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(Original Signature of Member)

113TH CONGRESS  
1ST SESSION

# H. R. 2061

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

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## IN THE HOUSE OF REPRESENTATIVES

Mr. ISSA introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_

## A BILL

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

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

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

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 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.

**1 SEC. 2. PURPOSES.**

2 The purposes of this Act are to—

3 (1) expand the Federal Funding Accountability  
4 and Transparency Act of 2006 by disclosing direct  
5 Federal agency expenditures and linking Federal  
6 contract, loan, and grant spending information to  
7 programs of Federal agencies in order to enable tax-  
8 payers and policy makers to track Federal spending  
9 more effectively;

10 (2) provide consistent, reliable, and searchable  
11 Government-wide spending data that is displayed ac-  
12 curately for taxpayers and policy makers on  
13 USASpending.gov;

14 (3) analyze Federal spending data to  
15 proactively prevent waste, fraud, abuse, and im-  
16 proper payments;

17 (4) simplify reporting for entities receiving Fed-  
18 eral funds by streamlining reporting requirements  
19 and reducing compliance costs while improving  
20 transparency; and

1 (5) improve the quality of data submitted to  
2 USASpending.gov by holding Federal agencies ac-  
3 countable for the completeness and accuracy of the  
4 data submitted.

5 **SEC. 3. AMENDMENTS TO THE FEDERAL FUNDING AC-**  
6 **COUNTABILITY AND TRANSPARENCY ACT OF**  
7 **2006.**

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

11 (1) in the section heading, by striking “**FULL**  
12 **DISCLOSURE OF ENTITIES RECEIVING FED-**  
13 **ERAL FUNDING**” and inserting “**DISCLOSURE OF**  
14 **FEDERAL FUNDING**”;

15 (2) in subsection (a)—

16 (A) by redesignating paragraphs (2) and  
17 (3) as paragraphs (3) and (7), respectively;

18 (B) by inserting after paragraph (1) the  
19 following new paragraph (2):

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

1 (C) by inserting after paragraph (3), as re-  
2 designated by subparagraph (A), the following  
3 new paragraphs:

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

7 “(5) OBJECT CLASS.—The term ‘object class’  
8 means the category assigned for purposes of the an-  
9 nual budget of the President submitted under sec-  
10 tion 1105(a) of title 31, United States Code, to the  
11 type of property or services purchased by the Fed-  
12 eral Government.

13 “(6) PROGRAM ACTIVITY.—The term ‘program  
14 activity’ has the meaning given that term under sec-  
15 tion 1115(h) of title 31, United States Code.”; and

16 (D) in paragraph (7), as redesignated by  
17 subparagraph (A)—

18 (i) in subparagraph (B), by striking  
19 “paragraph (2)(A)(i)” and inserting “para-  
20 graph (3)(A)(i)”;

21 (ii) in subparagraph (C), by striking  
22 “paragraph (2)(A)(ii)” and inserting  
23 “paragraph (3)(A)(ii)”;

24 (3) in subsection (b)—

25 (A) in paragraph (1)—

1 (i) by striking “the Office of Manage-  
2 ment and Budget” and inserting “the Sec-  
3 retary of the Treasury” each place it ap-  
4 pears;

5 (ii) by redesignating subparagraphs  
6 (A) through (G) as clauses (i) through  
7 (vii), respectively, and adjusting the mar-  
8 gin accordingly;

9 (iii) by striking “for each Federal  
10 award—” and inserting the following: “for  
11 all Federal funds—

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

17 “(i) the amount of budget authority  
18 available;

19 “(ii) the amount obligated;

20 “(iii) the amount of outlays;

21 “(iv) the amount of any Federal funds  
22 reprogrammed or transferred; and

23 “(v) the amount of expired and unex-  
24 pired unobligated balances; and

25 “(B) for each Federal award—”; and

1 (iv) in subparagraph (B)(iii), as so  
2 designated by this subparagraph, by insert-  
3 ing “, which shall be assigned a unique  
4 identifier,” after “information on the  
5 award”;

6 (B) in paragraph (3)—

7 (i) by striking “The Director of the  
8 Office of Management and Budget” and  
9 inserting “The Secretary of the Treasury”;  
10 and

