prevent an economic meltdown from happening again.

I have only been in Congress for a week, but I can say that the actions of those turning Wall Street reform into a political issue are no less appalling in person than they are on TV. For the millions of seniors who lost so much of their life savings, Wall Street reform is not a political issue. For the 8 million workers who lost their jobs, Wall Street reform is not a political issue. And for the 2.2 million families who lost their homes, Wall Street reform is not a political issue. For them Wall Street reform is about financial security. It is about oversight and honesty. And, most importantly, it is about accountability.

Let's put politics aside and do the job that the American people sent us here to do by passing Wall Street reform and sending a tough bill to the President's desk.

COMPREHENSIVE IMMIGRATION REFORM

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Mr. Speaker, I join my good friend from Florida in acknowledging that many of the issues that we debate on this floor are not political issues.

So I ask America and I ask my friends on the other side of the aisle, let us not internally implode over a decent human rights issue of immigration reform. While the economy is failing and questions are being asked about the integrity of Wall Street, let us look to a reasoned response to immigration reform. Not troops on the border, not the National Guard on the border, but a real comprehensive immigration reform that provides access to this country, legalization, and the picking up of the criminals. We understand that. There is no time for politicking and grandstanding on the question of students and families who want to be reunited.

I am ashamed of the action of the Governor of Arizona, but I sympathize with the people. Let us have real border security. I will be reintroducing my legislation that asks for ramping up of Customs and Border Patrol agents, more technology to secure the border. Let's do this the right way. The faith community, the business community of America, let's talk reasonably. The business community should be talking across America about the importance of comprehensive immigration reform.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

IMPROPER PAYMENTS ELIMINATION AND RECOVERY ACT OF 2009

Mr. TOWNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3393) to amend the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) in order to prevent the loss of billions in taxpayer dollars, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3393

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Improper Payments Elimination and Recovery Act of 2010''.

SEC. 2. IMPROPER PAYMENTS ELIMINATION AND RECOVERY.

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

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

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

''(2) FREQUENCY.—Reviews under paragraph (1) shall be performed for each program and activity that the relevant agency head administers during the year after which the Improper Payments Elimination and Recovery Act of 2010 is enacted and at least once every 3 fiscal years thereafter. For those agencies already performing a risk assessment every 3 years, agencies may apply to the Director of the Office of Management and Budget for a waiver from the requirement of the preceding sentence and continue their 3-year risk assessment cycle.

''(3) RISK ASSESSMENTS.—

''(A) DEFINITION.—In this subsection the term 'significant' means—

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

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

''(II) $100,000,000; and

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

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

''(II) $100,000,000.

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

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

''(ii) the complexity of the program or activity reviewed;

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

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

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

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

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

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

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

''(1) produce a statistically valid estimate, or an estimate that is otherwise appropriate using a methodology approved by the Director of the Office of Management and Budget, of the improper payments made by each program and activity; and

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

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

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

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

''(2) in order to reduce improper payments to a level below which further expenditures to reduce improper payments would cost more than the amount such expenditures would save in prevented or recovered improper payments, a statement of whether the agency has what is needed with respect to—

''(A) internal controls;

''(B) human capital; and

''(C) information systems and other infrastructure;

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

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

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

''(A) meeting applicable improper payments reduction targets; and

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

''(i) prevent improper payments from being made; and

''(ii) promptly detect and recover improper payments that are made.''.

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

(1) by striking subsection (e);

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

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

''(d) REPORTS ON ACTIONS TO RECOVER IMPROPER PAYMENTS.—With respect to any improper payments identified in recovery audits conducted under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note), the head of the agency shall provide with the estimate under subsection (b) a report on all actions the agency is taking to recover improper payments, including—

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

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

''(3) if a determination has been made that certain overpayments are not collectable, a justification of that determination;

''(4) an aging schedule of the amounts outstanding;

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

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

''(7) if the agency has determined under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note) that performing recovery audits for any applicable program or activity is not cost effective, a justification for that determination.

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

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

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

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

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

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

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

''(C) governmentwide improper payment reduction targets; and

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

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

''(f) DEFINITIONS.—In this section:

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

''(2) IMPROPER PAYMENT.—The term 'improper payment'—

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

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

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

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

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

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

''(1) IN GENERAL.—Not later than 6 months after the date of enactment of the Improper Payments Elimination and Recovery Act of 2010, the Director of the Office of Management and Budget shall prescribe guidance for agencies to implement the requirements of this section. The guidance shall not include any exemptions to such requirements not specifically authorized by this section.

