110TH CONGRESS
2D SESSION

S. ______

To strengthen transparency and accountability in Federal spending.

IN THE SENATE OF THE UNITED STATES

Mr. OBAMA (for himself and Mr. COBURN) introduced the following bill; which was read twice and referred to the Committee on ______

A BILL

To strengthen transparency and accountability in Federal spending.

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Strengthening Transparency and Accountability in Federal Spending Act of 2008".

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

SEC. 2. IMPROVING APPLICATION PROGRAMMING INTERFACE AND WEBSITE DATA ELEMENTS.

(a) IN GENERAL.—Section 2 of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109–282; 31 U.S.C. 6101 note) (referred to in this Act as the ‘‘Act’’ for purposes of any amendment) is amended—

(1) in subsection (a)—

(A) in paragraph (2)(A)(ii), by striking ‘‘and delivery orders’’ and inserting ‘‘lease agreements and assignments, and delivery orders’’; and

(B) in paragraph (3)—

(i) in subparagraph (C), by striking ‘‘and’’ after the semicolon;

(ii) in subparagraph (D), by striking the period and inserting ‘‘; and’’; and

(iii) by adding at the end the following:

‘‘(E) programmatically search and access all data in a serialized machine readable format (such as XML) via a web-services application programming interface.’’;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (E), by striking "and" after the semicolon;

(ii) in subparagraph (F), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(G) a unique award identifier that identifies each individual award vehicle;

"(H) the date that the financial award was made;

"(I) the date that the financial award requirements began;

"(J) the date that the financial obligations are dispersed to the recipient;

"(K) to the extent possible, the agency and department as well as subagencies and suboffices that have authorized the Federal award;

"(L) in negotiated procurements, the highest, lowest, and median offered price among all technically acceptable proposals or bids;

"(M) after January 1, 2010, for all contracts, subcontracts, purchase orders, task orders, lease agreements and assignments, and delivery orders—

"(i) a copy in both Portable Document Format and searchable text format of the request for proposals, the announcement of the award, the contract, and the scope of work to be performed;

"(ii) a product or service code that identifies the general category of product or service procured under the transaction;

"(iii) information about the extent of competition in making the award, including the number of qualified bids or proposals during the competitive process, and if the award was not competed, the legal authority and specific rationale for making the award without full and open competition;

"(iv) the full amount of money that is awarded under a contract or, in the case of lease agreements or assignments, the amount paid to the Government, and the full amount of any options to expand or extend under a contract;

"(v) the amount and nature of the profit incentive offered to contractors for achieving or exceeding specified goals such as fixed price, cost plus pricing, labor hour contracts, and time and materials contracts;

"(vi) an indication if the contract is the result of legislative mandates, set-asides, preference program requirements, or other criteria, and whether the contract is multiyear, consolidated, or performance based;

"(vii) an indication if the contract is a congressionally directed spending item as defined in Public Law 110–81; and

"(viii) socioeconomic characteristics of the entity that receives an award including its size, industrial classification (NAICS code), and whether the entity is owned by minority individuals, women, veterans, or other special categories; and

"(N) after January 1, 2009, for all grants, subgrants, loans, awards, cooperative agreements, and other forms of financial assistance—

"(i) the type of recipient receiving the award, such as State government, local government, Indian tribe, individual, small business, for-profit, or nonprofit;

"(ii) the type of financial assistance each transaction represents including direct payments, insurance, loans, grants, and cooperative agreements;

"(iii) the amount of money from non-Federal sources that is required to obtain the award; and

"(iv) an indication if the funding is a congressionally directed spending item as defined in Public Law 110-81.";

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(C) by adding after paragraph (1) the following:

"(2) PRESENTATION OF DATA.—The website shall present information about Federal awards and recipients of Federal awards in ways that meet the needs of users with different levels of understanding about government spending and abilities using searching websites by—

"(A) providing search results for novices displayed in summary form and with top level information such as amount of money received in a fiscal year, basic information about the recipient, purpose of the Federal award, what Federal agencies are providing the money, where the work is performed, and extent of competition, if applicable; and

"(B) providing more detailed information for more sophisticated users, including all data in paragraph (1)."; and

(3) in subsection (c), by striking paragraph (4) and inserting the following:

"(4) shall be updated at least once every 30 days with new information required by this Act; and".

(b) EFFECTIVE DATE.—Except as otherwise provided, amendments made by subsection (a) shall be implemented not later than 6 months after the date of enactment of this Act.

SEC. 3. IMPROVING DATA QUALITY.

(a) IN GENERAL.—The Act is amended by adding at the end the following:

"SEC. 5. IMPROVING DATA QUALITY.

"(a) IN GENERAL.—The Director of the Office of Management and Budget shall ensure the following:

''(1) A simple method for the public to report errors is available on the website created by this Act which should—

''(A) allow the public to report errors on single records as well as problems affecting multiple records;

''(B) allow the public to provide contact information, including e-mail address, mail address, or telephone number, to be used for informing the reporter of the outcome of the records review;

''(C) send copies of the error report to both an official responsible for the data quality at the agency that generated the data and to the Office of Management and Budget;

''(D) if reported errors are deemed to be nonfrivolous, place an indicator on the records on the website that informs users that the accuracy of the record has been brought into question, until the information is either confirmed as correct or updated to be correct; and

''(E) maintain a public record organized by agency of the total number of records which have had nonfrivolous reports of errors, the number of records which have been corrected, and number of records for which error reports remain unresolved.

