

111TH CONGRESS  
1ST SESSION

# H. R. 1472

To establish reporting requirements each time funds from Troubled Assets Relief Program or the American Recovery and Reinvestment Act of 2009 are received or redistributed, and to establish a waste, fraud, and abuse hotline for such funds, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2009

Mrs. BLACKBURN (for herself, Mr. HUNTER, Mr. GOHMERT, Mr. KLINE of Minnesota, Mr. CHAFFETZ, Mr. LAMBORN, Mr. CONAWAY, Mr. GINGREY of Georgia, Mr. CULBERSON, Mr. MANZULLO, Mr. SMITH of Texas, Mr. AKIN, Mr. WAMP, Mr. LATTA, Ms. FALLIN, Mr. BISHOP of Utah, Mr. OLSON, Mr. MCCLINTOCK, Mr. FLEMING, Mr. PITTS, Mr. BARTLETT, Mr. SHADEGG, Mr. FRANKS of Arizona, and Mr. BURTON of Indiana) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish reporting requirements each time funds from Troubled Assets Relief Program or the American Recovery and Reinvestment Act of 2009 are received or redistributed, and to establish a waste, fraud, and abuse hotline for such funds, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “TARP and ARRA Re-  
3 porting and Waste Prevention Act”.

4 **SEC. 2. REPORTING REQUIREMENT.**

5 (a) IN GENERAL.—Every public or private entity  
6 shall, no later than 30 days after receiving or redistrib-  
7 uting any funds distributed under title I of the Emergency  
8 Economic Stabilization Act of 2008 or the American Re-  
9 covery and Reinvestment Act of 2009, submit a report to  
10 the Secretary of the Treasury detailing such receipt or re-  
11 distribution.

12 (b) REPORT DETAILS.—Each report required by sub-  
13 section (a) shall include, with respect to the funds received  
14 or redistributed, and to the extent the information is avail-  
15 able—

16 (1) the amount of such funds;

17 (2) for funds being redistributed, the public or  
18 private entity receiving such funds;

19 (3) the specific provision or provisions of title I  
20 of the Emergency Economic Stabilization Act of  
21 2008 or the American Recovery and Reinvestment  
22 Act of 2009 under which such funds were author-  
23 ized;

24 (4) the specific purpose for which such funds  
25 are being received or redistributed, including—

1 (A) what geographic area such funds are  
2 intended for; and

3 (B) the specific details on how such funds  
4 will be used;

5 (5) copies of any contracts entered into by the  
6 public or private entity for projects or services that  
7 will be funded in whole or in part by such funds;  
8 and

9 (6) such other information as the Secretary of  
10 the Treasury may require.

11 (c) SEPARATE REPORT ON CONTRACTS.—Any public  
12 or private entity that enters into a contract described in  
13 subsection (b)(5) shall, no later than 30 days after the  
14 date such contract is entered into, and every 30 days  
15 thereafter until all performance under the contract has  
16 been completed, submit a report to the Secretary of the  
17 Treasury detailing—

18 (1) the amount of funds distributed under title  
19 I of the Emergency Economic Stabilization Act of  
20 2008 or the American Recovery and Reinvestment  
21 Act of 2009 that have been expended by such public  
22 or private entity in furtherance of the contract;

23 (2) the specific details of how such funds were  
24 expended and how such expenditures furthered the  
25 fulfillment of the contract terms;

1           (3) how many jobs were created by the expendi-  
2           ture of such funds and the average cost to the public  
3           or private entity of creating such jobs; and

4           (4) in which geographic areas such funds were  
5           expended.

6           (d) TREATMENT OF COMMINGLED FUNDS.—For pur-  
7           poses of this section, any funds that are commingled with  
8           funds distributed under title I of the Emergency Economic  
9           Stabilization Act of 2008 or the American Recovery and  
10          Reinvestment Act of 2009, such that the source of any  
11          particular funds within the commingled funds cannot be  
12          identified, shall be treated as funds distributed under title  
13          I of the Emergency Economic Stabilization Act of 2008  
14          or the American Recovery and Reinvestment Act of 2009.

15          (e) REGULATIONS.—A report required under sub-  
16          section (a) shall be made in such manner and form as  
17          the Secretary of the Treasury may prescribe by regulation.  
18          Such regulation shall be issued no later than 30 days after  
19          the date of the enactment of this Act.