11 (ii) by striking “the Director” and in-  
12 serting “the Secretary”;

13 (C) in paragraph (4)—

14 (i) by striking “the Director of the  
15 Office of Management and Budget” and  
16 inserting “the Secretary of the Treasury”;  
17 and

18 (ii) by striking “the Director” and in-  
19 serting “the Secretary”, each place it ap-  
20 pears; and

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

22 “(5) APPLICATION OF DATA STANDARDS.—The  
23 Secretary of the Treasury shall apply the data  
24 standards established under subsection (e) to all

1 data collection, data dissemination, and data publi-  
2 cation required under this section.”.

3 “(6) DATA FEED TO RECOVERY ACCOUNT-  
4 ABILITY AND TRANSPARENCY BOARD.—The Sec-  
5 retary of the Treasury shall provide the data de-  
6 scribed in paragraph (1) to the Recovery Account-  
7 ability and Transparency Board so that it can be in-  
8 cluded in the Recovery Operations Center described  
9 in subsection (h).”;

10 (4) in subsection (c)—

11 (A) in paragraph (1)—

12 (i) in the matter preceding subpara-  
13 graph (A), by striking “and Grants.gov”  
14 and inserting “Grants.gov, the Payment  
15 Automation Manager and Financial Infor-  
16 mation Repository and other data or data-  
17 bases from the Department of the Treas-  
18 ury, the MAX Information System of the  
19 Office of Management and Budget, and  
20 other data from Federal agencies collected  
21 and identified by the Office of Manage-  
22 ment and Budget”;

23 (ii) in subparagraph (B), by adding  
24 “and” at the end; and

1 (iii) by adding at the end the fol-  
2 lowing:

3 “(C) specify such search shall be confined  
4 to Federal funds;”;

5 (B) in paragraph (2), by inserting “the  
6 Payment Automation Manager and Financial  
7 Information Repository and other data or data-  
8 bases from the Department of the Treasury, the  
9 MAX Information System of the Office of Man-  
10 agement and Budget, other data from Federal  
11 agencies collected and identified by the Office of  
12 Management and Budget,” after “Grants.gov  
13 website,”;

14 (C) in paragraph (4)—

15 (i) by striking “shall be updated not  
16 later” and inserting the following: “shall  
17 be updated—

18 “(A) not later”; and

19 (ii) by adding at the end the fol-  
20 lowing:

21 “(B) not less than once each quarter with  
22 information relating to Federal funds;”;

23 (D) in paragraph (5)—



1 (i) by inserting “Federal funds and”  
2 before “Federal awards” the first place it  
3 appears;

4 (ii) by striking “subsection  
5 (a)(2)(A)(i) and those described in sub-  
6 section (a)(2)(A)(ii)” and inserting “sub-  
7 section (a)(3)(A)(i) and those described in  
8 subsection (a)(3)(A)(ii)”;

9 (iii) by striking the period at the end  
10 and inserting a semicolon; and

11 (E) by adding at the end the following:

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

15 “(7) shall permit all information published  
16 under this section to be downloaded in bulk.”;

17 (5) by redesignating subsections (e), (f), and  
18 (g) as subsections (i), (j), and (k), respectively; and

19 (6) by inserting after subsection (d) the fol-  
20 lowing new subsections:

21 “(e) DEPARTMENT OF THE TREASURY REQUIRE-  
22 MENTS FOR DATA STANDARDS.—

23 “(1) IN GENERAL.—The Secretary of the  
24 Treasury, in consultation with the Director of the  
25 Office of Management and Budget, the Adminis-

1       trator of General Services, and the heads of Federal  
2       agencies, shall establish Government-wide financial  
3       data standards for Federal funds, which shall—

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

11              “(B) to the extent reasonable and prac-  
12              ticable, ensure interoperability and incor-  
13              porate—

14                      “(i) common data elements developed  
15                      and maintained by an international vol-  
16                      untary consensus standards body, as de-  
17                      fined by the Office of Management and  
18                      Budget, such as the International Organi-  
19                      zation for Standardization;

