

Calendar No. 576

109TH CONGRESS
2^D SESSION

S. 2590

To require full disclosure of all entities and organizations receiving Federal funds.

IN THE SENATE OF THE UNITED STATES

APRIL 6, 2006

Mr. COBURN (for himself, Mr. OBAMA, Mr. CARPER, Mr. MCCAIN, Mr. SANTORUM, Mr. DEMINT, Mr. SUNUNU, Mr. ISAKSON, Mr. ALLEN, Mr. CORNYN, Mrs. CLINTON, Mr. BAYH, Mr. FRIST, Ms. COLLINS, Mr. LIEBERMAN, Mr. KERRY, Mr. ALEXANDER, Mr. COLEMAN, Mr. REID, Mr. DURBIN, Mr. THUNE, Mr. SESSIONS, Mr. VOINOVICH, Mrs. BOXER, Mr. MCCONNELL, Mr. DEWINE, Ms. LANDRIEU, Mr. VITTER, and Mr. CHAMBLISS) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

AUGUST 2, 2006

Reported by Ms. COLLINS, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]

A BILL

To require full disclosure of all entities and organizations receiving Federal funds.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Federal Funding Ac-
3 countability and Transparency Act of 2006”.

4 **SEC. 2. FULL DISCLOSURE OF ENTITIES RECEIVING FED-
5 ERAL FUNDING.**

6 (a) IN GENERAL.—

7 (1) WEBSITE.—Effective beginning January 1,
8 2007 and subject to paragraphs (2) and (3), the Of-
9 fice of Management and Budget shall ensure the ex-
10 istence and operation of a single updated searchable
11 database website accessible by the public at no cost
12 that includes for each entity receiving Federal fund-
13 ing—

14 (A) the name of the entity;

15 (B) the amount of any Federal funds that
16 the entity has received in each of the last 10
17 fiscal years;

18 (C) an itemized breakdown of each trans-
19 action, including funding agency, program
20 source, and a description of the purpose of each
21 funding action;

22 (D) the location of the entity and primary
23 location of performance, including the city,
24 State, congressional district, and country;

1 ~~(E)~~ a unique identifier for each such entity
 2 and parent entity, should the entity be owned
 3 by another entity; and

4 ~~(F)~~ any other relevant information.

5 ~~(2)~~ INITIAL DATA.—Effective January 1, 2007,
 6 the website shall include data for fiscal years 2006
 7 and 2007.

8 ~~(3)~~ PREVIOUS FISCAL YEARS.—Not later than
 9 January 1, 2009, information required by this sec-
 10 tion shall be posted on the website for fiscal years
 11 1999 through 2005.

12 ~~(b)~~ DEFINITIONS.—In this section:

13 ~~(1)~~ ENTITY.—The term “entity”—

14 ~~(A)~~ includes—

15 ~~(i)~~ a corporation;

16 ~~(ii)~~ an association;

17 ~~(iii)~~ a partnership;

18 ~~(iv)~~ a limited liability company;

19 ~~(v)~~ a limited liability partnership;

20 ~~(vi)~~ any other legal business entity;

21 ~~(vii)~~ grantees, contractors, and, on

22 and after October 1, 2007, subgrantees

23 and subcontractors; and

24 ~~(viii)~~ any State or locality; and

25 ~~(B)~~ does not include—

1 (i) an individual recipient of Federal
2 assistance;

3 (ii) a Federal employee; or

4 (iii) a grant or contract of a nature
5 that could be reasonably expected to cause
6 damage to national security.

7 (2) FEDERAL FUNDING.—The term “federal
8 funding”—

9 (A) means Federal financial assistance and
10 expenditures that include grants, contracts,
11 subgrants, subcontracts, loans, awards and
12 other forms of financial assistance; and

13 (B) does not include credit card trans-
14 actions or minor purchases.

15 (3) SEARCHABLE DATABASE WEBSITE.—The
16 term “searchable database website” means a website
17 that allows the public to—

18 (A) search Federal funding by name of en-
19 tity, parent entity, or type of industry, geog-
20 raphy, including location of the entity and the
21 primary location of the performance, amounts
22 and types of federal funding, program sources,
23 type of activity being performed, time factors
24 such as fiscal years or multiple fiscal years, and
25 other relevant information; and

1 (B) download data included in subpara-
2 graph (A) including outcomes from searches.

3 (c) WEBSITE.—The database website established by
4 this section—

5 (1) shall not be considered in compliance if it
6 links to FPDS, Grants.gov or other existing websites
7 and databases, unless each of those sites has infor-
8 mation from all agencies and each category of infor-
9 mation required to be itemized can be searched elec-
10 tronically by field in a single search;

11 (2) shall provide an opportunity for the public
12 to provide input about the utility of the site and rec-
13 ommendations for improvements; and

14 (3) shall be updated not later than 30 days
15 after the award of any assistance requiring a post-
16 ing.

