

S 1508

Improper Payments Elimination and Recovery Act of 2010

Congress: 111 (2009–2011, Ended)

Chamber: Senate

Policy Area: Government Operations and Politics

Introduced: Jul 23, 2009

Current Status: Became Public Law No: 111-204.

Latest Action: Became Public Law No: 111-204. (Jul 22, 2010)

Law: 111-204 (Enacted Jul 22, 2010)

Official Text: <https://www.congress.gov/bill/111th-congress/senate-bill/1508>

Sponsor

Name: Sen. Carper, Thomas R. [D-DE]

Party: Democratic • State: DE • Chamber: Senate

Cosponsors (5 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Coburn, Tom [R-OK]	R · OK		Jul 23, 2009
Sen. Collins, Susan M. [R-ME]	R · ME		Jul 23, 2009
Sen. McCain, John [R-AZ]	R · AZ		Jul 23, 2009
Sen. McCaskill, Claire [D-MO]	D · MO		Jul 23, 2009
Sen. Lieberman, Joseph I. [ID-CT]	ID · CT		Jul 29, 2009

Committee Activity

Committee	Chamber	Activity	Date
Homeland Security and Governmental Affairs Committee	Senate	Reported By	Jun 15, 2010

Subjects & Policy Tags

Policy Area:

Government Operations and Politics

Related Bills

Bill	Relationship	Last Action
111 HR 3393	Related bill	Apr 29, 2010: Received in the Senate and Read twice and referred to the Committee on Homeland Security and Governmental Affairs.

**(This measure has not been amended since it was passed by the Senate on June 23, 2010. The summary of that version is repeated here.)**

Improper Payments Elimination and Recovery Act of 2010 - (Sec. 2) Amends the Improper Payments Information Act of 2002 to expand requirements for identifying programs and activities susceptible to improper payments by requiring the head of each federal agency, during the year after the enactment of this Act and at least once every three fiscal years thereafter, to review and identify agency programs and activities that may be susceptible to significant improper payments. Defines "significant" to mean: (1) improper payments in the preceding fiscal year that may have exceeded \$100 million or \$10 million of all program and activity payments and 2.5% of program outlays; and (2) for fiscal years prior to FY2013, improper payments that may have exceeded \$100 million or \$10 million of all program and activity payments and 1.5% of program outlays.

Sets forth risk factors to be considered in conducting improper payment reviews, including: (1) whether the program or activity reviewed is new to the agency; (2) the complexity of the program or activity; (3) the volume of payments made; (4) whether payment or payment eligibility decisions are made outside of the agency; (5) recent major changes in program funding, authorities, practices, or procedures; (6) the level, experience, and quality of personnel training; and (7) significant deficiencies in auditing practices.

Revises requirements for estimating improper payments to require agency heads to: (1) produce a statistically valid estimate of the improper payments in their agencies; and (2) include such estimates in their annual financial statements.

Expands agency reporting requirements on actions to reduce improper payments to require a statement of whether the agency has sufficient resources with respect to internal controls, human capital, and information systems and other infrastructure to prevent improper payments. Requires reports on actions to recover improper payments.

Requires the Director of the Office of Management and Budget (OMB) to: (1) report each fiscal year to the House Committee on Oversight and Government Reform and the Senate Committee on Homeland Security and Governmental Affairs on actions agencies have taken to report information relating to improper payments and to recover such payments; (2) prescribe guidance to agencies to implement requirements of this Act; and (3) develop specific criteria as to when an agency should be required to obtain an opinion on internal control over improper payments.

Requires agency heads to: (1) conduct recovery audits for agency programs that expend \$1 million or more annually if such audits would be cost-effective; (2) conduct financial management improvement programs that address problems that contribute directly to agency improper payments; and (3) impose certain requirements upon contractors performing recovery audits, including a requirement to report to the agency credible evidence of fraud or vulnerabilities to fraud, and conduct appropriate training of personnel on identification of fraud. Requires the Chief Financial Officers Council to conduct a study of the implementation and cost effectiveness of recovery audits and report on such study to the House Committee on Oversight and Government Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the Comptroller General.

(Sec. 3) Requires the Inspector General of each federal agency in each fiscal year to determine whether such agency is in compliance with the requirements of this Act and submit a report on that determination to the head of the agency, the House Committee on Oversight and Government Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the Comptroller General. Deems an agency to be in compliance if such agency has conducted

a program specific risk assessment and has published specified information, including improper payment estimates for all programs and activities, a corrective action plan, and improper payment reduction targets. Sets forth requirements for bringing noncompliant agencies into compliance.

Authorizes the OMB Director to establish one or more pilot programs for testing accountability mechanisms for compliance with this Act and report to Congress on such programs.

Requires the Chief Financial Officers Council and the Council of Inspectors General on Integrity and Efficiency to: (1) jointly examine the lessons learned in implementing the Chief Financial Officers Act of 1990 and identify reforms or improvements in federal financial management; and (2) report on such examination to the House Committee on Oversight and Government Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the Comptroller General.

## Actions Timeline

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- **Jul 22, 2010:** Signed by President.
- **Jul 22, 2010:** Became Public Law No: 111-204.
- **Jul 20, 2010:** Presented to President.
- **Jul 14, 2010:** Mr. Davis (IL) moved to suspend the rules and pass the bill.
- **Jul 14, 2010:** Considered under suspension of the rules. (consideration: CR H5553-5558)
- **Jul 14, 2010:** DEBATE - The House proceeded with forty minutes of debate on S. 1508.
- **Jul 14, 2010:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed.
- **Jul 14, 2010:** Considered as unfinished business. (consideration: CR H5590)
- **Jul 14, 2010:** Passed/agreed to in House: On motion to suspend the rules and pass the bill Agreed to by the Yeas and Nays: (2/3 required): 414 - 0 (Roll no. 442).(text: CR H5553-5556)
- **Jul 14, 2010:** On motion to suspend the rules and pass the bill Agreed to by the Yeas and Nays: (2/3 required): 414 - 0 (Roll no. 442). (text: CR H5553-5556)
- **Jul 14, 2010:** Motion to reconsider laid on the table Agreed to without objection.
- **Jul 14, 2010:** Cleared for White House.
- **Jun 24, 2010:** Received in the House.
- **Jun 24, 2010:** Message on Senate action sent to the House.
- **Jun 24, 2010:** Held at the desk.
- **Jun 23, 2010:** Measure laid before Senate by unanimous consent. (consideration: CR S5306-5309; text as reported in Senate: CR S5306-5309)
- **Jun 23, 2010:** The committee reported amendment was withdrawn by Unanimous Consent. (consideration: CR S5309)
- **Jun 23, 2010:** Passed/agreed to in Senate: Passed Senate with an amendment by Unanimous Consent.
- **Jun 23, 2010:** Passed Senate with an amendment by Unanimous Consent.
- **Jun 15, 2010:** Committee on Homeland Security and Governmental Affairs. Reported by Senator Lieberman with an amendment. Without written report.
- **Jun 15, 2010:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 430.
- **Jul 29, 2009:** Committee on Homeland Security and Governmental Affairs. Ordered to be reported with an amendment favorably.
- **Jul 23, 2009:** Introduced in Senate
- **Jul 23, 2009:** Read twice and referred to the Committee on Homeland Security and Governmental Affairs.