20          (f) NO REPORTING FOR CERTAIN TAX BENEFITS.—  
21          No report shall be required under subsection (a) for funds  
22          received by a public or private entity under any provision  
23          of title I of division B of the American Recovery and Rein-  
24          vestment Act of 2009.

1 (g) REQUIREMENT FOR GIVING NOTICE WHEN RE-  
2 DISTRIBUTING FUNDS.—Any public or private entity that  
3 redistributes any funds distributed under title I of the  
4 Emergency Economic Stabilization Act of 2008 or the  
5 American Recovery and Reinvestment Act of 2009 to an-  
6 other public or private entity must give such public or pri-  
7 vate entity notice—

8 (1) that such funds are a redistribution of  
9 funds distributed under title I of the Emergency  
10 Economic Stabilization Act of 2008 or the American  
11 Recovery and Reinvestment Act of 2009; and

12 (2) that such public or private entity may be re-  
13 quired to submit a report upon the receipt or redis-  
14 tribution of such funds pursuant to section 2(a) of  
15 the TARP and ARRA Reporting and Waste Preven-  
16 tion Act.

17 (h) PENALTY FOR NON-COMPLIANCE BY A PRIVATE  
18 ENTITY.—

19 (1) IN GENERAL.—A private entity that fails to  
20 submit a report required under subsection (a) may  
21 not enter into any contract to provide property or  
22 services to any Federal agency or department, and  
23 may not receive any grants, loans, or other funds  
24 from any Federal agency or department, if—

1 (A) the failure to submit such report was  
2 intentional; and

3 (B) The heads of the private entity knew,  
4 within the 30-day window for submitting such  
5 report, that such report was required to be sub-  
6 mitted under this section.

7 (2) HEADS OF THE PRIVATE ENTITY DE-  
8 FINED.—For purposes of this subsection, the term  
9 “heads of the private entity” means, if applicable—

10 (A) the board of directors of the private  
11 entity;

12 (B) the officers of the private entity; and

13 (C) the partners of the private entity.

14 (i) DEFINITIONS.—For purposes of this section:

15 (1) PUBLIC OR PRIVATE ENTITY.—The term  
16 “public or private entity” means—

17 (A) any Federal agency or department;

18 (B) any agency or department of a State  
19 government;

20 (C) any agency or department of a political  
21 subdivision of a State; and

22 (D) any private entity, other than an indi-  
23 vidual.

24 (2) REDISTRIBUTED.—With respect to funds  
25 distributed under title I of the Emergency Economic

1 Stabilization Act of 2008 or the American Recovery  
2 and Reinvestment Act of 2009, the term “redistrib-  
3 uted” means the distribution of such funds by a  
4 public or private entity to another public or private  
5 entity. Notwithstanding the previous sentence, the  
6 term “redistribution” shall not include—

7 (A) distributions made to purchase equip-  
8 ment or other supplies; or

9 (B) distributions made for services that  
10 are merely incidental to the purchase of equip-  
11 ment or other supplies.

12 (j) EFFECTIVE DATE.—This section shall take effect,  
13 with respect to the reporting requirement of subsections  
14 (a) and (c), 60 days after the date of the enactment of  
15 this Act.

16 **SEC. 3. FEDERAL DATABASE.**

17 (a) ESTABLISHMENT.—The Secretary of the Treas-  
18 ury shall establish a database to hold all information re-  
19 ported to the Secretary under section 2.

20 (b) AVAILABILITY.—The Secretary shall, in coordina-  
21 tion with the Recovery Accountability and Transparency  
22 Board, make the information in the database available to  
23 the public on the website [recovery.gov](http://recovery.gov), and in a manner  
24 that allows members of the public to easily access such  
25 information.

1 **SEC. 4. WASTE, FRAUD, AND ABUSE HOTLINE.**

2 (a) IN GENERAL.—The Secretary of the Treasury  
3 shall establish, publicize, and operate a national toll-free  
4 telephone number to serve as a hotline for members of  
5 the public to report waste, fraud, or abuse related to funds  
6 distributed under title I of the Emergency Economic Sta-  
7 bilization Act of 2008 or the American Recovery and Rein-  
8 vestment Act of 2009.

9 (b) REPORT.—Not later than 90 days after the date  
10 of the enactment of this Act, and quarterly thereafter, the  
11 Secretary of the Treasury shall issue a report to the Con-  
12 gress containing—

13 (1) a description of the Secretary’s compliance  
14 with subsection (a); and

15 (2) a description of the actions the Secretary is  
16 taking to address instances of waste, fraud, or abuse  
17 reported to the hotline.