20                      “(ii) common data elements developed  
21                      and maintained by Federal agencies with  
22                      authority over contracting and financial as-  
23                      sistance, such as the Federal Acquisition  
24                      Regulatory Council; and

1                   “(iii) common data elements devel-  
2                   oped and maintained by accounting stand-  
3                   ards organizations; and

4                   “(C) include data reporting standards  
5                   that—

6                   “(i) incorporate a widely accepted,  
7                   nonproprietary, searchable, platform-inde-  
8                   pendent computer-readable format;

9                   “(ii) are consistent with and imple-  
10                  ment applicable accounting principles;

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

13                  “(iv) are structured to specifically  
14                  support the reporting of financial and per-  
15                  formance-related data, such as that any  
16                  data produced, regardless of reporting  
17                  need or software used for creation or con-  
18                  sumption, is consistent and comparable  
19                  across reporting situations;

20                  “(v) establish, for each data point, a  
21                  standard method of conveying the report-  
22                  ing period, reporting entity, unit of meas-  
23                  ure, and other associated attributes; and

24                  “(vi) incorporate nonproprietary  
25                  standards in effect on the date of enact-

1                   ment of the Digital Accountability and  
2                   Transparency Act of 2013.

3                   “(2) DEADLINES.—

4                   “(A) GUIDANCE.—The Secretary of the  
5                   Treasury, in consultation with the Director of  
6                   the Office of Management and Budget, shall  
7                   issue guidance on the data standards estab-  
8                   lished under paragraph (1) to Federal agencies  
9                   not later than 1 year after the date of enact-  
10                  ment of the Digital Accountability and Trans-  
11                  parency Act of 2013.

12                  “(B) WEBSITE.—Not later than 1 year  
13                  after the date on which the guidance under  
14                  clause (i) is issued, the Secretary of the Treas-  
15                  ury shall ensure that the website required under  
16                  this section makes data publicly available in ac-  
17                  cordance with the data standards established  
18                  under paragraph (1).

19                  “(C) AGENCIES.—Not later than 180 days  
20                  after the date on which the guidance under sub-  
21                  paragraph (A) is issued, each Federal agency  
22                  shall collect, report, and maintain data in ac-  
23                  cordance with the data standards established  
24                  under paragraph (1).

1           “(3) CONSULTATION.—The Secretary of the  
2       Treasury shall consult with public and private stake-  
3       holders in establishing data standards under this  
4       subsection.

5           “(f) CONSOLIDATED RECIPIENT FINANCIAL RE-  
6       PORTS.—The Director of the Office of Management and  
7       Budget shall—

8           “(1) review the financial reporting required by  
9       Federal agencies for Federal award recipients to  
10      consolidate financial reporting and reduce duplica-  
11      tive financial reporting and compliance costs for re-  
12      cipients;

13          “(2) request input from Federal award recipi-  
14      ents to reduce duplicative financial reporting, espe-  
15      cially from State and local governments and institu-  
16      tions of higher education;

17          “(3) not later than 1 year after the date of en-  
18      actment of the Digital Accountability and Trans-  
19      parency Act of 2013, provide guidance to the heads  
20      of Federal agencies regarding how to simplify the re-  
21      porting requirements for Federal award recipients to  
22      consolidate financial reporting, reduce duplicative re-  
23      porting, and reduce compliance costs, as appro-  
24      priate; and

1           “(4) not later than 18 months after the date of  
2           enactment of the Digital Accountability and Trans-  
3           parency Act of 2013, submit to Congress a report  
4           regarding any legislative action required to consoli-  
5           date, streamline, or reduce the cost of reporting re-  
6           quirements for Federal award recipients.

7           “(g) ACCOUNTABILITY FOR FEDERAL FUNDING.—

8           “(1) IN GENERAL.—Not later than 1 year after  
9           the date of enactment of the Digital Accountability  
10          and Transparency Act of 2013, and every 2 years  
11          thereafter until the date that is 6 years after such  
12          date of enactment, the Inspector General of each  
13          Federal agency, in consultation with the Comptroller  
14          General of the United States, shall review a sam-  
15          pling of the data submitted under this Act by the  
16          agency, and shall submit to Congress and make pub-  
17          licly available a report on the completeness, timeli-  
18          ness, quality, and accuracy of the data sampled and  
19          the implementation and use of consistent data  
20          standards by the Federal agency.

