



Strengthening the Accountability Provisions in Recovery Act Spending Subtitle B of House Draft Legislation

The House of Representatives released a draft of the economic recovery and stimulus legislation on January 15, 2009. The legislation's first section is dedicated to transparency and accountability, particularly Subtitle B. This document details that section and includes recommendations for improving the House language.

The House bill requires information to be disclosed through a searchable website related to the stimulus spending. Generally, the transparency provisions are appropriate. However, the bill could be improved if additional layers of detail were added and disclosure methods were modified. Below we describe modifications and reforms to the House draft that would strengthen the bill.

1. Required Data Disclosures on Recovery.gov Website

The draft House legislation requires the creation of a new federal website to disclose a variety of data related to the stimulus spending, including infrastructure project descriptions, large reports and investigations from GAO and IG offices, specific data on who gets stimulus spending and what the impact of that spending is, user feedback on stimulus spending implementation, and other information from a variety of government sources.

OMB Watch Recommends: For the reporting of detailed data on grants and contracts, the legislation should simply establish that all transactions must be reported into USASpending.gov within 30 days of the award with a special field to denote the transaction occurred under this act. Recovery.gov should be required to provide an interface allowing users to search the detailed stimulus transaction data from USASpending.gov. This allows the public to examine stimulus spending alone as well as in the context of overall government spending.

There should also be requirements for information beyond what is reported on USASpending including notifications of solicitations for contracts (listed on FedBizOps.gov) and copies of the actual contracts and grant agreements. The legislative language should also make clear that the entire Recovery.gov site should be searchable and open to indexing by commercial search engines to ensure the public's ease in finding materials.

Requirements for descriptions of use of funds, purpose of expenditure, jobs sustained or created and other data should be kept as consistent as possible for the different types of expenditures (i.e. contracts, grants) with clear deadlines for the posting of the data. OMB should be required to develop guidelines to ensure standardization and have enforceable power to ensure timely reporting.

In addition to Recovery.gov the legislation should require that states receiving stimulus money to disperse in either infrastructure investments or operational grants and contracts must establish state specific disclosure sites. These sites should also pull the detailed data directly from USASpending.gov but provide additional state specific information such as listing officials responsible for stimulus decisions, who has received stimulus funding through subawards, results of actions from funding, jobs sustained and created, salary ranges of the jobs, etc.

2. Accountability and Transparency Board

The House draft creates an Accountability and Transparency Board to oversee the implementation of stimulus spending [1221]. Chaired by the Chief Performance Officer, this Board is charged with coordinating and conducting oversight of stimulus spending with the goal of preventing waste, fraud, and abuse.

OMB Watch Recommends: In order to improve upon the plan developed in the House draft, the Senate should require all reports, findings, minutes and agendas of meetings, official letters and correspondence of the Board, and any data or information gathered during investigations by the Board be made publicly available and posted on Recovery.gov within five (5) business days of the release of information. As drafted, it requires some reports be posted, but other, more timely reports and information are not explicitly required to be released.

The House legislation also charges the Board with making recommendations to agencies on measures to prevent waste, fraud, and abuse [1223(c)]. In the case of recommendations from the Board to agencies, both the Board's recommendations and any response delivered by agencies should be made publicly available and posted on Recovery.gov within five (5) business days of their release.

3. Role of IGs and GAO

The draft House legislation outlines a number of roles for IG offices and the GAO in providing oversight and accountability to the stimulus spending. These government entities are well suited to fulfill this role. But information from these offices needs to be posted to the Recovery.gov website in a timely fashion.

OMB Watch Recommends: All information, reports, audits, correspondence, and data obtained by IG offices and the GAO related to spending under this act should be posted to the Recovery.gov website within five (5) business days of release. To the extent possible, this information should be fully searchable and downloadable on the Recovery.gov website.

4. Public Feedback System

The draft House legislation includes a provision to allow the public to give feedback on the performance of contracts awarded for the purposes of carrying out this Act. [1226(c)(6)]

OMB Watch Recommends: In order to improve upon the draft House bill, the feedback system should be expanded to include all spending, not just contracts.