

112TH CONGRESS
1ST SESSION

H. R. 1343

IN THE SENATE OF THE UNITED STATES

OCTOBER 6, 2011

Received; read twice and referred to the Committee on Commerce, Science,
and Transportation

AN ACT

To return unused or reclaimed funds made available for
broadband awards in the American Recovery and Rein-
vestment Act of 2009 to the Treasury of the United
States.

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. ACCOUNTABILITY FOR BROADBAND STIMULUS**
2 **FUNDS.**

3 (a) **IN GENERAL.**—Notwithstanding any other provi-
4 sion of law, the Administrator of the Rural Utilities Serv-
5 ice or the Assistant Secretary of Commerce for Commu-
6 nications and Information shall take prompt and appro-
7 priate action to terminate for cause any award made
8 under the Broadband Initiatives Program or the
9 Broadband Technology Opportunities Program, respec-
10 tively, established pursuant to the American Recovery and
11 Reinvestment Act of 2009, if the Administrator or Assist-
12 ant Secretary determines that cause exists to terminate
13 the award. Such cause may include an insufficient level
14 of performance, wasteful spending, or fraudulent spend-
15 ing.

16 (b) **DEOBLIGATION AND RETURN OF FUNDS TO**
17 **TREASURY.**—

18 (1) **DEOBLIGATION.**—Upon terminating an
19 award under subsection (a), the Administrator or
20 the Assistant Secretary shall immediately deobligate
21 an amount equivalent to such award, less allowable
22 costs, to the extent funds with respect to such award
23 are available in the account relating to the
24 Broadband Initiatives Program or the Broadband
25 Technology Opportunities Program, respectively. If
26 the Administrator or the Assistant Secretary subse-

1 quently recovers any additional amounts from such
2 award, the Administrator or the Assistant Secretary
3 shall deobligate such additional amounts imme-
4 diately upon receipt.

5 (2) RETURN TO TREASURY.—Not later than 30
6 days after deobligating an amount under paragraph
7 (1), the Administrator or the Assistant Secretary
8 shall, without exception, return such amount to the
9 general fund of the Treasury of the United States.

10 (3) NO EXPENDITURES DURING TERMINATION
11 PROCESS.—The Administrator or the Assistant Sec-
12 retary shall promptly pursue available corrective
13 measures to ensure that funds received through an
14 award terminated under subsection (a) are not ex-
15 pended during the termination process.

16 (4) ACCOUNTING BY AWARD RECIPIENT.—The
17 Administrator or the Assistant Secretary shall direct
18 the recipient of an award terminated under sub-
19 section (a) to provide to the Administrator or the
20 Assistant Secretary a complete and accurate ac-
21 counting, which may include an independent ac-
22 counting, for any award funds that, as of the date
23 of termination, the recipient has received but has
24 not expended on allowable costs.

1 **SEC. 2. DISPOSITION OF UNUSED FUNDS.**

2 The Administrator of the Rural Utilities Service or
3 the Assistant Secretary of Commerce for Communications
4 and Information shall return to the general fund of the
5 Treasury of the United States an amount equivalent to
6 any award, less allowable costs, made under the
7 Broadband Initiatives Program or the Broadband Tech-
8 nology Opportunities Program, respectively, established
9 pursuant to the American Recovery and Reinvestment Act
10 of 2009, if such award has been returned to the Adminis-
11 trator or Assistant Secretary or disclaimed by the award
12 recipient at any time after the date of enactment of such
13 Act.

14 **SEC. 3. OVERSIGHT AND REPORTING REQUIREMENTS.**

15 (a) ACTION ON INFORMATION FROM OIG OR GAO.—
16 If the Administrator of the Rural Utilities Service or the
17 Assistant Secretary of Commerce for Communications and
18 Information receives information from an official de-
19 scribed in subsection (b) with respect to an award made
20 under the Broadband Initiatives Program or the
21 Broadband Technology Opportunities Program, respec-
22 tively, established pursuant to the American Recovery and
23 Reinvestment Act of 2009, and such information pertains
24 to material noncompliance with the award terms or provi-
25 sions or improper usage of award funds, the Administrator
26 or the Assistant Secretary shall—

1 (1) immediately review such information; and
2 (2) not later than 30 days after receiving such
3 information, determine whether cause exists to ter-
4minate such award under section 1(a), unless the of-
5ficial who provided such information recommends
6that the Administrator or the Assistant Secretary
7limit or not make such a determination.

8 (b) OFFICIALS DESCRIBED.—The officials described
9 in this subsection are the following:

10 (1) With respect to the Broadband Initiatives
11 Program, the Inspector General of the Department
12 of Agriculture.

13 (2) With respect to the Broadband Technology
14 Opportunities Program, the Inspector General of the
15 Department of Commerce.

16 (3) The Comptroller General of the United
17 States.

18 (c) CONGRESSIONAL NOTIFICATION.—

19 (1) IN GENERAL.—Not later than 3 days after
20 making a determination described in subsection
21 (a)(2), the Administrator or the Assistant Secretary
22 shall provide a notification of such determination
23 to—

24 (A) the Committee on Agriculture of the
25 House of Representatives and the Committee

1 on Agriculture of the Senate or the Committee
2 on Energy and Commerce of the House of Rep-
3 resentatives and the Committee on Commerce,
4 Science, and Transportation of the Senate, re-
5 spectively; and

6 (B) the official who provided the informa-
7 tion described in subsection (a).

8 (2) CONTENTS OF NOTIFICATION.—The notifi-
9 cation required by paragraph (1) shall include an ex-
10 planation of—

11 (A) the determination described in sub-
12 section (a)(2); and

13 (B) any action taken as a result of the de-
14 termination or why no action was necessary.

15 (3) CONFIDENTIAL NOTIFICATION UNDER CER-
16 TAIN CIRCUMSTANCES.—In the case of a determina-
17 tion by the Administrator or the Assistant Secretary
18 under subsection (a)(2) that cause does not exist to
19 terminate the award, the Administrator or the As-
20 sistant Secretary may make the congressional notifi-
21 cation required by paragraph (1)(A) on a confiden-
22 tial basis, if the Administrator or the Assistant Sec-
23 retary determines, after consultation with the official
24 who provided the information described in subsection
25 (a), that—

1 (A) there is no merit to such information;
2 and

3 (B) notification on a public basis would
4 cause irreparable harm to any person the infor-
5 mation is regarding.

6 **SEC. 4. CONFORMING AMENDMENTS.**

7 Section 6001(i)(4) of the American Recovery and Re-
8 investment Act of 2009 (47 U.S.C. 1305(i)(4)) is amend-
9 ed—

10 (1) by striking “may” and inserting “shall”;
11 and

12 (2) by striking “, and award these funds com-
13 petitively to new or existing applicants consistent
14 with this section”.

15 **SEC. 5. AWARD DEFINED.**

16 In this Act, the term “award” includes grants and
17 loans.

Passed the House of Representatives October 5,
2011.

Attest:

KAREN L. HAAS,
Clerk.