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

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

''(B) strategies for addressing risks and establishing appropriate prepayment and postpayment internal controls.''.

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

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

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

(h) RECOVERY AUDITS.—

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

(2) IN GENERAL.—

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

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

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

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

(iii) may conduct recovery audits directly, by using other departments and agencies of the United States, or by procuring performance of recovery audits by private sector sources by contract (subject to the availability of appropriations), or by any combination thereof.

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

(i) subject to subparagraph (B)(iii), and except to the extent such actions are outside the agency's authority, as defined by section 605(a) of the Contract Disputes Act of 1978 (41 U.S.C. 605(a)), the head of the agency may authorize the contractor to notify entities (including persons) of potential overpayments made to such entities, respond to questions concerning potential overpayments, and take other administrative actions with respect to overpayment claims made or to be made by the agency; and

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

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

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

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

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

(3) DISPOSITION OF AMOUNTS RECOVERED.—

(A) IN GENERAL.—Amounts collected by agencies each fiscal year through recovery audits conducted under this subsection shall be treated in accordance with this paragraph. The agency head shall determine the distribution of collected amounts, less amounts needed to fulfill the purposes of section 3562(a) of title 31, United States Code, in accordance with subparagraphs (B), (C), and (D).

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

(i) shall be available to the head of the agency to carry out the financial management improvement program of the agency under paragraph (4);

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

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

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

(i) shall be credited to the appropriation or fund, if any, available for obligation at the

time of collection for the same general purposes as the appropriation or fund from which the overpayment was made;

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

(iii) if the appropriation from which the overpayment was made has expired, shall be newly available for the same time period as the funds were originally available for obligation, except that any amounts that are recovered more than five fiscal years from the last fiscal year in which the funds were available for obligation shall be deposited in the Treasury as miscellaneous receipts, except that in the case of recoveries of overpayments that are made from trust or special fund accounts, such amounts shall revert to those accounts.

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

(i) for—

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

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

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

(E) REMAINDER.—Amounts collected that are not applied in accordance with subparagraphs (A), (B), (C), or (D) shall be deposited in the Treasury as miscellaneous receipts, except that in the case of recoveries of overpayments that are made from trust or special fund accounts, such amounts shall revert to those accounts.

(F) DISCRETIONARY AMOUNTS.—This paragraph shall apply only to recoveries of overpayments that are made from discretionary appropriations (as that term is defined by paragraph 7 of section 250 of the Balanced Budget and Emergency Deficit Control Act of 1985) and shall not apply to recoveries of overpayments that are made from discretionary amounts that were appropriated prior to enactment of this Act.

(G) APPLICATION.—This paragraph shall not apply to recoveries of overpayments if the appropriation from which the overpayment was made has not expired.

(4) FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM.—

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

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

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

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

(5) PRIVACY PROTECTIONS.—Any nongovernmental entity that, in the course of recovery auditing or recovery activity under this subsection, obtains information that identifies an individual or with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, may not disclose the information for any purpose other than such recovery auditing or recovery activity and governmental oversight of such activity, unless disclosure for that other purpose is authorized by the individual to the executive agency that contracted for the performance of the recovery auditing or recovery activity.

(6) OTHER RECOVERY AUDIT REQUIREMENTS.—

(A) IN GENERAL.—(i) Except as provided in clause (ii), subchapter VI of chapter 35 of title 31, United States Code, is repealed,

(ii) Section 3562(a) of title 31, United States Code, shall continue in effect, except that references in such section 3562(a) to programs carried out under section 3561 of such title, shall be interpreted to mean programs carried out under section 2(h) of this Act.

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

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

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

(iii) HOMELAND SECURITY GRANTS.—Section 2022(a)(6) of the Homeland Security Act of 2002 (6 U.S.C. 612(a)(6)) is amended by striking ''(as that term is defined by the Director of the Office of Management and Budget under section 3561 of title 31, United States Code)'' and inserting ''under section 2(h) of the Improper Payments Elimination and Recovery Act of 2010 (31 U.S.C. 3321 note)''.

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

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

(1) the implementation of subsection (h);

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

(A) private contractors;

(B) agency employees;

(C) cross-servicing from other agencies; or

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

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

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

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

(C) the Comptroller General.

