reporting data on all federal spending, including the use of unique identifiers for entities receiving federal funds across all government computer systems, so as to allow data from multiple systems to be compared. In addition, the recovery board would be required to conduct a three-year pilot program aimed at improving the transparency of financial reports by consolidating and automating certain financial information. After three years, OMB could expand the pilot program to cover all federal agencies.

Information from OMB, the recovery board, agency IG offices, and other federal agencies indicates that the government currently collects much of the information that would be needed to create a comprehensive database on federal spending as required under H.R. 2061. In addition, the Treasury Department and OMB have taken steps under current law to standardize some reporting requirements and to improve the quality of the financial information provided by all government sources, including USASpending.

However, not all of that financial information is standardized, accurate, or readily available as would be required under the bill. For example, a recent GAO report indicates that agencies expend sig-

nificant time, effort, and resources to develop financial information that they should be able to provide on a daily or recurring basis.¹¹ GAO also notes that federal agencies use inconsistent definitions in developing, tracking, and reporting on federal spending, so creating a consolidated system probably would be difficult, time consuming, and expensive. Finally, because many of the government's computer systems for managing financial information were designed to serve multiple purposes, changing them while preserving their multiple purposes would be expensive.

CBO expects that improving the government's current efforts to collect and report on financial data would involve the coordinated efforts of 26 federal agencies. We estimate that those new efforts would include modifying numerous computer systems and also further standardizing financial data, training personnel, conducting the proposed pilot program, and improving communications between agencies and recipients of federal funds. Based on information from agencies, OMB, and the recovery board, as well as GAO reports on the performance and history of modifying major federal IT systems and conducting audits of federal agencies, CBO estimates that implementing those provisions would cost \$2 million to \$3 million annually per agency, totaling \$285 million over the 2014–2018 period, assuming appropriation of the necessary amounts.

Other reports

H.R. 2061 would require OMB, agencies, and GAO to prepare a number of reports. OMB would be required to review financial reporting practices and to produce a report recommending legislative actions to improve those practices governmentwide. Inspectors General offices and GAO would have to prepare reports every two years about the accuracy of financial reporting. Based on the costs of similar reports, CBO estimates that implementing those provisions would cost \$8 million over the 2014–2018 period, assuming the availability of appropriated funds.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. H.R. 2061 could affect direct spending by agencies not funded through annual appropriations. CBO estimates, however, that any net increase in spending by those agencies would not be significant. Enacting the bill would not affect revenues.

Intergovernmental and private-sector impact: H.R. 2061 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would change the way state, local, and tribal governments report on their use of federal funds. Some of those changes could increase and others could decrease the costs that such governments would incur to comply with conditions of federal assistance. However, conditions of assistance (and their costs) are not intergovernmental mandates as defined in UMRA.

Estimate prepared by: Federal Spending: Matthew Pickford; Impact on State, Local, and Tribal Governments: Elizabeth Cove Delisle; Impact on the Private Sector: Paige Piper/Bach.

¹¹ Government Accountability Office, Federal Data Transparency; Opportunities Remain to Incorporate Lessons Learned as Availability of Spending Data Increase, GAO-13-758 (September 12, 2013) www.gao.gov/products/GAO-13-758.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**FEDERAL FUNDING ACCOUNTABILITY AND
TRANSPARENCY ACT OF 2006**

* * * * *

SEC. 2. [FULL DISCLOSURE OF ENTITIES RECEIVING FEDERAL FUNDING] DISCLOSURE OF FEDERAL FUNDING.

(a) DEFINITIONS.—In this section:

(1) * * *

(2) *FEDERAL AGENCY.*—The term “Federal agency” has the meaning given the term “Executive agency” under section 105 of title 5, United States Code.

[(2)] (3) *FEDERAL AWARD.*—The term “Federal award”—

(A) * * *

* * * * *

(4) *FEDERAL FUNDS.*—The term “Federal funds” means any funds that are made available to or expended by a Federal agency.

(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.