21          “(2) COMPTROLLER GENERAL.—

22                 “(A) IN GENERAL.—Not later than 2 years  
23                 after the date of enactment of the Digital Ac-  
24                 countability and Transparency Act of 2013, and  
25                 every 2 years thereafter until the date that is

1           6 years after such date of enactment, and after  
2           review of the reports submitted under para-  
3           graph (1), the Comptroller General of the  
4           United States shall submit to Congress and  
5           make publicly available a report on the com-  
6           pleteness, timeliness, quality, and accuracy of  
7           the data submitted under this Act by each Fed-  
8           eral agency and the implementation and use of  
9           consistent data standards by each Federal  
10          agency.

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

15           “(h) RECOVERY ACCOUNTABILITY AND TRANS-  
16          PARENCY BOARD.—

17                 “(1) RESOURCES AND MECHANISMS.—The Re-  
18           covery Accountability and Transparency Board shall  
19           develop and test information technology resources  
20           and oversight mechanisms to enhance the trans-  
21           parency of and detect and remediate waste, fraud,  
22           and abuse in Federal spending for Inspectors Gen-  
23           eral.

24                 “(2) WEBSITE.—The Recovery Accountability  
25           and Transparency Board shall maintain a website

1 informing the public of its activities to identify  
2 waste, fraud, and abuse and increase transparency  
3 of Federal funds to provide support for Inspectors  
4 General.

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

11 “(4) FUNCTIONS OF THE RECOVERY OPER-  
12 ATIONS CENTER.—The functions referred to in para-  
13 graph (3) are the following:

14 “(A) IN GENERAL.—The Recovery Oper-  
15 ations Center shall incorporate—

16 “(i) all information described in sub-  
17 section (b)(1);

18 “(ii) other information maintained by  
19 Federal, State, local, and foreign govern-  
20 ment agencies; and

21 “(iii) other commercially and publicly  
22 available information.

23 “(B) SPECIFIC FUNCTIONS.—The Recovery  
24 Operations Center shall be designed and oper-  
25 ated to carry out the following functions:



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

5                   “(ii) Permit agencies, in accordance  
6                   with applicable law, to detect and reme-  
7                   diate waste, fraud, and abuse.”.

8   **SEC. 4. PILOT PROGRAM TO EVALUATE CONSOLIDATED RE-**  
9                   **CIPIENT REPORTING.**

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

18                   (1) display the full cycle of Federal funds;

19                   (2) improve the accuracy of Federal financial  
20   data; and

21                   (3) develop recommendations for reducing re-  
22   porting required of recipients of Federal funds by  
23   consolidating and automating financial reporting re-  
24   quirements across the Federal Government.

25           (b) REQUIREMENTS.—The pilot program shall—

1           (1) include recipients that collectively receive  
2           not less than \$1,000,000,000 in Federal funds each  
3           fiscal year;

4           (2) include recipients that receive Federal funds  
5           under multiple programs across multiple agencies;  
6           and

7           (3) include recipients that collectively receive  
8           Federal funds under contracts, grants, and sub-  
9           awards.

10          (c) REPORTING AND EVALUATION REQUIRE-  
11 MENTS.—Each recipient of Federal funds participating in  
12 the pilot program shall submit to the Recovery Account-  
13 ability and Transparency Board reports on the finances  
14 of the selected Federal awards.

15          (d) PUBLICATION OF INFORMATION.—All the infor-  
16 mation collected by the Recovery Accountability and  
17 Transparency Board under the pilot program shall be  
18 made publicly available and searchable on the website es-  
19 tablished under section 2 of the Federal Funding Account-  
20 ability and Transparency Act of 2006 (31 U.S.C. 6101  
21 note).

22          (e) TERMINATION.—The pilot program shall termi-  
23 nate on the date that is 3 years after the date on which  
24 the Recovery Accountability and Transparency Board es-  
25 tablishes the pilot program.