"(2) Each agency inspector general—

"(A) reviews a statistically representative sample of agency Federal awards every 6 months to verify accuracy of the data and that data standards are being followed;

"(B) reports to the Director of the Office of Management and Budget the findings of the review; and

"(C) makes publicly available, including through the website created by this Act, the findings of the review.

"(3) The data used on the website created by this Act is audited for quality every 6 months with the audit to include at least the following steps:

"(A) Review and report publicly on the activity in the error reporting system created by this section with an analysis for each agency and combined for agencies that includes at least the following indicators:

"(i) Number of errors reported.

"(ii) Number of reported errors resolved.

"(iii) Number of reported errors that remain unresolved.

"(iv) Number of reported errors that led to corrections.

"(v) Number of reported errors on records that proved to be correct.

"(vi) Average number of days to resolve error report.

"(vii) Longest number of days to resolve an error report.

"(viii) Longest held reported error that remains unresolved.

"(B) An independent review every 6 months of data used for the website to verify accuracy of the data and assess the process used for improving data quality with an ability for the public to review these findings.

"(C) Identify and report new standards that should be implemented by agencies to improve data quality.

"(4)(A) No sensitive personally identifiable information is made available through the website created by this Act and a common standard is created across the Government for assigning a unique award identifier across both contract and Federal assistance award transactions.

"(B) A report is submitted within 6 months of the date of enactment of this Act to Congress (and made publicly available on the Internet) that no personally identifiable information is available on the website.

"(C) Agencies are required to correct data for past years when personally identifiable information was used.

"(D) The unique recipient identifier and parent company identifier are—

"(i) accurate;

"(ii) able to identify past and current subsidiary ownership; and

"(iii) publicly available through the download and application programming interfaces in section 2(a)(3).

"(5) The data on the website created by this Act is normalized to correct nonstandard ways of reporting names and other information.

"(6) The Consolidated Federal Funds Report is published not later than 6 months after the end of the fiscal year.

"(7) A plan for improving the management and accuracy of agency financial information about Federal awards, including public access to such data, is submitted to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Government Reform of the House of Representatives and made publicly available through the Internet not later than December 31, 2009.

"(8) Findings from the agency inspectors general reports, the data quality audits, and other information are used to develop standards or guidance for agency implementation of, and compliance with, the requirements of this Act.

"(b) STATUTORY OBLIGATIONS.—Nothing in this Act relieves the director or any Federal agency of any statutory obligation to develop, maintain, or provide access to complete, accurate, and timely Federal financial data.".

(b) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by subsection (a) shall be implemented not later than June 30, 2009.

SEC. 4. RECIPIENT PERFORMANCE TRANSPARENCY.

(a) IN GENERAL.—The Act as amended by section 4 is amended by adding at the end the following:

"SEC. 7. RECIPIENT PERFORMANCE TRANSPARENCY AND TAX COMPLIANCE.

"(a) PERFORMANCE TRANSPARENCY.—The Director of the Office of Management and Budget shall ensure that the unique identifier required in section 2(b)(1)(E) that is used to link information on the website described in section 2 is also used to link information about performance of individual contractors and recipients of financial assistance starting with awards given in fiscal year 2008 including—

"(1) an assessment of the quality of work performed on Federal awards during the past 5 years, but not before fiscal year 2008;

"(2) information about Federal audit disputes and resolutions;

"(3) information regarding civil, criminal, and administrative actions initiated or concluded by the Federal Government or a State government against Federal awards recipients or violations of Federal or State laws or regulations during the preceding 5 years including, but not limited to—

"(A) with respect to each proceeding—

"(i) a brief description of the proceeding and its disposition;

"(ii) any amount paid by the person to the Federal Government or a State government; and

"(iii) any violation of law or regulations, if applicable, related to the workplace, environmental protection, fraud, securities, and consumer protections including—

"(I) those affecting worker safety and health;

"(II) working pay and leave rights;

"(III) workplace discrimination, including trafficking in persons;

"(IV) labor relations;

"(V) the Clean Air Act, Clean Water Act, the Resource Conservation and Recovery Act, and other environmental enforcement actions;

"(VI) whistleblower protections;

"(VII) Security and Exchange Commission actions; and

"(VIII) Federal Trade Commission actions;

"(B) all Federal contracts and assistance awarded to the Federal awards recipient that were terminated in such period due to default;

"(C) all Federal suspensions and debarments of the Federal awards recipient in that period;

"(D) all Federal suspension and debarment show cause orders received by the Federal awards recipient in that period; and

"(E) all administrative agreements signed with such Federal awards recipient in that period; and

"(4) publicly available Government reports, including those from the Government Accountability Office, Congressional Research Service, Congressional Budget Office, and agency inspectors general, concerning general contractor or assistance recipient performance or specific instances of waste, fraud, and abuse.

"(b) TAX COMPLIANCE.—

"(1) IN GENERAL.—The chief executive officer of an entity that receives a Federal award shall be required to certify whether—

"(A) the entity has filed all Federal tax returns required during the preceding 5 years;

"(B) the entity has been convicted of a criminal offense under the Internal Revenue Code of 1986; and

"(C) the entity has an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code that is not—

"(i) being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; or

"(ii) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending.

"(2) OMB.—The Director of the Office of Management and Budget shall—

"(A) develop the certification forms required by paragraph (1);

"(B) ensure that each agency providing Federal awards complies with the requirements of this subsection; and

"(C) after January 1, 2009, ensure that the website described in section 2 contains information collected under paragraph (1).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be implemented not later than June 30, 2009.