

The amendment (No. 3816) was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill, as amended, be considered read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2327), as amended, was considered read the third time and passed.

#### FEDERAL FINANCIAL ASSISTANCE MANAGEMENT IMPROVEMENT ACT OF 1998

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 386, S. 1642.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1642) to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3817

Mr. JEFFORDS. I understand Senator GLENN has a substitute amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for Mr. GLENN, proposes an amendment numbered 3817.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. TITLE.

This Act may be cited as the "Federal Financial Assistance Management Improvement Act of 1998."

#### SEC. 2. FINDINGS.

The Congress finds that—

(1) there are over 600 different Federal financial assistance programs to implement domestic policy;

(2) while the assistance described in paragraph (1) has been directed at critical problems, some Federal administrative requirements may be duplicative, burdensome or conflicting, thus impeding cost-effective delivery of services at the local level;

(3) the Nation's State, local, and tribal governments and private, nonprofit organizations are dealing with increasingly complex problems which require the delivery and coordination of many kinds of services; and

(4) streamlining and simplification of Federal financial assistance administrative procedures and reporting requirements will improve the delivery of services to the public.

#### SEC. 3. PURPOSES.

The purposes of this Act are to—

(1) improve the effectiveness and performance of Federal financial assistance programs;

(2) to simplify Federal financial assistance application and reporting requirements;

(3) to improve the delivery of services to the public;

(4) to facilitate greater coordination among those responsible for delivering such services.

#### SEC. 4. DEFINITIONS.

In this Act:

(1) DIRECTOR.—The term "Director" means the Director of the Office of Management and Budget.

(2) FEDERAL AGENCY.—The term "Federal agency" means any agency as defined under section 551(1) of title 5, United States Code.

(3) FEDERAL FINANCIAL ASSISTANCE.—The term "Federal financial assistance" has the same meaning as defined in section 7501(a)(5) of title 31, United States Code under which Federal financial assistance is provided, directly or indirectly, to a non-federal entity.

(4) LOCAL GOVERNMENT.—The term "local government" means a political subdivision of a State that is a unit of general local government (as defined under section 7501(a)(11) of title 31, United States Code);

(5) NON-FEDERAL ENTITY.—The term "Non-federal entity" means a State, local government, or non-profit organization.

(6) NON-PROFIT ORGANIZATION.—The term "Non-profit organization" means any corporation, trust, association, cooperative, or other organization that—

(A) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(B) is not organized primarily for profit; and

(C) uses net proceeds to maintain, improve, or expand the operations of the organization.

(7) STATE.—The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and any instrumentality thereof, any multi-State, regional, or interstate entity which has governmental functions, and any Indian Tribal Government.

(8) TRIBAL GOVERNMENT.—The term "tribal government" means an Indian tribe, as that term is defined in Section 7501(a)(9) of title 31, United States Code.

(9) UNIFORM ADMINISTRATIVE RULE.—The term "uniform administrative rule" means a government-wide uniform rule for any generally applicable requirement established to achieve national policy objectives that applies to multiple Federal financial assistance programs across Federal agencies.

#### SEC. 5. DUTIES OF FEDERAL AGENCIES.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, each Federal agency shall develop and implement a plan that—

(1) streamlines and simplifies the application, administrative, and reporting procedures for Federal financial assistance programs administered by the agency;

(2) demonstrates active participation in the interagency process under section 6(a)(2);

(3) demonstrates appropriate agency use, or plans for use, of the common application and reporting system developed under section 6(a)(1);

(4) designates a lead agency official for carrying out the responsibilities of the agency under this Act;

(5) allows applicants to electronically apply for, and report on the use of, funds from the Federal financial assistance program administered by the agency;

(6) ensures recipients of Federal financial assistance provide timely, complete, and high quality information in response to Federal reporting requirements; and

(7) establishes specific annual goals and objectives to further the purposes of this Act and measure annual performance in achieving those goals and objectives, which may be done as part of the agency's annual planning responsibilities under the Government Performance and Results Act.