1 (f) REPORT TO CONGRESS.—Not later than 90 days  
2 after the date on which the pilot program terminates  
3 under subsection (e), the Recovery Accountability and  
4 Transparency Board shall submit to the Committee on  
5 Homeland Security and Governmental Affairs and the  
6 Committee on Oversight and Government Reform of the  
7 House of Representatives a report on the pilot program,  
8 which shall include—

9 (1) a description of financial data collected  
10 under the pilot program, the accuracy of the data  
11 provided, and the cost to collect the data from re-  
12 cipients; and

13 (2) recommendations for—

14 (A) consolidating some or all aspects of  
15 Federal financial reporting to reduce the costs  
16 to recipients of Federal funds;

17 (B) automating some or all aspects of Fed-  
18 eral financial reporting to increase efficiency  
19 and reduce the costs to recipients of Federal  
20 funds; and

21 (C) improving financial transparency.

22 **SEC. 5. CLASSIFIED AND PROTECTED INFORMATION.**

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

1 **“SEC. 3. CLASSIFIED AND PROTECTED INFORMATION.**

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

5 “(1) information protected under section 552 of  
6 title 5, United States Code (commonly known as the  
7 ‘Freedom of Information Act’); or

8 “(2) information protected under section 552a  
9 of title 5, United States Code (commonly known as  
10 the ‘Privacy Act of 1974’), or section 6103 of the  
11 Internal Revenue Code of 1986.”.

12 **SEC. 6. AMERICAN RECOVERY AND REINVESTMENT ACT OF**  
13 **2009 AMENDMENTS.**

14 Public Law 111–5 is amended—

15 (1) in subsection 1501(4) of title XV, by adding  
16 before the period at the end the following: “except  
17 that, in subtitle B, the term means any funds that  
18 are obligated or expended by an agency from appro-  
19 priations made under this or any other Act”;

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

22 “(i) EXPIRATION.—The requirements in this section  
23 shall expire on September 31, 2013.”;

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

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

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

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

7 (5) in section 1530 of title XV, by striking  
8 “September 30, 2013,” and inserting “September  
9 30, 2017.”.

10 **SEC. 7. DISASTER RELIEF APPROPRIATIONS ACT OF 2013**  
11 **AMENDMENTS.**

12 Public Law 113–2 is amended in section 904(d)—

13 (1) by striking “for purposes related to the im-  
14 pact of Hurricane Sandy”;

15 (2) by striking “related to the impact of Hurri-  
16 cane Sandy” after “receiving appropriations”; and

17 (3) by striking “related to funds appropriated  
18 for the impact of Hurricane Sandy” after “on its ac-  
19 tivities”.

20 **SEC. 8. EXECUTIVE AGENCY ACCOUNTING AND OTHER FI-**  
21 **NANCIAL MANAGEMENT REPORTS AND**  
22 **PLANS.**

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

1           (1) in paragraph (1), by inserting “and make  
2           available on the website described under section  
3           1122 of this title” after “appropriate committees of  
4           the Congress”;

5           (2) in paragraph (3)(B)(vi), by inserting “, sys-  
6           tem development, financial management workforce  
7           development, related risk assessment and mitigation  
8           for the Federal Government as a whole, related risk  
9           assessment and mitigation for executive agencies,  
10          development of capacity to prevent and detect  
11          fraud,” after “equipment acquisitions”; and

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

14          “(C) Not later than 90 days after the date of enact-  
15          ment of the Digital Accountability and Transparency Act  
16          of 2013, and every 90 days thereafter, the Director shall  
17          make available on the website described under section  
18          1122 of this title a report regarding—

19               “(i) specific goals for the most recent full fiscal  
20               year, the fiscal year during which the report is sub-  
21               mitted, and the fiscal year following the year during  
22               which the report is submitted that are necessary  
23               steps toward implementing the Federal Funding Ac-  
24               countability and Transparency Act of 2006 (31

1 U.S.C. 6101 note) fully and in an effective, efficient,  
2 and accurate manner; and  
3 “(ii) the status and progress achieved toward  
4 each goal described in clause (i), including any  
5 changes to the cost, schedule, or performance base-  
6 lines of achieving each goal, using earned value man-  
7 agement where appropriate.”.