



National Association of State  
Auditors, Comptrollers and Treasurers

# WASHINGTON UPDATE

444 N. Capitol Street NW, Suite 234 ♦ Washington, DC 20001 May 20, 2013

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## Chairman Issa Releases DATA Act Discussion Draft

Darryl Issa (R-CA), chairman of the House Committee on Oversight and Government Reform, has released a new version of the Data Accountability and Transparency Act, better known as the DATA Act. While the new version is very similar to earlier versions of the legislation in establishing government-wide data standards for federal awards, the new version does not create new reporting requirements or add to the compliance burden for recipients of such awards.

The discussion draft also continues the work of the Recovery Accountability and Transparency Board established by the American Recovery and Reinvestment Act. The board would continue to review federal spending and collaborate with federal inspectors general in running the current Recovery Operations Center and also run the consolidated recipient reporting pilot called for by the legislation.

NASACT and other state and local groups opposed earlier versions of the legislation that sought to impose Recovery Act-like reporting requirements on recipients due to the administrative cost and complexities involved with expanded reporting for all grants and contracts.

A copy of the discussion draft and a one-page comparison of the old and new versions can be found on NASACT's homepage at [www.nasact.org](http://www.nasact.org)

## New SEC Chair Appears Before House Committee

New U.S. Securities and Exchange Commission Chairman Mary Jo White made an appearance before the House Financial Services Committee last Thursday to discuss

the oversight of the SEC's agenda and operations, as well as the SEC's ever-expanding budget requests. As an example of the burgeoning amount, in 2000 the SEC ran on a \$377 million budget. In 2012, the budget was \$1.2 billion, a four-fold increase.

Most of the hearing was dedicated to committee members finding out exactly what Chairman

White's plans are for the Commission in the immediate future. The three-hour hearing touched on a vast array of issues, including the proposed municipal advisor rule (yet to be finalized) and money-market mutual fund rules (should be released in the coming months). Chairman White was well-received by the committee, and the hearing gave an excellent view into the long list of Commission priorities.

The archived video and Chairman White's testimony can be found at <http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=333327>.

## GAO Report/Hearing Goes After "Silo Busting"

Comptroller General Gene Dodaro visited the Senate Budget Committee last Thursday to discuss government performance in a hearing entitled "Silo Busting: Effective Strategies for Government Reorganization." The hearing coincided with the U.S. Government Accountability Office's annual release of a report that looks at strategies for reducing fragmentation, overlap, and duplication in federal programs, agencies, offices, and initiatives. The report listed 31 new areas of concern where agencies may be able to achieve greater efficiency or effectiveness. Within the 31 new areas that GAO identified for concern, there were

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several state-related operations:

(6) Medicaid Program Integrity: The Centers for Medicare and Medicaid Services needs to take steps to eliminate duplication and increase efficiency in two Medicaid Integrity Program activities—provider audits and the collection of state program integrity data.

(22) Additional Opportunities to Improve Internal Revenue Service Enforcement of Tax Laws: The Internal Revenue Service can realize cost savings and increase revenue collections by billions of dollars by, among other things, using more rigorous analyses to better allocate enforcement and other resources.

(26) Medicaid Supplemental Payments: To improve the transparency of and accountability for certain high-risk Medicaid payments that annually total tens of billions of dollars, Congress should consider requiring the Centers for Medicare and Medicaid Services to take steps that would facilitate the agency's ability to oversee these payments, including identifying payments that are not used for Medicaid purposes or are otherwise inconsistent with Medicaid payment principles, which could lead to cost savings. GAO's analysis for providers for which data are available suggests that savings could be in the hundreds of millions, or billions, of dollars.

(29) Cloud Computing: Better planning of cloud-based computing solutions provides an opportunity for potential savings of millions of dollars.

(31) Tobacco Taxes: Federal revenue losses were as much as \$615 million to \$1.1 billion between April 2009 and 2011 because manufacturers and consumers substituted higher-taxed smoking tobacco products with similar lower-taxed products. To address future revenue losses, Congress should consider modifying tobacco tax rates to eliminate significant tax differentials between similar products.

Archived video of the hearing, the GAO report, and testimony from all panelists can be found at [www.budget.senate.gov/democratic/index.cfm/committeehearings?ContentRecord\\_id=7e2aa413-ec67-47de-a9c6-1a9a6ff2eed3&ContentType\\_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group\\_id=d68d31c2-2e75-49fb-a03a-be915cb4550b](http://www.budget.senate.gov/democratic/index.cfm/committeehearings?ContentRecord_id=7e2aa413-ec67-47de-a9c6-1a9a6ff2eed3&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=d68d31c2-2e75-49fb-a03a-be915cb4550b).

## The Week Ahead: FSOC, Performance Management and Tax Reform

On Wednesday, the House Financial Services Committee will receive the Financial Stability Oversight Council's (FSOC) annual report: <http://financialservices.house.gov/calendar/eventsingle.aspx?EventID=334119>.

Following up on his previously-mentioned visit to the Senate Budget Committee, Comptroller General Gene Dodaro will appear before to the Senate Homeland Security and Governmental Affairs Committee to discuss "Performance Management and Congressional Oversight: 380 Recommendations to Reduce Overlap and Duplication to Make Washington More Efficient."

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[www.hsgac.senate.gov/hearings/performance-management-and-congressional-oversight-380-recommendations-to-reduce-overlap-and-duplication-to-make-washington-more-efficient.](http://www.hsgac.senate.gov/hearings/performance-management-and-congressional-oversight-380-recommendations-to-reduce-overlap-and-duplication-to-make-washington-more-efficient)

On Wednesday, the Senate Budget Committee will also look at policies that promote broad-based economic growth and fiscal responsibility through tax reform:

[www.budget.senate.gov/democratic/index.cfm/committeehearings?ContentRecord\\_id=17d41cd3-0640-454a-b96d-3d766c302ae5&ContentType\\_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group\\_id=d68d31c2-2e75-49fb-a03a-be915cb4550b](http://www.budget.senate.gov/democratic/index.cfm/committeehearings?ContentRecord_id=17d41cd3-0640-454a-b96d-3d766c302ae5&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=d68d31c2-2e75-49fb-a03a-be915cb4550b)

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