

117TH CONGRESS  
1ST SESSION

# H. R. 5985

To establish the Office of the Special Inspector General for State Spending and Waste, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 2021

Ms. MALLIOTAKIS (for herself and Mr. DONALDS) introduced the following bill; which was referred to the Committee on Oversight and Reform

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## A BILL

To establish the Office of the Special Inspector General for State Spending and Waste, 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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “SIGSSAW Act”.

5       **SEC. 2. SPECIAL INSPECTOR GENERAL FOR STATE SPEND-**  
6               **ING AND WASTE.**

7       (a) PURPOSES.—The purposes of this section are as  
8       follows:

9               (1) To provide for the independent and objec-  
10       tive conduct and supervision of audits and investiga-

1        tions relating to the programs and operations funded  
2        with amounts appropriated or otherwise made avail-  
3        able for use by States.

4            (2) To provide for the independent and objec-  
5        tive leadership and coordination of, and rec-  
6        ommendations on, policies designed to—

7            (A) promote economy efficiency, and effec-  
8        tiveness in the administration of the programs  
9        and operations described in paragraph (1); and

10          (B) prevent and detect waste, fraud, and  
11        abuse in such programs and operations.

12        (b) OFFICE OF INSPECTOR GENERAL.—There is  
13        hereby established the Office of the Special Inspector Gen-  
14        eral for State Spending and Waste to carry out the pur-  
15        poses of subsection (a).

16        (c) APPOINTMENT OF INSPECTOR GENERAL; RE-  
17        MOVAL.—

18            (1) APPOINTMENT.—The head of the Office is  
19        the Special Inspector General for State Spending  
20        and Waste, who shall be appointed by the President.

21            (2) QUALIFICATIONS.—The appointment of the  
22        Inspector General shall be made solely on the basis  
23        of integrity and demonstrated ability in accounting,  
24        auditing, financial analysis, law, management anal-  
25        ysis, public administration, or investigations.

1           (3) DEADLINE FOR APPOINTMENT.—The ap-  
2           pointment of an individual as Inspector General  
3           shall be made not later than 30 days after the date  
4           of the enactment of this Act.

5           (4) COMPENSATION.—The annual rate of basic  
6           pay of the Inspector General shall be the annual rate  
7           of basic pay provided for positions at level IV of the  
8           Executive Schedule under section 5315 of title 5,  
9           United States Code.

10          (5) PROHIBITION ON POLITICAL ACTIVITIES.—  
11          For purposes of section 7324 of title 5, United  
12          States Code, the Inspector General shall not be con-  
13          sidered an employee who determines policies to be  
14          pursued by the United States in the nationwide ad-  
15          ministration of Federal law.

16          (6) REMOVAL.—The Inspector General shall be  
17          removable from office in accordance with the provi-  
18          sions of section 3(b) of the Inspector General Act of  
19          1978 (5 U.S.C. App.).

20          (d) SUPERVISION.—

21               (1) IN GENERAL.—Except as provided in para-  
22               graph (2), the Inspector General shall report directly  
23               to, and be under the general supervision of the Sec-  
24               retary of Housing and Urban Development.

1           (2) INDEPENDENCE TO CONDUCT INVESTIGA-  
2           TIONS AND AUDITS.—No officer of the Department  
3           of Housing and Urban Development shall prevent or  
4           prohibit the Inspector General from initiating, car-  
5           rying out, or completing any audit or investigation  
6           related to amounts appropriated or otherwise made  
7           available for use by States with or from issuing any  
8           subpoena during the course of any such audit or in-  
9           vestigation.