[(3)] (7) *SEARCHABLE WEBSITE.*—The term “searchable website” means a website that allows the public to—

(A) * * *

(B) ascertain through a single search the total amount of Federal funding awarded to an entity by a Federal award described in [paragraph (2)(A)(i)] paragraph (3)(A)(i), by fiscal year;

(C) ascertain through a single search the total amount of Federal funding awarded to an entity by a Federal award described in [paragraph (2)(A)(ii)] paragraph (3)(A)(ii), by fiscal year; and

* * * * *

(b) IN GENERAL.—

(1) *WEBSITE.*—Not later than January 1, 2008, [the Office of Management and Budget] the Secretary of the Treasury shall, in accordance with this section, section 204 of the E-Government Act of 2002 (Public Law 107–347; 44 U.S.C. 3501 note), and the Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.), ensure the existence and operation of a single

searchable website, accessible by the public at no cost to access, that includes **[for each Federal award—]** *for all Federal funds—*

(A) *for each Federal agency, component of a Federal agency, appropriations account, program activity, and object class (including any subcomponent of an object class), and other accounts or data as appropriate—*

(i) *the amount of budget authority available;*

(ii) *the amount obligated;*

(iii) *the amount of outlays;*

(iv) *the amount of any Federal funds reprogrammed or transferred; and*

(v) *the amount of expired and unexpired unobligated balances; and*

(B) *for each Federal award—*

[(A)] (i) *the name of the entity receiving the award;*

[(B)] (ii) *the amount of the award;*

[(C)] (iii) *information on the award, which shall be assigned a unique identifier, including transaction type, funding agency, the North American Industry Classification System code or Catalog of Federal Domestic Assistance number (where applicable), program source, and an award title descriptive of the purpose of each funding action;*

[(D)] (iv) *the location of the entity receiving the award and the primary location of performance under the award, including the city, State, congressional district, and country;*

[(E)] (v) *a unique identifier of the entity receiving the award and of the parent entity of the recipient, should the entity be owned by another entity;*

[(F)] (vi) *the names and total compensation of the five most highly compensated officers of the entity if—*

[(i)] (I) *the entity in the preceding fiscal year received—*

[(I)] (aa) *80 percent or more of its annual gross revenues in Federal awards; and*

[(II)] (bb) *\$25,000,000 or more in annual gross revenues from Federal awards; and*

[(ii)] (II) *the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986[.]; and*

[(G)] (vii) *any other relevant information specified by **[the Office of Management and Budget]** the Secretary of the Treasury.*

* * * * *

(3) DESIGNATION OF AGENCIES.—**[The Director of the Office of Management and Budget]** *The Secretary of the Treasury* is authorized to designate one or more Federal agencies to participate in the development, establishment, operation, and support of the single website. In the initial designation, or in sub-

sequent instructions and guidance, **[the Director]** *the Secretary* may specify the scope of the responsibilities of each such agency.

(4) AGENCY RESPONSIBILITIES.—Federal agencies shall comply with the instructions and guidance issued by **[the Director of the Office of Management and Budget]** *the Secretary of the Treasury* under paragraph (3), and shall provide appropriate assistance to **[the Director]** *the Secretary* upon request, so as to assist **[the Director]** *the Secretary* in ensuring the existence and operation of the single website.

(5) APPLICATION OF DATA STANDARDS.—*The Secretary of the Treasury shall apply the data standards established under subsection (e) to all data collection, data dissemination, and data publication required under this section.*

(6) DATA FEED TO RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD.—*The Secretary of the Treasury shall provide the data described in paragraph (1) to the Recovery Accountability and Transparency Board so that it can be included in the Recovery Operations Center described in subsection (h).*

(c) WEBSITE.—The website established under this section—

(1) may use as the source of its data the Federal Procurement Data System, Federal Assistance Award Data System, **[and Grants.gov]** *Grants.gov, the Payment Automation Manager and Financial Information Repository and other data or databases from the Department of the Treasury, the MAX Information System of the Office of Management and Budget, and other data from Federal agencies collected and identified by the Office of Management and Budget*, if all of these data sources are searchable through the website and can be accessed in a search on the website required by this Act, provided that the user may—