17 (d) AGENCY RESPONSIBILITIES.—The Director of
18 OMB shall provide guidance to agency heads to ensure
19 compliance with this section.

20 (e) REPORT.—The Director of OMB shall annually
21 report to the Senate Committee on Homeland Security
22 and Government Affairs and the House Committee on
23 Government Reform on implementation of the website that
24 shall include data about the usage and public feedback on
25 the utility of the site, including recommendations for im-

1 improvements. The annual report shall be made publicly
2 available on the website.

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Federal Funding Ac-*
5 *countability and Transparency Act of 2006”.*

6 **SEC. 2. FULL DISCLOSURE OF ENTITIES RECEIVING FED-**
7 **ERAL FUNDING.**

8 (a) *DEFINITIONS.—In this section:*

9 (1) *ENTITY.—The term “entity”—*

10 (A) *includes, whether for profit or non-*
11 *profit—*

12 (i) *a corporation;*

13 (ii) *an association;*

14 (iii) *a partnership;*

15 (iv) *a limited liability company;*

16 (v) *a limited liability partnership;*

17 (vi) *a sole proprietorship;*

18 (vii) *any other legal business entity;*

19 (viii) *any other grantee or contractor*

20 *that is not excluded by subparagraph (B) or*

21 *(C); and*

22 (ix) *any State or locality;*

23 (B) *on and after January 1, 2009, includes*

24 *any subcontractor or subgrantee; and*

25 (C) *does not include—*

1 (i) *an individual recipient of Federal*
2 *assistance; or*

3 (ii) *a Federal employee.*

4 (2) *FEDERAL AWARD.—The term “Federal*
5 *award”—*

6 (A) *means Federal financial assistance and*
7 *expenditures that include grants, contracts, sub-*
8 *grants, subcontracts, loans, awards, cooperative*
9 *agreements, purchase orders, task orders, delivery*
10 *orders, and other forms of financial assistance;*

11 (B) *does not include individual transactions*
12 *below \$25,000; and*

13 (C) *before October 1, 2008, does not include*
14 *credit card transactions.*

15 (3) *SEARCHABLE WEBSITE.—The term “search-*
16 *able website” means a website that allows the public*
17 *to—*

18 (A) *search Federal funding by any element*
19 *required by subsection (b)(1);*

20 (B) *ascertain through a single search the*
21 *total amount of Federal funding awarded to an*
22 *entity, by fiscal year; and*

23 (C) *download data included in subpara-*
24 *graph (A) included in the outcome from searches.*

25 (b) *IN GENERAL.—*

1 (1) *WEBSITE*.—Not later than January 1, 2008,
2 the Office of Management and Budget shall, in ac-
3 cordance with this section and section 204 of the E-
4 Government Act of 2002 (Public Law 107–347; 44
5 U.S.C. 3501 note), ensure the existence and operation
6 of a single searchable website, accessible by the public
7 at no cost to access, that includes for each Federal
8 award—

9 (A) the name of the entity receiving the
10 award;

11 (B) the amount of the award;

12 (C) information on the award including
13 transaction type, funding agency, the North
14 American Industry Classification System code or
15 Catalog of Federal Domestic Assistance number
16 (where applicable), program source, and an
17 award title descriptive of the purpose of each
18 funding action;

19 (D) the location of the entity receiving the
20 award and the primary location of performance
21 under the award, including the city, State, con-
22 gressional district, and country;

23 (E) a unique identifier of the entity receiv-
24 ing the award and of the parent entity of the re-

1 *ipient, should the entity be owned by another*
2 *entity; and*

3 *(F) any other relevant information specified*
4 *by the Office of Management and Budget.*

5 *(2) SCOPE OF DATA.—The website shall include*
6 *data for fiscal year 2007, and each fiscal year there-*
7 *after.*

8 *(3) DESIGNATION OF AGENCIES.—The Director*
9 *of the Office of Management and Budget is authorized*
10 *to designate one or more Federal agencies to partici-*
11 *part in the development, establishment, operation,*
12 *and support of the single website. In the initial des-*
13 *ignation, or in subsequent instructions and guidance,*
14 *the Director may specify the scope of the responsibil-*
15 *ities of each such agency.*

16 *(4) AGENCY RESPONSIBILITIES.—Federal agen-*
17 *cies shall comply with the instructions and guidance*
18 *issued by the Director of the Office of Management*
19 *and Budget under paragraph (3), and shall provide*
20 *appropriate assistance to the Director upon request,*
21 *so as to assist the Director in ensuring the existence*
22 *and operation of the single website.*

23 *(c) WEBSITE.—The website established under this sec-*
24 *tion—*

1 (1) *may use as the source of its data the Federal*
2 *Procurement Data System, Federal Assistance Award*
3 *Data System, and Grants.gov, if all of these data*
4 *sources are searchable through the website and can be*
5 *accessed in a single search;*