10          (e) DUTIES.—

11               (1) OVERSIGHT OF SPENDING BY STATES.—It  
12               shall be the duty of the Inspector General to con-  
13               duct, supervise, and coordinate audits and investiga-  
14               tions of the treatment, handling, and expenditure of  
15               amounts appropriated or otherwise made available  
16               for use by States (and of the programs, operations,  
17               and contracts carried out using such funds) includ-  
18               ing—

19                       (A) audits and investigations with respect  
20                       to—

21                               (i) the oversight and accounting of the  
22                               obligation and expenditure of such funds;

23                               (ii) the monitoring and review of—

24                                       (I) activities funded by such  
25                                       funds;

1 (II) contracts funded by such  
2 funds; and

3 (III) the transfer of such funds  
4 from States to other entities, includ-  
5 ing businesses and nongovernmental  
6 entities;

7 (iii) the maintenance of records by  
8 States on the use of such funds to facili-  
9 tate future audits and investigations;

10 (iv) overpayments, such as duplicate  
11 payments or duplicate billing; and

12 (v) any potential unethical or illegal  
13 actions of Federal employees or employees  
14 of States, contractors, or nongovernmental  
15 entities related to the treatment, handling,  
16 obligation, or expenditure of such funds;  
17 and

18 (B) the referral of findings of such audits  
19 and investigations (as necessary) to the Depart-  
20 ment of Justice to ensure further investigations,  
21 prosecutions, recovery of funds, or other rem-  
22 edies.

23 (2) OTHER DUTIES RELATED TO OVERSIGHT.—

24 The Inspector General shall establish, maintain, and  
25 oversee such systems, procedures, and controls as

1 the Inspector General considers appropriate to dis-  
2 charge the duties specified under paragraph (1).

3 (3) DUTIES AND RESPONSIBILITIES UNDER IN-  
4 SPECTOR GENERAL ACT OF 1978.—In addition to the  
5 duties specified in paragraphs (1) and (2), the In-  
6 spector General shall also have the duties and re-  
7 sponsibilities of Inspectors General under the In-  
8 spector General Act of 1978 (5 U.S.C. App.).

9 (4) AUDIT STANDARDS.—The Inspector General  
10 shall carry out the duties specified in paragraph (1)  
11 in accordance with section 4(b)(1) of the Inspector  
12 General Act of 1978.

13 (f) POWERS AND AUTHORITIES.—In carrying out the  
14 duties specified in subsection (e), the Inspector General  
15 shall have the authorities provided in section 6 of the In-  
16 spector General Act of 1978, including the authorities  
17 under section 6(e).

18 (g) PERSONNEL, FACILITIES, AND OTHER RE-  
19 SOURCES.—

20 (1) PERSONNEL.—The Inspector General may  
21 select, appoint, and employ such officers and em-  
22 ployees as may be necessary for carrying out the du-  
23 ties of the Inspector General, subject to the provi-  
24 sions of title 5, United States Code, governing ap-  
25 pointments in the competitive service, and the provi-

1        sions of chapter 51 and subchapter III of chapter 53  
2        of such title, relating to classification and General  
3        Schedule pay rates.

4            (2) EMPLOYMENT OF EXPERTS AND CONSULT-  
5        ANTS.—The Inspector General may obtain services  
6        as authorized by section 3109 of title 5, United  
7        States Code, at daily rates not to exceed the equiva-  
8        lent rate prescribed for grade GS–15 of the General  
9        Schedule by section 5332 of such title.

10           (3) CONTRACTING AUTHORITY.—To the extent  
11        and in such amounts as may be provided in advance  
12        by appropriations Acts, the Inspector General may  
13        enter into contracts and other arrangements for au-  
14        dits, studies, analyses, and other services with public  
15        agencies and with private persons, and make such  
16        payments as may be necessary to carry out the du-  
17        ties of the Inspector General.

18           (4) RESOURCES.—The Secretary of Housing  
19        and Urban Development, as appropriate, shall pro-  
20        vide the Inspector General with appropriate and ade-  
21        quate office space at appropriate locations of the De-  
22        partment of Housing and Urban Development, to-  
23        gether with such equipment, office supplies, and  
24        communications facilities and services as may be  
25        necessary for the operation of such offices, and shall

1 provide necessary maintenance services for such of-  
2 fices and the equipment and facilities located there-  
3 in.

