

119TH CONGRESS
1ST SESSION

S. _____

To amend chapter 33 of title 31, United States Code, to require adequate information regarding payments of Federal funds.

IN THE SENATE OF THE UNITED STATES

Ms. ERNST introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend chapter 33 of title 31, United States Code, to require adequate information regarding payments of Federal funds.

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.**

4 This Act may be cited as the “Delivering On Govern-
5 ment Efficiency in Spending Act”.

6 **SEC. 2. MANDATORY REPORTING AND VERIFICATION OF**
7 **PAYMENT INFORMATION.**

8 (a) IN GENERAL.—Subchapter II of chapter 33 of
9 title 31, United States Code is amended by adding at the
10 end the following:

1 **“§ 3337. Mandatory reporting and verification of pay-**
2 **ment information**

3 “(a) DEFINITIONS.—In this section:

4 “(1) AGENCY.—The term ‘agency’ means—

5 “(A) an executive agency;

6 “(B) an independent regulatory agency, as
7 defined in section 3502 of title 44; or

8 “(C) an entity that—

9 “(i)(I) is the Congress;

10 “(II) is a court of the United States;

11 “(III) is a government of a territory
12 or possession of the United States; or

13 “(IV) is the District of Columbia; and

14 “(ii) uses a Treasury disbursement
15 system.

16 “(2) BUDGET JUSTIFICATION MATERIALS.—

17 The term ‘budget justification materials’ has the
18 meaning given that term in section 3(b)(2)(A) of the
19 Federal Funding Accountability and Transparency
20 Act of 2006 (31 U.S.C. 6101 note).

21 “(3) SECRETARY.—The term ‘Secretary’ means
22 the Secretary of the Treasury.

23 “(4) SENSITIVE OPERATIONS.—The term ‘sen-
24 sitive operations’—

25 “(A) means an operation of an agency re-
26 lated to a domestic law enforcement activity or

1 the national security of the United States with
2 respect to which the disclosure of information
3 in accordance with subsection (b) would—

4 “(i) reasonably lead to death or seri-
5 ous bodily injury; or

6 “(ii) result in the disclosure of infor-
7 mation—

8 “(I) the disclosure of which is
9 prohibited by law;

10 “(II) that is classified; or

11 “(III) that is exempt from disclo-
12 sure under section 552(b) of title 5;
13 and

14 “(B) includes an operation described in
15 subparagraph (A) that is carried out in tandem
16 or coordination with, or in support of, a State,
17 local, or Tribal government.

18 “(5) TREASURY DISBURSEMENT SYSTEM.—The
19 term ‘Treasury disbursement system’ means any
20 system operated by the Secretary for the purpose of
21 disbursing public money.

22 “(b) MANDATORY REPORTING OF PAYMENT INFOR-
23 MATION.—Subject to subsection (e), for each payment au-
24 thorized by the head of an agency that is submitted to
25 a Treasury disbursement system for disbursement by the

1 Secretary, the head of the agency shall provide to the Sec-
2 retary, in such format as the Secretary requires, for inclu-
3 sion in the Treasury disbursement system—

4 “(1) a brief description of the purpose for
5 which the payment is being made;

6 “(2) the appropriations account (Treasury Ac-
7 count Symbol, or any successor thereto) from which
8 the payment is to be drawn; and

9 “(3) the type of activity being reported (Busi-
10 ness Event Type Code, or any successor thereto).

11 “(c) PERIODIC UPDATES.—Not less frequently than
12 once each fiscal year—

13 “(1) for each payment—

14 “(A) the certifying official shall evaluate
15 whether the information collected under sub-
16 section (b) is accurate and complete; and

17 “(B) the head of each certifying agency
18 shall provide written confirmation to the dis-
19 bursing official attesting to the accuracy of
20 such information; and

21 “(2) the disbursing official shall consult with
22 the certifying official to improve the management of
23 the Treasury disbursement system.

24 “(d) PUBLIC REPORTING.—Not later than 30 days
25 after the date on which each payment that is subject to

1 this subchapter is certified, the Director of the Office of
2 Management and Budget shall direct the Secretary, or,
3 if the payment is disbursed by an accountable official who
4 is not in a position in the Department of the Treasury,
5 the head of the agency with jurisdiction over the account-
6 able official, to make available on the public website oper-
7 ated under the Federal Funding Accountability and
8 Transparency Act of 2006 (31 U.S.C. 6101 note) the data
9 required to be provided under subsection (b) with respect
10 to the payment.