(A) * * *

(B) specify such search shall be confined to include grants, subgrants, loans, awards, cooperative agreements, and other forms of financial assistance; and

(C) *specify such search shall be confined to Federal funds;*

(2) shall not be considered in compliance if it hyperlinks to the Federal Procurement Data System website, Federal Assistance Award Data System website, Grants.gov website, *the Payment Automation Manager and Financial Information Repository and other data or databases from the Department of the Treasury, the MAX Information System of the Office of Management and Budget, other data from Federal agencies collected and identified by the Office of Management and Budget*, or other existing websites, so that the information elements required by subsection (b)(1) cannot be searched electronically by field in a single search;

* * * * *

(4) **[shall be updated not later]** *shall be updated—*

(A) *not later than 30 days after the award of any Federal award requiring a posting; and*

(B) *not less than once each quarter with information relating to Federal funds;*

(5) shall provide for separate searches for *Federal funds and* Federal awards described in subsection (a) to distinguish between the Federal awards described in [subsection (a)(2)(A)(i) and those described in subsection (a)(2)(A)(ii).] *subsection (a)(3)(A)(i) and those described in subsection (a)(3)(A)(ii);*

(6) *shall have the ability to aggregate data for the categories described in paragraphs (1) through (5) without double-counting data; and*

(7) *shall permit all information published under this section to be downloaded in bulk.*

* * * * *

(e) DEPARTMENT OF THE TREASURY REQUIREMENTS FOR DATA STANDARDS.—

(1) IN GENERAL.—The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, the Administrator of General Services, and the heads of Federal agencies, shall establish Government-wide financial data standards for Federal funds, which shall—

(A) include common data elements, such as codes, unique award identifiers, and fields, for financial and payment information required to be reported by Federal agencies and entities receiving Federal funds, including identifiers for Federal awards and entities receiving Federal awards;

(B) to the extent reasonable and practicable, ensure interoperability and incorporate—

(i) common data elements developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;

(ii) common data elements developed and maintained by Federal agencies with authority over contracting and financial assistance, such as the Federal Acquisition Regulatory Council; and

(iii) common data elements developed and maintained by accounting standards organizations; and

(C) include data reporting standards that—

(i) incorporate a widely accepted, nonproprietary, searchable, platform-independent computer-readable format;

(ii) are consistent with and implement applicable accounting principles;

(iii) are capable of being continually upgraded as necessary;

(iv) are structured to specifically support the reporting of financial and performance-related data, such as that any data produced, regardless of reporting need or software used for creation or consumption, is consistent and comparable across reporting situations;

(v) establish, for each data point, a standard method of conveying the reporting period, reporting entity, unit of measure, and other associated attributes; and

(vi) incorporate nonproprietary standards in effect on the date of enactment of the Digital Accountability and Transparency Act of 2013.

(2) *DEADLINES.*—

(A) *GUIDANCE.*—The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall issue guidance on the data standards established under paragraph (1) to Federal agencies not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013.

(B) *WEBSITE.*—Not later than 1 year after the date on which the guidance under clause (i) is issued, the Secretary of the Treasury shall ensure that the website required under this section makes data publicly available in accordance with the data standards established under paragraph (1).

(C) *AGENCIES.*—Not later than 180 days after the date on which the guidance under subparagraph (A) is issued, each Federal agency shall collect, report, and maintain data in accordance with the data standards established under paragraph (1).

(3) *CONSULTATION.*—The Secretary of the Treasury shall consult with public and private stakeholders in establishing data standards under this subsection.