4 (5) ASSISTANCE FROM FEDERAL AGENCIES.—

5 (A) IN GENERAL.—Upon request of the In-  
6 spector General for information or assistance  
7 from any department, agency, or other entity of  
8 a State or the Federal Government, the head of  
9 such entity shall, insofar as is practicable and  
10 not in contravention of any existing law, furnish  
11 such information or assistance to the Inspector  
12 General, or a designee of the Inspector General.

13 (B) REPORTING OF REFUSED ASSIST-  
14 ANCE.—Whenever information or assistance re-  
15 quested by the Inspector General is, in the  
16 judgment of the Inspector General, unreason-  
17 ably refused or not provided, the Inspector Gen-  
18 eral shall report the circumstances to the De-  
19 partment of Justice, as appropriate, and to the  
20 appropriate congressional committees without  
21 delay.

22 (h) REPORTS.—

23 (1) QUARTERLY REPORTS.—Not later than 30  
24 days after the end of each fiscal-year quarter, the  
25 Inspector General shall submit to the appropriate



1 congressional committees a report summarizing, for  
2 the period of that quarter and, to the extent pos-  
3 sible, the period from the end of such quarter to the  
4 time of the submission of the report, the activities  
5 during such period of the Inspector General and the  
6 activities under programs and operations funded  
7 with amounts appropriated or otherwise made avail-  
8 able for use by States. Each report shall include, for  
9 the period covered by such report, a detailed state-  
10 ment of all obligations, expenditures, and revenues  
11 associated with such funds, including the following:

12 (A) Obligations and expenditures of such  
13 funds.

14 (B) Detailed operating expenses of States  
15 that are related to the use of such funds.

16 (C) In the case of any contract, grant,  
17 agreement, or other funding mechanism de-  
18 scribed in paragraph (2)—

19 (i) the amount of the contract, grant,  
20 agreement, or other funding mechanism;

21 (ii) a brief discussion of the scope of  
22 the contract, grant, agreement, or other  
23 funding mechanism;

24 (iii) a discussion of how the State in-  
25 volved in the contract, grant, agreement,

1 or other funding mechanism identified, and  
 2 solicited offers or applications from, poten-  
 3 tial individuals or entities to perform the  
 4 contract or activities under the grant,  
 5 agreement, or other funding mechanism;

6 (iv) a list of the potential individuals  
 7 or entities that were issued solicitations for  
 8 the offers or applications; and

9 (v) the justification and approval doc-  
 10 uments on which was based any determina-  
 11 tion to use procedures other than proce-  
 12 dures that provide for full and open com-  
 13 petition with respect to the contract, grant,  
 14 agreement, or other funding mechanism.

15 (2) COVERED CONTRACTS, GRANTS, AGREE-  
 16 MENTS, AND FUNDING MECHANISMS.—A contract,  
 17 grant, agreement, or other funding mechanism de-  
 18 scribed in this paragraph is any major contract,  
 19 grant, agreement, or other funding mechanism with  
 20 any public or private entity that—

21 (A) is entered into by a State—

22 (i) to build or rebuild physical infra-  
 23 structure of such State; or

24 (ii) to provide products or services to  
 25 the people of such State; and

1 (B) involves the use of amounts appro-  
2 priated or otherwise made available for use by  
3 such State.

4 (3) PUBLIC AVAILABILITY.—The Inspector  
5 General shall publish on a publicly available website  
6 each report required under this subsection.

7 (4) FORM.—Each report required under this  
8 subsection shall be submitted in unclassified form,  
9 but may include a classified annex if the Inspector  
10 General considers it necessary.