#### SEC. 5. DUTIES OF FEDERAL AGENCIES.

(B) EXTENSION.—If one or more agencies are unable to comply with the requirements of subsection (a), the Director shall report to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives the reasons for noncompliance. After consultation with such committees, the Director may extend the period for plan development and implementation for each noncompliant agency for up to 12 months.

(c) COMMENT AND CONSULTATION ON AGENCY PLANS.—

(1) COMMENT.—Each agency shall publish the plan developed under subsection (a) in the Federal Register and shall receive public comment of the plan through the Federal Register and other means (including electronic means). To the maximum extent practicable, each Federal agency shall hold public forums on the plan.

(2) CONSULTATION.—The lead official designated under subsection (a)(4) shall consult with representatives of non-federal entities during development and implementation of the plan. Consultation with representatives of State, local and tribal governments shall be in accordance with section 204 of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1534).

(d) SUBMISSION OF PLAN.—Each Federal agency shall submit the plan developed under subsection (a) to the Director and Congress and report annually thereafter on the implementation of the plan and performance of the agency in meeting the goals and objectives specified under subsection (a)(7). Such report may be included as part of any of the general management reports required under law.

#### SEC. 6. DUTIES OF THE DIRECTOR.

(a) IN GENERAL.—The Director, in consultation with agency heads, and representatives of non-federal entities, shall direct, coordinate and assist Federal agencies in establishing—

(1) A common application and reporting system, including:

(A) A common application or set of common applications, wherein a non-federal entity can apply for Federal financial assistance from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies; and

(B) a common system, including electronic processes, wherein a non-federal entity can apply for, manage, and report on the use of funding from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies;

(C) uniform administrative rules for Federal financial assistance programs across different Federal agencies;

(2) An interagency process for addressing:

(A) ways to streamline and simplify Federal financial assistance administrative procedures and reporting requirements for non-federal entities; and

(B) improved interagency and intergovernmental coordination of information collection and sharing of data pertaining to Federal financial assistance programs, including appropriate information sharing consistent with the Privacy Act of 1974;

(C) improvements in the timeliness, completeness, and quality of information received by Federal agencies from recipients of Federal financial assistance.

(b) **LEAD AGENCY AND WORKING GROUPS.**—The Director may designate a lead agency to assist the Director in carrying out the responsibilities under this section. The Director may use interagency working groups to assist in carrying out such responsibilities.

(c) **REVIEW OF PLANS AND REPORTS.**—Agencies shall submit to the Director, upon his request and for his review, information and other reporting regarding their implementation of this Act.

(d) **EXEMPTIONS.**—

The Director may exempt any Federal agency or Federal financial assistance program from the requirements of this Act if the Director determines that the Federal agency does not have a significant number of Federal financial assistance programs. The Director shall maintain a list of exempted agencies which will be available to the public through OMB's Internet site.

**SEC. 7. EVALUATION.**

(a) **IN GENERAL.**—The Director (or the lead agency designated under section 6(b)) shall contract with the National Academy of Public Administration to evaluate the effectiveness of this Act. Not later than 4 years after the date of enactment of this Act the evaluation shall be submitted to the lead agency, the Director, and Congress. The evaluation shall be performed with input from State, local, and tribal governments, and nonprofit organizations.

(b) **CONTENTS.**—The evaluation under subsection (a) shall—

(1) assess the effectiveness of this Act in meeting the purposes of this Act and make specific recommendations to further the implementation of this Act;

(2) evaluate actual performance of each agency in achieving the goals and objectives stated in agency plans;

(3) assess the level of coordination among the Director, Federal agencies, State, local, and tribal governments, and nonprofit organizations in implementing this Act.

**SEC. 8. COLLECTION OF INFORMATION.**

Nothing in this Act shall be construed to prevent the Director or any Federal agency from gathering, or to exempt any recipient of Federal financial assistance from providing, information that is required for review of the financial integrity or quality of services of an activity assisted by a Federal financial assistance program.

**SEC. 9. JUDICIAL REVIEW.**

There shall be no judicial review of compliance or noncompliance with any of the provisions of this Act. No provision of this Act shall be construed to create any right or benefit, substantive or procedural, enforceable by any administrative or judicial action.