11 “(e) EXEMPTIONS.—Subsections (b), (c), and (d)
12 shall not apply to a payment for which the head of the
13 agency authorizing the payment verifies to the Secretary
14 that the compliance with such subsections would adversely
15 impact a sensitive operation for which the payment is au-
16 thorized.

17 “(f) REPORT.—The head of each agency shall include
18 in a controlled unclassified informational annex, or in a
19 classified annex (if the applicable information has been
20 properly classified by an officer or employee of the agency
21 with original classification authority), as warranted, of the
22 first budget justification materials of the agency sub-
23 mitted after the date of enactment of this section, and all
24 budget justification materials submitted thereafter, a re-
25 port that includes, for each payment that was made during

1 the most recent prior fiscal year and for which the report-
2 ing of information was exempted under subsection (e), ag-
3 gregated information which would have been provided to
4 the Secretary under subsection (b), but for the exemp-
5 tion.”.

6 (b) IMPLEMENTATION.—The Secretary of the Treas-
7 ury may issue regulations or guidance to implement the
8 amendments made by this Act.

9 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
10 tion, or an amendment made by this section, shall be con-
11 strued to impose a legal liability on a disbursing official
12 resulting from any action taken pursuant to this section,
13 or an amendment made by this section.

14 (d) CONFORMING AMENDMENT.—The table of sec-
15 tions for chapter 33 of title 31, United States Code is
16 amended by inserting after the item relating to section
17 3336 the following:

“3337. Mandatory reporting and verification of payment information.”.

18 **SEC. 3. DATA ACCESS FOR PURPOSES OF PROGRAM INTEG-**
19 **RITY.**

20 (a) ACCESS TO THE NATIONAL DIRECTORY OF NEW
21 HIRES.—Section 453(j) of the Social Security Act (42
22 U.S.C. 653(j)) is amended by adding at the end the fol-
23 lowing:

24 “(12) INFORMATION TO ASSIST IN THE PRE-
25 VENTION OF IMPROPER PAYMENTS.—

1 “(A) IN GENERAL.—The Secretary of the
2 Treasury shall have access to the information in
3 the National Directory of New Hires for the
4 purpose of identifying, preventing, and recov-
5 ering improper payments.

6 “(B) REDISCLOSURE.—For the purpose of
7 identifying, preventing, and recovering improper
8 payments, the Secretary of the Treasury may
9 redisclose information in the National Directory
10 of New Hires to—

11 “(i) agents and contractors of the
12 Secretary of the Treasury;

13 “(ii) Federal and non-Federal agen-
14 cies authorized to receive information in
15 the National Directory of New Hires di-
16 rectly from the Secretary; and

17 “(iii) such additional persons and en-
18 tities as agreed to by the Secretary and the
19 Secretary of the Treasury.”.

20 (b) BANK ACCOUNT VERIFICATION AND
21 PRECERTIFICATION.—Section 3325 of title 31, United
22 States Code, is amended—

23 (1) in subsection (a)—

1 (A) in the matter preceding paragraph (1),
2 by striking “the executive branch” and insert-
3 ing “an agency”; and

4 (B) in paragraph (1), by striking “execu-
5 tive” each place it appears;

6 (2) in subsection (d), by striking “executive”
7 each place it appears; and

8 (3) by adding at the end the following:

9 “(e)(1) Prior to certifying a voucher to a disbursing
10 official, the head of an agency or an officer or employee
11 of an agency described in subparagraph (A) or (B) of sub-
12 section (a)(1), as applicable, shall take necessary actions
13 to accurately disburse payments to the recipients of those
14 payments, including by—

15 “(A) verifying the accuracy of the bank account
16 information to which a payment is to be disbursed;
17 and

18 “(B) comparing the bank account information
19 of the proposed recipient to other payment records
20 available to the agency.

21 “(2) The Secretary of the Treasury and, with the ap-
22 proval of the Secretary of the Treasury, the head of the
23 agency having jurisdiction over a disbursing official, may
24 issue guidance to carry out this subsection.

1 “(f) In this section, the term ‘agency’ has the mean-
2 ing given the term in section 3337 of this title.”.

3 (c) ACCESS TO INFORMATION COVERED BY FCRA.—

4 (1) DEFINITIONS.—Section 603(k)(1) of the
5 Fair Credit Reporting Act (15 U.S.C. 1681a(k)(1))
6 is amended—

7 (A) in subparagraph (A), by striking
8 “and” at the end;

9 (B) in subparagraph (B), by striking the
10 period at the end and inserting “; and”; and

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

12 “(C) does not include—

13 “(i) any change to a Federal disburse-
14 ment, including the pre-certification termi-
15 nation of such disbursement, that is—

16 “(I) based on a consumer report;
17 and

18 “(II) made to improve the accu-
19 racy of the disbursement; or

20 “(ii) any action taken by an author-
21 ized user of the Working System of the Do
22 Not Pay Initiative authorized by section
23 3354 of title 31, United States Code, in
24 connection with the disbursement of a pay-

1 ment, as defined in section 3351 of that
2 title, that is based on a consumer report.”.