SEC. 3. COMPLIANCE.

(a) DEFINITIONS.—In this section:

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

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

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

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

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

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

(D) publishes programmatic corrective action plans prepared under section 2(c) of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note) that the agency may have in the accompanying materials to the annual financial statement;

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

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

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

(1) the head of the agency;

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

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

(4) the Comptroller General.

(c) REMEDIATION.—

(1) NONCOMPLIANCE.—

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

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

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

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

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

(2) NONCOMPLIANCE FOR 2 FISCAL YEARS.—

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

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

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

(A) reauthorization proposals for each program or activity that has not been in compliance for 3 or more consecutive fiscal years; or

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

(d) COMPLIANCE ENFORCEMENT PILOT PROGRAMS.—

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

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

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

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

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

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

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

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

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

(C) the Comptroller General.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. TOWNS) and the gentleman from California (Mr. ISSA) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. TOWNS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TOWNS. Mr. Speaker, I yield myself such time as I may consume.

The Office of Management and Budget recently reported the Federal Government made $98 billion in improper and overpayments last year. This is a staggering amount and completely unacceptable. No family or business in this great country would tolerate being charged twice or even overbilled for anything and neither should the government. We need to do everything we can to ensure that the government spends every tax dollar in the most responsible way possible. In fact, we have an obligation to the taxpayers to fight waste, fraud, and abuse and to ensure that if the government overpays for something, it has the means to recover those precious tax dollars.

The bill we are now considering, H.R. 3393, the Improper Payments Elimination and Recovery Act of 2009, will provide the government with the means to fulfill this obligation to the taxpayers.

Mr. Speaker, I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an important and bipartisan bill being brought to the floor today. It has been well thought out and well crafted, and I want to thank Mr. MURPHY and Mr. BILBRAY for their diligent work on this subject, also Mr. TODD PLATTS, who has worked in this area for a number of years and has brought to light this failure of government.

Mr. Speaker, when there are $2 trillion worth of payments being made and $100 billion worth of improper payments being noted, one would say we must be doing a good job of finding improper payments that would allow us to get to the bottom of this large amount of money. But, Mr. Speaker, without this corrective action, it is clear that what we are seeing is the tip of a very large iceberg.

Under the current law, since you must have the greater of both $10 million and 2.5 percent in order to trigger reporting, this only really triggers $10 million events with very small agencies. As we look at the Department of Defense and other large agencies, realistically the 2.5 percent becomes the trigger. If I were able to, with a stroke of a pen, change things from day one, I would look and say the American people consider not only $10 million a lot of money, but $2 million and $1 million, $100,000.

We cannot quickly make those kinds of changes in reporting, I am told. However, today we are taking a fairly significant step. By automatically having anytime when $100 million is at stake be reported and by reducing from 2.5 to 1.5 percent the program outlays, we are catching an unknown amount of greater waste, fraud, and abuse in government. These improper payments will undoubtedly rise, perhaps double, perhaps triple in reporting as a result of this new law, but it is not enough. As this reporting becomes more widespread and we're able to investigate extremely large but smaller than today programs, I hope that we will see that we must find all, all, improper payments in government and set them right. The American people expect no less.

Mr. Speaker, I reserve the balance of my time.

Mr. TOWNS. Mr. Speaker, I yield 5 minutes to the sponsor of the bill, Mr. PATRICK MURPHY, who is really responsible for our being here today. He has worked so hard on this legislation, and, of course, as I have said to many staffers along the way, this makes a whole lot of sense, and I want to thank him, and, of course, Mr. PLATTS and people that have worked on this and kept it going.

Mr. PATRICK J. MURPHY of Pennsylvania. I thank the chairman for yielding.

I would like to start off by thanking my colleague from across the aisle, Congressman BRIAN BILBRAY from California, for partnering with me on this bipartisan bill for the past 2 years. Today is a great day for our country, and I want to also highlight his partnership and his commitment to fiscal responsibility. It's been an honor to work with you, sir.

I also want to thank Senator TOM CARPER for his tireless efforts in advancing this legislation in the Senate.

Mr. Speaker, most of us would be outraged if we realized that our phone company charged twice for last month's bill or that we paid for car repairs that were never made to our car. We would figure out the problem, we would get our money back, and we would make sure that that never happened again.