**SEC. 10. STATUTORY REQUIREMENTS.**

Nothing in this Act shall be construed as a means to deviate from the statutory requirements relating to applicable Federal financial assistance programs.

**SEC. 11. EFFECTIVE DATE AND SUNSET.**

This Act shall take effect on the date of enactment of this Act and shall cease to be effective five years after such date of enactment.

Mr. JEFFORDS. I ask unanimous consent that the substitute amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3817) was agreed to.

Mr. JEFFORDS. I ask unanimous consent that the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate

place in the RECORD, without intervening action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1642), as amended, was considered read the third time and passed.

**USDA INFORMATION TECHNOLOGY REFORM AND YEAR-2000 COMPLIANCE ACT OF 1998**

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the agriculture committee be discharged from further consideration of S. 2116 and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2116) to clarify and enhance the authorities of the Chief Information Officer of the Department of Agriculture.

The Senate proceeded to consider the bill.

**AMENDMENT NO. 3818**

Mr. JEFFORDS. Mr. President, Senator LUGAR has a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for Mr. LUGAR, proposes an amendment numbered 3818.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LUGAR. Mr. President, today I rise in support of S. 2116, the USDA Information Technology Reform and Year-2000 Compliance Act of 1998. This legislation aims to centralize all year 2000 computer conversion and other information technology acquisition and management activities within the Office of the Chief Information Officer of the Department of Agriculture. Centralization is the most efficient way to manage the complex task of ensuring that all critical computer functions at the department are operational on January 1, 2000. It is also a wiser and more effective way to construct an information technology infrastructure to enable USDA's hundreds of computer systems to interoperate, which unfortunately they cannot now do.

The Department of Agriculture is charged with enormous responsibilities and its year 2000 readiness is crucial. It has a diverse portfolio of over 200 Federal programs throughout the Nation and the world. The department delivers about \$80 billion in programs. It is the fourth largest Federal agency, with approximately 30 agencies and offices. The department is responsible for the safety of our food supply, nutrition programs that serve the poor, young and old, and the protection of our natural resources. Since 40 percent of the non-tax debt owed to the Federal Government is owed to USDA, the depart-

ment has a responsibility to ensure the financial soundness of taxpayers' investments.

The centralized approach to the year 2000 issue at USDA led to a lack of focus on departmental priorities. This approach resulted in a lack of guidance, oversight and the development of contingency plans. Responsibility for keeping the mission-critical information technology functioning should clearly rest with the Chief Information Officer. I am pleased that Secretary of Agriculture Glickman has pledged his personal commitment to the success of year 2000 compliance and has made it one of the highest priorities for USDA.

The General Accounting Office has long chronicled USDA's history of problems in managing its information technology investments. In August 1993, USDA received authority to spend up to \$2.6 billion on a project called Info Share. The goal of Info Share was to improve operations and delivery of services by reengineering business processes and developing integrated information systems. In August 1994, GAO warned that the acquisition of information technology without business process reengineering would be problematic. Ineffective planning and management resulted in USDA's wasting \$100 million on Info Share before it was ultimately disbanded.

An August 1998 GAO report warned that USDA's ongoing effort to modernize information technology at its field service centers, faces significant risks. The department could spend more than \$3 billion on the project by 2011. The report revealed that USDA has not completed a comprehensive plan for the modernization and lacks the project management structure needed to manage a project of this magnitude. Specifically, USDA has not assigned a senior-level official with overall responsibility, authority and accountability for managing and coordinating the project to ensure it is completed on time and within budget.

In March of this year before a House agriculture subcommittee and again in May before the Senate Agriculture Committee, GAO testified in support of strong Chief Information Officer leadership at USDA. The Information Technology Management Reform Act of 1996, the Clinger-Cohen Act, seeks to strengthen executive leadership in information management and institute sound capital investment decision-making to maximize the return on information systems. Consistent with provisions of that act, more accountability and responsibility and responsibility over the substantial investments the department makes in information technology were recommended by the GAO. The GAO also noted major weaknesses in USDA's component agency efforts and testified that mitigating the risk of year 2000 disruptions requires leadership.

Last year, I introduced S. 805, a bill to reform the information technology systems of the Department of Agriculture. It gave the Chief Information