

DATA Act Passes House

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Mid-November, the House passed the Digital Accountability and Transparency Act (or DATA Act), which stands to improve the transparency of federal spending. Introduced back in May of this year, the legislation would standardize and publish government reports and data related to financial management, procurement, and assistance.

Under the legislation, the Treasury department is called to establish data standards in consultation with OMB, GSA, and the heads of federal agencies. In addition to standardizing the information, the data would be made publicly accessible in machine-readable format through the improved [USASpending.gov](#) site. Recipients of federal funding, including state and local organizations, would regularly report how money is being spent.

The accessibility of this data holds promise for delivering greater transparency to citizens and investors, identifying and eliminating waste and fraud through data analytics, and facilitating automation of compliance for contractors and grant recipients.

Introduced back in May, the House vote on **H.R. 2061 passed the House** on November 18, 2013. The Senate Committee on Homeland Security and Governmental Affairs passed their version of the bill (**S. 994**) and reported it to the full U.S. Senate on November 6, 2013. Although a version of the bill passed the House in 2012, it failed to receive Senate committee votes.

Currently, the version in of this legislation in the Senate removes a provision for an expanded role of the Recovery Accountability and Transparency Board's accountability platform. This existing system has aided inspectors general to find waste and fraud in stimulus grants and contracts. The substitute amendment not only cuts this accountability platform, it removes "prevent waste, fraud, abuse, and improper payments" from the goals of the bill. It might seem like this move hamstring the inspectors general's ability to use this data, but that may not be the case. Once the data is available, other systems and technologies may advance to provide more robust analytics solutions. Although the Recovery Board's accountability platform already exists, the Board itself is scheduled to end its operations in 2015. Unless the final version of the bill expands the accountability platform, inspectors general will be faced with a window to identify a replacement capability for recovering and preventing fraud.

Through its Open Data policy and associated initiatives, the administration has sought leverage transparency to stimulate innovation, increase efficiency, and reduce waste. **Back in September 2013**, the Data Transparency Coalition hosted the nation's first open data policy conference to explore opportunities for new tools to streamline processes. As momentum behind these efforts continues and financial reporting requirements persist, contractors and grant recipients should anticipate further spending scrutiny to drive transparency and decrease waste, fraud, and abuse.

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