But every day the Federal Government either overpays or pays twice the amount for products or services it was supposed to. But until now, there was too little action and even less outrage.

□ 1030

According to the Office of Management and Budget, in fiscal year 2009, Federal agencies made nearly $98 billion in improper payments. Let me repeat that: In 2009, Federal agencies made nearly $98 billion in improper payments in just 1 fiscal year.

Mr. Speaker, numbers get thrown around in this Chamber all the time. So let me put this number in context. This is more than double the budget for the Department of Homeland Security and triple the budget of the National Institutes of Health. These improper payments occur as a result of fraud or from poor fiscal management systems that do not detect or prevent mistakes before Federal dollars are already out the door. This bill—our bill—the Improper Payments Elimination and Recovery Act, will help better identify, reduce, and eliminate these improper payments. It will cut down on fraud and waste by requiring agencies to develop and implement action plans to avoid improper payments.

Mr. Speaker, no business owner would allow an employee to get away

with these mistakes. American taxpayers should not have to foot the bill when the government mismanages their hard-earned dollars. That is why this legislation has strong measures to hold those accountable for failing to protect taxpayer dollars. Perhaps most importantly, Mr. Speaker, this legislation would force the Federal Government to reclaim more money that was improperly sent.

It's pretty simple. If a family in Bristol, Bucks County, found out that they were getting double billed for their car payments or paying for groceries they never got, they'd fix the problem, get their money back, and would not allow it to happen again. My bill ensures that the Federal Government holds itself to the same standard of fiscal responsibility that will save taxpayers billions of dollars.

Mr. Speaker, there is no question that we must do more to tackle our national debt. While the debate grows increasingly partisan, the solutions seem sometimes out of political reach. But this proposal is not. This commonsense measure is something that Democrats and Republicans have come together to support. Cutting wasteful spending and growing our economy will lead us out of this recession and help put us on a path toward fiscal responsibility. I urge all of my colleagues to vote ''yes'' and pass this legislation on behalf of the American taxpayer.

Mr. ISSA. At this time I would yield 3 minutes to the coauthor of the bill, the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. I would like to thank the coauthor of the bill, Mr. MURPHY, and especially Chairman TOWNS and Ranking Member ISSA for bringing this item up today. I appreciate the ability to address it.

Mr. Speaker, all across America, Americans are speaking out loudly. In fact, there's a degree of dismay for those of us in Washington when we go home to see the outrage that is coming out from the average taxpayer in this country. I think we are just now really realizing that there is a justification for the outrage and the strong feelings. Basically, as we tell the American people that they must give more and that we are going to take more, they are saying, No way. You have not earned the right to be trusted with our tax money.

Mr. MURPHY and I have been able to identify one of those items that the American people have been calling for for a long time. How do we explain to our constituents that we are giving away inappropriately twice as much money as we spend to defend their neighborhoods from terrorism when it comes to homeland security? How do we have the gall to ask them to trust us with more money when we have this kind of mismanagement of public funds—not just recently, but historically. And I think this is one place we can, in a bipartisan effort, admit that Washington needs to be more responsible, needs to do more and, frankly, demand more from Washington and the bureaucracy and less from the American people when it comes to accountability.

We're talking about the fact that we need now to lower the thresholds of reporting so the problem can be more transparent. We need to make sure that we hold those who are trusted in the Departments with the American taxpayers' money to do more, report more, and be more accountable for the mismanagement of those funds. Frankly, we need to demand more recovery of the money when we detect these funds are being misappropriated.

Frankly, right now, I think the outrage across this country is something that is healthy for all of us—Democrats, Republicans, Independents. We should not be asking, Why are the American people so outraged? We're saying, Why didn't we realize this earlier and sooner so that that outrage did not just show up in screaming town hall meetings and protests around this country?

I want to thank Mr. MURPHY for joining with me at showing the American people there are some of us that hear it loud and clear. We do not blame the American people for being outraged. We blame ourselves and the Washington establishment for not addressing this issue before and not moving forward.

So I, again, thank the chairman and the ranking member. I thank my coauthor on this. And I think, Mr. Speaker, this is more than just money. We're talking about we have taken hard-earned resources from hardworking Americans and we have been trusted in the past; and we have violated that trust.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ISSA. Mr. Speaker, I yield the gentleman 30 additional seconds.