18 (c) WHISTLEBLOWER PROTECTION.—

19 (1) IN GENERAL.—No company, or any officer,  
20 employee, contractor, subcontractor, or agent of  
21 such company, may discharge, demote, suspend,  
22 threaten, harass, or in any other manner discrimi-  
23 nate against an employee in the terms and condi-  
24 tions of employment because of any lawful act done  
25 by the employee—



1 (A) to provide information, cause informa-  
2 tion to be provided, or otherwise assist in an in-  
3 vestigation regarding any conduct which the  
4 employee reasonably believes constitutes waste,  
5 fraud, or abuse related to funds distributed  
6 under title I of the Emergency Economic Sta-  
7 bilization Act of 2008 or the American Recov-  
8 ery and Reinvestment Act of 2009, where such  
9 waste, fraud, or abuse was reported to the hot-  
10 line established under subsection (a); or

11 (B) to file, cause to be filed, testify, par-  
12 ticipate in, or otherwise assist in a proceeding  
13 filed or about to be filed (with any knowledge  
14 of the employer) relating to alleged waste,  
15 fraud, or abuse related to funds distributed  
16 under title I of the Emergency Economic Sta-  
17 bilization Act of 2008 or the American Recov-  
18 ery and Reinvestment Act of 2009, where such  
19 alleged waste, fraud, or abuse was reported to  
20 the hotline established under subsection (a).

21 (2) ENFORCEMENT ACTION.—

22 (A) IN GENERAL.—A person who alleges  
23 discharge or other discrimination by any person  
24 in violation of paragraph (1) may seek relief  
25 under paragraph (3), by—

1 (i) filing a complaint with the Sec-  
2 retary of Labor; or

3 (ii) if the Secretary has not issued a  
4 final decision within 180 days of the filing  
5 of the complaint and there is no showing  
6 that such delay is due to the bad faith of  
7 the claimant, bringing an action at law or  
8 equity for de novo review in the appro-  
9 priate district court of the United States,  
10 which shall have jurisdiction over such an  
11 action without regard to the amount in  
12 controversy.

13 (B) PROCEDURE.—

14 (i) IN GENERAL.—An action under  
15 subparagraph (A)(i) shall be governed  
16 under the rules and procedures set forth in  
17 section 42121(b) of title 49, United States  
18 Code.

19 (ii) NOTIFICATION EXCEPTION.—No-  
20 tification made under section 42121(b)(1)  
21 of title 49, United States Code, shall be  
22 made to the person named in the com-  
23 plaint and to the employer.

24 (iii) BURDENS OF PROOF.—An action  
25 brought under subparagraph (A)(ii) shall

1 be governed by the legal burdens of proof  
2 set forth in section 42121(b) of title 49,  
3 United States Code.

4 (iv) STATUTE OF LIMITATIONS.—An  
5 action under subparagraph (A) shall be  
6 commenced not later than 90 days after  
7 the date on which the violation occurs.

8 (3) REMEDIES.—

9 (A) IN GENERAL.—An employee prevailing  
10 in any action under paragraph (2)(A) shall be  
11 entitled to all relief necessary to make the em-  
12 ployee whole.

13 (B) COMPENSATORY DAMAGES.—Relief for  
14 any action under subparagraph (A) shall in-  
15 clude—

16 (i) reinstatement with the same se-  
17 niority status that the employee would  
18 have had, but for the discrimination;

19 (ii) the amount of back pay, with in-  
20 terest; and

21 (iii) compensation for any special  
22 damages sustained as a result of the dis-  
23 crimination, including litigation costs, ex-  
24 pert witness fees, and reasonable attorney  
25 fees.

1           (4) RIGHTS RETAINED BY EMPLOYEE.—Noth-  
2           ing in this subsection shall be deemed to diminish  
3           the rights, privileges, or remedies of any employee  
4           under any Federal or State law, or under any collec-  
5           tive bargaining agreement.

6 **SEC. 5. RECOVERY ACCOUNTABILITY AND TRANSPARENCY**  
7                           **BOARD REQUESTS OF INSPECTOR GENERALS**  
8                           **FOR AUDITS OR INSPECTIONS.**

9           Section 1527(b) of the American Recovery and Rein-  
10          vestment Act of 2009 is amended by striking “and the  
11          inspector general rejects” and all that follows through the  
12          end of the subsection and inserting “, the Board shall  
13          make such request available to the public on the website  
14          recovery.gov.”.

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