(f) *CONSOLIDATED RECIPIENT FINANCIAL REPORTS.*—The Director of the Office of Management and Budget shall—

(1) review the financial reporting required by Federal agencies for Federal award recipients to consolidate financial reporting and reduce duplicative financial reporting and compliance costs for recipients;

(2) request input from Federal award recipients to reduce duplicative financial reporting, especially from State and local governments and institutions of higher education;

(3) not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, provide guidance to the heads of Federal agencies regarding how to simplify the reporting requirements for Federal award recipients to consolidate financial reporting, reduce duplicative reporting, and reduce compliance costs, as appropriate; and

(4) not later than 18 months after the date of enactment of the Digital Accountability and Transparency Act of 2013, submit to Congress a report regarding any legislative action required to consolidate, streamline, or reduce the cost of reporting requirements for Federal award recipients.

(g) *ACCOUNTABILITY FOR FEDERAL FUNDING.*—

(1) *IN GENERAL.*—Not later than 1 year after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 2 years thereafter until the date that is 6 years after such date of enactment, the Inspector General of each Federal agency, in consultation with the Comptroller General of the United States, shall review a sampling of the data submitted under this Act by the agency, and shall submit to Congress and make publicly available a report on the completeness, timeliness, quality, and accuracy of the data sampled and the implementation and use of consistent data standards by the Federal agency.

(2) *COMPTROLLER GENERAL.*—

(A) *IN GENERAL.*—Not later than 2 years after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 2 years thereafter until the date that is 6 years after such date of enactment, and after review of the reports submitted under paragraph (1), the Comptroller General of the United States shall submit to Congress and make publicly available a report on the completeness, timeliness, quality, and accuracy of the data submitted under this Act by each Federal agency and the implementation and use of consistent data standards by each Federal agency.

(B) *RANKING.*—The Comptroller General of the United States shall make available a ranking of Federal agencies regarding data quality, accuracy, and compliance with this Act.

(h) *RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD.*—

(1) *RESOURCES AND MECHANISMS.*—The Recovery Accountability and Transparency Board shall develop and test information technology resources and oversight mechanisms to enhance the transparency of and detect and remediate waste, fraud, and abuse in Federal spending for Inspectors General.

(2) *WEBSITE.*—The Recovery Accountability and Transparency Board shall maintain a website informing the public of its activities to identify waste, fraud, and abuse and increase transparency of Federal funds to provide support for Inspectors General.

(3) *RECOVERY OPERATIONS CENTER.*—The Recovery Accountability and Transparency Board shall establish and maintain a Recovery Operations Center as a government-wide Internet-based data access system to carry out the functions described in paragraph (4).

(4) *FUNCTIONS OF THE RECOVERY OPERATIONS CENTER.*—The functions referred to in paragraph (3) are the following:

(A) *IN GENERAL.*—The Recovery Operations Center shall incorporate—

- (i) all information described in subsection (b)(1);
- (ii) other information maintained by Federal, State, local, and foreign government agencies; and
- (iii) other commercially and publicly available information.

(B) *SPECIFIC FUNCTIONS.*—The Recovery Operations Center shall be designed and operated to carry out the following functions:

- (i) Combine information described in subsection (b)(1) with other compilations of information, including those listed in subparagraph (A).
- (ii) Permit agencies, in accordance with applicable law, to detect and remediate waste, fraud, and abuse.

[(e)] (i) *EXCEPTION.*—Any entity that demonstrates to the Director of the Office of Management and Budget that the gross income, from all sources, for such entity did not exceed \$300,000 in the previous tax year of such entity shall be exempt from the requirement to report subawards under subsection (d), until the Director determines that the imposition of such reporting requirements will not cause an undue burden on such entities.

[(f)] (j) CONSTRUCTION.—Nothing in this Act shall prohibit the Office of Management and Budget from including through the website established under this section access to data that is publicly available in any other Federal database.

[(g)] (k) REPORT.—

(1) * * *

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[SEC. 3. CLASSIFIED INFORMATION.]

Nothing in this Act shall require the disclosure of classified information.

SEC. 3. CLASSIFIED AND PROTECTED INFORMATION.

Nothing in this Act shall require the disclosure to the public or to any person without an identifiable need to know—

(1) information protected 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.