Mr. BILBRAY. This bill will start on a pattern towards earning the trust back from the American people. But we do not have a right to ask them to trust us with more money until we prove to them that we can correct this problem and take care of the money that we have already been endowed with. So I ask that this body pass this bill and address it. It's a small step in the direction that America has asked us to go to for far too long.

Mr. TOWNS. I yield myself such time as I may consume.

The Improper Payments Elimination and Recovery Act, H.R. 3393, provides the Federal Government with the tools needed to prevent mistakes and overpayments in the first place and recover funds that are paid in error. That's the reason why I'd like to salute Congressman ISSA of California, Congressman BILBRAY, and of course Congressman PLATTS and Congressman MURPHY for the outstanding job that they have done on this legislation.

The bill we are considering today takes the next step and makes Federal agencies more accountable for properly managing taxpayers' funds. The bill requires agencies to develop and report corrective action plans based on measured error rates and creates incentives for meeting their goals and penalties for failure to meet their goals. Importantly, the bill also gives the agencies the means to go after the funds that they have overpaid, which will make the taxpayers, agencies, programs, and activities which relied on those appropriations whole.

We are living in a time, Mr. Speaker, when our government is under extreme fiscal demands, and we need to do everything possible to ensure that every tax dollar goes to where it is needed. To ensure this takes place, we need to provide our Federal agencies with the tools to properly manage their spending. We also need to give the agencies the ability to follow through with their oversight and provide them with the ability to recover erroneous payments.

However, we cannot stop there. We must do everything that we can to ensure that Federal agencies who make improper payments fix the problem that allows the improper payments to take place. At the end of the day, this bill amends current law to require more accountability through reports, plans, definitions, clarification of responsibility, allocation of funds, and oversight.

Again, I would like to thank my colleagues, Representatives MURPHY, BILBRAY, ISSA, and others, for working together in a truly, truly bipartisan manner to get this piece of important legislation to the House floor. H.R. 3393 is a commonsense, good government bill, and I encourage my colleagues to join me in supporting it.

I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, I'd like to share with you something that happened this morning. I was on C–SPAN and a woman named Betty called in and was very concerned that we were not working on a bipartisan basis; that there was no consensus or compromise; that we were paralyzed. It's sometimes hard to answer somebody on the other end of a telephone line, but I would like to today take note that this is an example of the dozens of times every week that we come together, the chairman and myself, members of the committee, and we find things we can agree on that are good for America, the common good, and they will not usually be noted.

So today I would hope that we all note that—and for Betty who called in this morning—that in fact this is an example where we can find compromise. We can find a win-win for the American people. I would hope that we would do more of it. Chairman TOWNS has been good at looking for those examples, and I pledge to be better at looking for opportunities like this. I'd like to, lastly, thank Leader HOYER and Leader BOEHNER for the help they gave us in expediting this to the floor.

With that, Mr. Speaker, I urge support and passage of the bill and yield back the balance of my time.

Mr. TOWNS. Mr. Speaker, let me just make this statement, and I will yield back as well.

Let me again say how glad I am that we are taking the time to fight waste, fraud, and abuse of our precious tax dollars. With this measure, I want to thank the gentleman from California for his comments and the fact that we are working together to get rid of waste, fraud, and abuse here. This is a classic example. I want to thank him for working with me and the relationship that we have had over the years in terms of doing these kinds of things.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. TOWNS) that the House suspend the rules and pass the bill, H.R. 3393, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CLARIFY DECEPTIVE CENSUS MAILINGS LAW

Mr. TOWNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5148) to amend title 39, United States Code, to clarify the instances in which the term ''census'' may appear on mailable matter.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5148

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

SECTION 1. REQUIREMENT FOR MAIL BEARING THE TERM "CENSUS" ON THE ENVELOPE OR OUTSIDE COVER OR WRAPPER.

(a) MATTER SOLICITING THE PURCHASE OF A PRODUCT OR SERVICE.—Section 3001(h) of title 39, United States Code, is amended—

(1) in paragraph (1), by inserting ''; or on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''or which bears the term 'census' on the envelope or outside cover or wrapper''; and

(2) in paragraph (2), by inserting ''or matter on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''In the case of matter bearing the term 'census' on the envelope or outside cover or wrapper''.