3 (2) PERMISSIBLE USES OF CONSUMER RE-
4 PORTS.—Section 604(a) of the Fair Credit Report-
5 ing Act (15 U.S.C. 1681b(a)) is amended by adding
6 at the end the following:

7 “(7) To the Secretary of the Treasury for pur-
8 poses of assisting Federal and non-Federal entities
9 identify, prevent, and recover improper payments,
10 including redisclosing information in a consumer re-
11 port to—

12 “(A) agents and contractors of the Depart-
13 ment of the Treasury; and

14 “(B) Federal and non-Federal entities au-
15 thorized to receive such information directly
16 from the Secretary.”.

17 (d) PRIVACY-PRESERVING VALIDATION OF SELECT
18 TAX INFORMATION.—

19 (1) IN GENERAL.—Section 6103(i) of the Inter-
20 nal Revenue Code of 1986 is amended by adding at
21 the end the following new paragraph:

22 “(9) DO NOT PAY WORKING SYSTEM.—

23 “(A) IN GENERAL.—In response to an in-
24 quiry by the Secretary with respect to a specific
25 individual, the Commissioner shall provide the

1 Secretary with any return information described
2 in subparagraph (B) with respect to such indi-
3 vidual for the applicable period, in a manner
4 which preserves the confidentiality of such in-
5 formation, for the purposes of enhancing the
6 Do Not Pay working system described in sec-
7 tion 3354(c) of title 31, United States Code,
8 which may include disclosing such informa-
9 tion—

10 “(i) to agents and contractors of the
11 Department of Treasury who are author-
12 ized to access the Do Not Pay working
13 system, and

14 “(ii) other Federal agencies and State
15 agencies that manage Federally-funded
16 State-administered programs (including
17 agents and contractors of such agencies)
18 who are authorized to access the Do Not
19 Pay working system,

20 for purposes of using the Do Not Pay working
21 system to identify, prevent, and recover im-
22 proper payments.

23 “(B) RETURN INFORMATION.—The return
24 information described in this subparagraph is
25 the following:

1 “(i) Taxpayer identification number.

2 “(ii) Filing status.

3 “(iii) Adjusted gross income.

4 “(iv) Income or loss reported on
5 Schedule C of Form 1040 (or successor
6 forms).

7 “(v) Filing year.

8 “(vi) Bank account and routing infor-
9 mation.

10 “(vii) Any reported identity theft re-
11 lated to the taxpayer identification num-
12 ber.

13 “(viii) Whether a tax return was not
14 filed for any taxable year.

15 “(C) APPLICABLE PERIOD.—For purposes
16 of this paragraph, the term ‘applicable period’
17 means, with respect to any individual, the pe-
18 riod—

19 “(i) consisting of the number of tax-
20 able years specified by the Secretary in the
21 inquiry made under subparagraph (A) (but
22 not less than 3 taxable years), and

23 “(ii) ending with the most recently
24 completed taxable year for which the infor-

1 mation described in such subparagraph is
2 available.”.

3 (2) EFFECTIVE DATE.—The amendment made
4 by this section shall apply to disclosures made after
5 the date of the enactment of this Act.

6 (e) ACCESS TO SOCIAL SECURITY INFORMATION.—
7 Title II of the Social Security Act (42 U.S.C. 401 et seq.)
8 is amended by adding at the end the following new section:
9 **“SEC. 235. DISCLOSURE OF INFORMATION FOR DO NOT PAY**
10 **SYSTEM.**

11 “(a) IN GENERAL.—For the purposes described in
12 subsection (b), the Commissioner of Social Security shall,
13 upon request of the Secretary of the Treasury, enter into
14 an agreement with the Department of the Treasury to reg-
15 ularly provide personally identifiable information held by
16 the Social Security Administration, which shall, with re-
17 spect to any individual, include, at a minimum, the name,
18 date of birth, and Social Security number of such indi-
19 vidual.

20 “(b) PURPOSES.—Information provided under sub-
21 section (a) shall be used solely for purposes of enhancing
22 the Do Not Pay working system described in section
23 3354(c) of title 31, United States Code, with respect to
24 identifying, preventing, and recovering improper pay-
25 ments, including fraudulent payments.”.