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AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

(Division A of Public Law 111–5)

* * * * *

TITLE XV—ACCOUNTABILITY AND TRANSPARENCY

SEC. 1501. DEFINITIONS.

In this title:

(1) * * *

* * * * *

[(4) COVERED FUNDS.—The term “covered funds” means any funds that are expended or obligated from appropriations made under this Act.]

(4) COVERED FUNDS.—The term “covered funds”—

(A) except as provided in subparagraph (B), means any funds that are expended or obligated from appropriations made under this Act; and

(B) for purposes of sections 1522 and 1524, means funds that are expended or obligated by an agency from appropriations made under this or any other Act.

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Subtitle A—Transparency and Oversight Requirements

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SEC. 1512. REPORTS ON USE OF FUNDS.

(a) * * *

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(i) *EXPIRATION.*—*The requirements in this section shall expire on September 30, 2013.*

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Subtitle B—Recovery Accountability and Transparency Board

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SEC. 1523. FUNCTIONS OF THE BOARD.

(a) * * *

* * * * *

(d) *EXPIRATION.*—*The requirements in this section shall expire on September 30, 2013.*

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SEC. 1526. BOARD WEBSITE.

(a) * * *

* * * * *

(e) *EXPIRATION.*—*The requirements in this section shall expire on September 30, 2013.*

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SEC. 1530. TERMINATION OF THE BOARD.

The Board shall terminate on **September 30, 2013.** *September 30, 2017.*

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SECTION 904 OF THE DISASTER RELIEF APPROPRIATIONS ACT, 2013

(Division A of Pubic Law 113–2)

SEC. 904. (a) * * *

* * * * *

(d) Through September 30, 2015, the Recovery Accountability and Transparency Board shall develop and use information technology resources and oversight mechanisms to detect and remediate waste, fraud, and abuse in the obligation and expenditure of funds appropriated in this or any other Act for any fiscal year of such period **for purposes related to the impact of Hurricane Sandy**: *Provided*, That the Board shall coordinate its oversight efforts with the Director of OMB, the head of each Federal agency

receiving appropriations [related to the impact of Hurricane Sandy], and the respective Inspector General of each such agency: *Provided further*, That the Board shall submit quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on its activities [related to funds appropriated for the impact of Hurricane Sandy].

TITLE 31, UNITED STATES CODE

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SUBTITLE III—FINANCIAL MANAGEMENT

* * * * *

CHAPTER 35—ACCOUNTING AND COLLECTION

* * * * *

SUBCHAPTER II—ACCOUNTING REQUIREMENTS, SYSTEMS, AND INFORMATION

* * * * *

§ 3512. Executive agency accounting and other financial management reports and plans

(a)(1) The Director of the Office of Management and Budget shall prepare and submit to the appropriate committees of the Congress *and make available on the website described under section 1122 of this title* a financial management status report and a government-wide 5-year financial management plan.

* * * * *

(3)(A) * * *

(B) Each governmentwide 5-year financial management plan prepared under this subsection shall—

(i) * * *

* * * * *

(vi) contain milestones for equipment acquisitions, *system development, financial management workforce development, related risk assessment and mitigation for the Federal Government as a whole, related risk assessment and mitigation for executive agencies, development of capacity to prevent and detect fraud*, and other actions necessary to implement the 5-year plan consistent with the requirements of this section;

* * * * *

(4)(A) * * *

* * * * *

(C) *Not later than 90 days after the date of enactment of the Digital Accountability and Transparency Act of 2013, and every 90 days thereafter, the Director shall make available on the website described under section 1122 of this title a report regarding—*

(i) specific goals for the most recent full fiscal year, the fiscal year during which the report is submitted, and the fiscal year following the year during which the report is submitted that are

necessary steps toward implementing the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) fully and in an effective, efficient, and accurate manner; and

(ii) the status and progress achieved toward each goal described in clause (i), including any changes to the cost, schedule, or performance baselines of achieving each goal, using earned value management where appropriate.

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