(b) MATTER SOLICITING INFORMATION OR CONTRIBUTION OF FUNDS.—Section 3001(i) of title 39, United States Code, is amended—

(1) in paragraph (1), by inserting ''; or on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''or which bears the term 'census' on the envelope or outside cover or wrapper''; and

(2) in paragraph (2), by inserting ''or matter on which the term 'census' is visible through the envelope or outside cover or wrapper'' after ''In the case of matter bearing the term 'census' on the envelope or outside cover or wrapper''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. TOWNS) and the gentleman from California (Mr. ISSA) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. TOWNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TOWNS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 5148, the bill to further prohibit deceptive mailings using the word ''census.'' Only a few weeks ago, on March 10 to be exact, the House acted unanimously to deal with the misleading fundraising mail designed to look like it is from the Census Bureau. Congresswoman MALONEY introduced H.R. 4621, the Prevent Deceptive Census Look Alike Mailing Act, which was originally cosponsored by me and Congressman CLAY, chairman of the subcommittee with jurisdiction over the census. Congresswoman MALONEY and Congressman CLAY are longtime supporters of the census, and they have worked hard to make sure we have an accurate count in 2010.

H.R. 4621 was also cosponsored by the ranking member of the committee, Congressman ISSA of California, as well as the ranking member of the subcommittee with jurisdiction over the postal service, Congressman JASON CHAFFETZ. I thank them for their support and for helping us to move it to the floor today.

The goal of the bill was simple. The United States Census, currently under way, is a critical source of information for America's future. Regrettably, scammers and con artists are trying to hijack the word ''census'' to confuse citizens into opening and responding to mail that is unrelated to the actual U.S. Census. We must protect the U.S. Census from this kind of fraud. H.R. 4621 simply requires mailings which have the term ''census'' on the envelope or cover to also include an accurate return address and the name of the sender on the envelope.

□ 1045

H.R. 4621 was drafted narrowly to avoid the First Amendment concerns and avoid interfering with the legitimate use of the mail by nonprofit organizations. The bill was intended to prevent the deceptive use of look-alike mailings by requiring transparency and disclosure. The House voted 416–0 to pass H.R. 4621. The Senate passed the same bill by unanimous consent. Not many bills pass this House unanimously, but this one did—both Houses. That's not something that happened real quick around here. You would think the message sent by that law was very clear.

Unfortunately, days after H.R. 4621 was signed into law, the RNC sent a new mailing which includes the same deceptive practices. The new mailing is also labeled a census, and it does not include a return address or identify the sender as the RNC, as required by law, Mr. Speaker. One of these offensive mailings is dated April 12, only 5 days after the President signed H.R. 4621 into law. Apparently, the RNC cannot even let 1 week go by without deceiving the American public.

Despite the unanimous action of Congress, the RNC continues to act in defiance of Congress and plain common sense and fairness. These mailings continue to mislead citizens, confuse voters, and annoy recipients.

On that note, Mr. Speaker, I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 5148. Not surprisingly, I'm the author of it. I insisted on being the author because it was the right thing to do and because there needed to be a message sent loud and clear. Deceptive advertising is already bad enough in America today. We often receive things that look like your credit card bill when, in fact, they're an offer to buy or to get something or, in fact, to apply for a credit card. We've all received cards that look like you're already getting a card when, in fact, it's John Doe on the card and it's only the opportunity to spend money to get the real card.

But when it comes to the census, there is no separation between Republicans and Democrats and Independents. There is no separation between the House and the Senate. The sanctity of this constitutional responsibility to get it right, to count everyone, cannot be allowed to be interfered with by anyone's attempt to raise money.

When the earlier bill was passed—authored by CAROLYN MALONEY and cosponsored by many of us—we thought we had ended this. As a matter of fact, for all of us on both sides of the aisle, we believed then that an independent agency, the post office, could have stopped that mail without the law. But we wanted to make the intent of Congress clear. By passing that bill, we made the intent of Congress clear. We all talked about deceptive advertising, about people seeing something, thinking it was from the Census Bureau, thinking that, in fact, it was a census form. We crafted it in a way, as the chairman said, that was intended not to cross over anyone's free speech rights, including that through the mail. We achieved that. But lawyers at the Republican National Committee made a decision that the language of the bill was such that they could continue having a piece of the successful mailing go on.

Let me make something very clear here today: You cannot say we are beyond the letter of the law when you truly are within the intent of the law and tell the American people it's okay. The four squares of the law may or may not have been violated by the