6 (2) *shall not be considered in compliance if it*
7 *hyperlinks to the Federal Procurement Data System*
8 *website, Federal Assistance Award Data System*
9 *website, Grants.gov website, or other existing websites,*
10 *so that the information elements required in sub-*
11 *section (b)(1) cannot be searched electronically by*
12 *field in a single search;*

13 (3) *shall provide an opportunity for the public*
14 *to provide input about the utility of the site and rec-*
15 *ommendations for improvements; and*

16 (4) *shall be updated not later than 30 days after*
17 *the award of any Federal award requiring a posting.*

18 (d) *SUBAWARD DATA.—*

19 (1) *PILOT PROGRAM.—*

20 (A) *IN GENERAL.—Not later than July 1,*
21 *2007, the Director of the Office of Management*
22 *and Budget shall commence a pilot program*
23 *to—*

24 (i) *test the collection and accession of*
25 *data about subgrants and subcontracts; and*

1 (ii) determine how to implement a
2 subaward reporting program across the
3 Federal Government, including—

4 (I) a reporting system under
5 which the entity issuing a subgrant or
6 subcontract is responsible for fulfilling
7 the subaward reporting requirement;
8 and

9 (II) a mechanism for collecting
10 and incorporating agency and public
11 feedback on the design and utility of
12 the website.

13 (B) *TERMINATION.*—The pilot program
14 under subparagraph (A) shall terminate not
15 later than January 1, 2009.

16 (2) *REPORTING OF SUBAWARDS.*—

17 (A) *IN GENERAL.*—Based on the pilot pro-
18 gram conducted under paragraph (1), and, ex-
19 cept as provided in subparagraph (B), not later
20 than January 1, 2009, the Director of the Office
21 of Management and Budget—

22 (i) shall ensure that data regarding
23 subawards are disclosed in the same man-
24 ner as data regarding other Federal awards,
25 as required by this Act; and

1 (ii) shall ensure that the method for
2 collecting and distributing data about sub-
3 awards under clause (i)—

4 (I) minimizes burdens imposed on
5 Federal award recipients and
6 subaward recipients;

7 (II) allows Federal award recipi-
8 ents and subaward recipients to allo-
9 cate reasonable costs for the collection
10 and reporting of subaward data as in-
11 direct costs; and

12 (III) establishes cost-effective re-
13 quirements for collecting subaward
14 data under block grants, formula
15 grants, and other types of assistance to
16 State and local governments.

17 (B) *EXTENSION OF DEADLINE.*—For
18 subaward recipients that receive Federal funds
19 through State, local, or tribal governments, the
20 Director of the Office of Management and Budget
21 may extend the deadline for ensuring that data
22 regarding such subawards are disclosed in the
23 same manner as data regarding other Federal
24 awards for a period not to exceed 18 months, if
25 the Director determines that compliance would

1 *impose an undue burden on the subaward recipi-*
2 *ent.*

3 (e) *EXCEPTION.*—*Any entity that demonstrates to the*
4 *Director of the Office of Management and Budget that the*
5 *gross income, from all sources, for such entity did not exceed*
6 *\$300,000 in the previous tax year of such entity shall be*
7 *exempt from the requirement to report subawards under*
8 *subsection (d), until the Director determines that the impo-*
9 *sition of such reporting requirements will not cause an*
10 *undue burden on such entities.*

11 (f) *CONSTRUCTION.*—*Nothing in this Act shall prohibit*
12 *the Office of Management and Budget from including*
13 *through the website established under this section access to*
14 *data that is publicly available in any other Federal data-*
15 *base.*

16 (g) *REPORT.*—

17 (1) *IN GENERAL.*—*The Director of the Office of*
18 *Management and Budget shall submit to the Com-*
19 *mittee on Homeland Security and Governmental Af-*
20 *airs of the Senate and the Committee on Government*
21 *Reform of the House of Representatives an annual re-*
22 *port regarding the implementation of the website es-*
23 *tablished under this section.*

24 (2) *CONTENTS.*—*Each report submitted under*
25 *paragraph (1) shall include—*

1 (A) data regarding the usage and public
2 feedback on the utility of the site (including rec-
3 ommendations for improving data quality and
4 collection);

5 (B) an assessment of the reporting burden
6 placed on Federal award and subaward recipi-
7 ents; and

8 (C) an explanation of any extension of the
9 subaward reporting deadline under subsection
10 (d)(2)(B), if applicable.

11 (3) *PUBLICATION.*—*The Director of the Office of*
12 *Management and Budget shall make each report sub-*
13 *mitted under paragraph (1) publicly available on the*
14 *website established under this section.*

15 **SEC. 3. CLASSIFIED INFORMATION.**

16 *Nothing in this Act shall require the disclosure of clas-*
17 *sified information.*

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To require full disclosure of all entities and
organizations receiving Federal funds.

August 2, 2006

Reported with an amendment