11 (5) RULE OF CONSTRUCTION.—Nothing in this  
12 subsection shall be construed to authorize the public  
13 disclosure of information that is—

14 (A) specifically prohibited from disclosure  
15 by any other provision of law;

16 (B) specifically required by Executive order  
17 to be protected from disclosure in the interest  
18 of national defense or national security or in  
19 the conduct of foreign affairs; or

20 (C) a part of an ongoing criminal inves-  
21 tigation.

22 (i) REPORT COORDINATION.—

23 (1) SUBMISSION TO SECRETARY OF HOUSING  
24 AND URBAN DEVELOPMENT.—The Inspector General  
25 shall also submit each report required under sub-

1 section (h) to the Secretary of Housing and Urban  
2 Development.

3 (2) SUBMISSION TO CONGRESS.—

4 (A) IN GENERAL.—Not later than 30 days  
5 after receipt of a report under paragraph (1),  
6 the Secretary of Housing and Urban Develop-  
7 ment may submit to the appropriate congres-  
8 sional committees any comments on the matters  
9 covered by the report the Secretary of Housing  
10 and Urban Development deems appropriate.

11 (B) CLASSIFIED ANNEX.—Any comments  
12 on the matters covered by the report shall be  
13 submitted in unclassified form, but may include  
14 a classified annex if the Secretary of Housing  
15 and Urban Development, as the case may be,  
16 considers it necessary.

17 (j) TRANSPARENCY.—

18 (1) REPORT.—Not later than 60 days after  
19 submission to the appropriate congressional commit-  
20 tees of a report under subsection (i), the Secretary  
21 of Housing and Urban Development shall make cop-  
22 ies of the report available to the public upon request,  
23 and at a reasonable cost.

24 (2) COMMENTS ON MATTERS COVERED BY RE-  
25 PORT.—Not later than 180 days after submission to

1 the appropriate congressional committees under sub-  
2 section (i)(2) of comments on a report under sub-  
3 section (h), the Secretary of Housing and Urban De-  
4 velopment shall make copies of the comments avail-  
5 able to the public upon request, and at a reasonable  
6 cost.

7 (k) AUTHORIZATION OF APPROPRIATIONS.—There is  
8 authorized to be appropriated \$20,000,000 for fiscal year  
9 2022 to carry out this section.

10 (l) TERMINATION.—The Office of the Special Inspec-  
11 tor General shall terminate on the date 5 years after the  
12 enactment of this Act.

13 (m) DEFINITIONS.—In this section:

14 (1) AMOUNTS APPROPRIATED OR OTHERWISE  
15 MADE AVAILABLE FOR USE BY STATES.—The term  
16 “amounts appropriated or otherwise made available  
17 for use by States” means amounts appropriated or  
18 otherwise made available for any fiscal year by an  
19 entity of the Federal Government for use by a State,  
20 including amounts appropriated or otherwise made  
21 available for use by a State under the following:

22 (A) The Coronavirus State and Local Fis-  
23 cal Recovery Fund.

24 (B) The Emergency Rental Assistance  
25 Program.

1 (C) The Coronavirus Relief Fund.

2 (2) APPROPRIATE CONGRESSIONAL COMMIT-  
3 TEES.—The term “appropriate congressional com-  
4 mittees” means—

5 (A) the Committees on Appropriations and  
6 Commerce, Science, and Transportation of the  
7 Senate;

8 (B) the Committees on Appropriations and  
9 Transportation and Infrastructure of the House  
10 of Representatives; and

11 (C) the Committees of Congress with juris-  
12 diction over the Department of Housing and  
13 Urban Development.

14 (3) INSPECTOR GENERAL.—The term “Inspec-  
15 tor General” means the Special Inspector General  
16 for State Spending and Waste.

17 (4) OFFICE.—The term “Office” means the Of-  
18 fice of the Special Inspector General for State  
19 Spending and Waste.

20 (5) STATE.—The term “State” means the 50  
21 States of the United States of America and the Dis-  
22 trict of Columbia.

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