

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To require accountability in grant programs.

**IN THE SENATE OF THE UNITED STATES—113th Cong., 2d Sess.**

**S. 2646**

To reauthorize the Runaway and Homeless Youth Act, and  
for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by Mr. GRASSLEY

Viz:

1 On page 19, line 23, strike all that follows “title.”

2 On page 19, between lines 23 and 24, insert the fol-  
3 lowing:

4 **“SEC. 386C. ACCOUNTABILITY.**

5 “(a) IN GENERAL.—All grants awarded by the Sec-  
6 retary under this title shall be subject to the following ac-  
7 countability provisions:

8 “(1) AUDIT REQUIREMENT.—

9 “(A) DEFINITION.—In this paragraph, the  
10 term ‘unresolved audit finding’ means an audit  
11 report finding in the final audit report of the  
12 Inspector General of the Department of Health

1 and Human Services that the grantee has used  
2 grant funds for an unauthorized expenditure or  
3 otherwise unallowable cost that is not closed or  
4 resolved during the 12-month period beginning  
5 on the date on which the final audit report is  
6 issued

7 “(B) REQUIREMENT.—Beginning in the  
8 first fiscal year beginning after the date of en-  
9 actment of the Runaway and Homeless Youth  
10 and Trafficking Prevention Act, and in each fis-  
11 cal year thereafter, the Inspector General of the  
12 Department of Health and Human Services  
13 shall conduct audits of recipients of grants  
14 under this title to prevent waste, fraud, and  
15 abuse of funds by grantees. The Inspector Gen-  
16 eral shall determine the appropriate number of  
17 grantees to be audited each year.

18 “(C) MANDATORY EXCLUSION.—A recipi-  
19 ent of grant funds under this title that is found  
20 to have an unresolved audit finding shall not be  
21 eligible to receive grant funds under this title  
22 during the first 2 fiscal years beginning after  
23 the end of the 12-month period described in  
24 subparagraph (A).

1           “(D) PRIORITY.—In awarding grants  
2 under this title, the Secretary shall give priority  
3 to eligible applicants that did not have an unre-  
4 solved audit finding during the 3 fiscal years  
5 before submitting an application for a grant  
6 under this title.

7           “(E) REIMBURSEMENT.—If an entity is  
8 awarded grant funds under this title during the  
9 2-fiscal-year period during which the entity is  
10 barred from receiving grants under subpara-  
11 graph (C), the Secretary shall—

12                 “(i) deposit an amount equal to the  
13 amount of the grant funds that were im-  
14 properly awarded to the grantee into the  
15 General Fund of the Treasury; and

16                 “(ii) seek to recoup the costs of the  
17 repayment to the fund from the grant re-  
18 cipient that was erroneously awarded grant  
19 funds.

20           “(2) NONPROFIT ORGANIZATION REQUIRE-  
21 MENTS.—

22                 “(A) DEFINITION.—For purposes of this  
23 paragraph and the grant programs under this  
24 title, the term ‘nonprofit organization’ means  
25 an organization that is described in section

1           501(c)(3) of the Internal Revenue Code of 1986  
2           and is exempt from taxation under section  
3           501(a) of such Code.

4           “(B) PROHIBITION.—The Secretary may  
5           not award a grant under this title to a non-  
6           profit organization that holds money in offshore  
7           accounts for the purpose of avoiding paying the  
8           tax described in section 511(a) of the Internal  
9           Revenue Code of 1986.

10          “(C) DISCLOSURE.—Each nonprofit orga-  
11          nization that is awarded a grant under this title  
12          and uses the procedures prescribed in regula-  
13          tions to create a rebuttable presumption of rea-  
14          sonableness for the compensation of its officers,  
15          directors, trustees and key employees, shall dis-  
16          close to the Secretary, in the application for the  
17          grant, the process for determining such com-  
18          pensation, including the independent persons  
19          involved in reviewing and approving such com-  
20          pensation, the comparability data used, and  
21          contemporaneous substantiation of the delibera-  
22          tion and decision. Upon request, the Secretary  
23          shall make the information disclosed under this  
24          subparagraph available for public inspection.

25          “(3) CONFERENCE EXPENDITURES.—

1           “(A) LIMITATION.—No amounts author-  
2           ized to be appropriated to the Department of  
3           Health and Human Services under this title  
4           may be used by the Secretary, or by any indi-  
5           vidual or entity awarded discretionary funds  
6           through a cooperative agreement under this  
7           title, to host or support any expenditure for  
8           conferences that uses more than \$20,000 in  
9           funds made available to the Department of  
10          Health and Human Services, unless the Deputy  
11          Secretary or the appropriate Assistant Sec-  
12          retary, Director, or principal deputy (as des-  
13          ignated by the Deputy Secretary) provides prior  
14          written authorization that the funds may be ex-  
15          pended to host the conference.

16          “(B) WRITTEN APPROVAL.—Written ap-  
17          proval under subparagraph (A) shall include a  
18          written estimate of all costs associated with the  
19          conference, including the cost of all food, bev-  
20          erages, audio-visual equipment, honoraria for  
21          speakers, and entertainment.

22          “(C) REPORT.—The Deputy Secretary  
23          shall submit an annual report to the Committee  
24          on the Judiciary of the Senate and the Com-  
25          mittee on Education and the Workforce of the

1 House of Representatives on all conference ex-  
2 penditures approved under this paragraph.

3 “(4) ANNUAL CERTIFICATION.—Beginning in  
4 the first fiscal year beginning after the date of en-  
5 actment of the Runaway and Homeless Youth and  
6 Trafficking Prevention Act, the Secretary shall sub-  
7 mit, to the Committee on the Judiciary and the  
8 Committee on Appropriations of the Senate and the  
9 Committee on Education and the Workforce and the  
10 Committee on Appropriations of the House of Rep-  
11 resentatives, an annual certification indicating  
12 whether—

13 “(A) all audits issued by the Office of the  
14 Inspector General under paragraph (1) have  
15 been completed and reviewed by the appropriate  
16 Assistant Secretary or Director;

17 “(B) all mandatory exclusions required  
18 under paragraph (1)(C) have been issued;

19 “(C) all reimbursements required under  
20 paragraph (1)(E) have been made; and

21 “(D) includes a list of any grant recipients  
22 excluded under paragraph (1) from the previous  
23 year.

24 “(5) PROHIBITION ON LOBBYING ACTIVITY.—

1           “(A) IN GENERAL.—Amounts authorized  
2           to be appropriated under this title may not be  
3           utilized by any grant recipient to—

4                   “(i) lobby any representative of the  
5           Department of Health and Human Serv-  
6           ices regarding the award of grant funding;  
7           or

8                   “(ii) lobby any representative of a  
9           Federal, State, local, or tribal government  
10          regarding the award of grant funding.

11          “(B) PENALTY.—If the Secretary deter-  
12          mines that any recipient of a grant under this  
13          title has violated subparagraph (A), the Sec-  
14          retary shall—

15                   “(i) require the grant recipient to  
16           repay the grant amount in full; and

17                   “(ii) prohibit the grant recipient from  
18           receiving another grant under this title for  
19           not less than 5 years.

20          “(b) DEFINITION.—In this section, the term ‘grant’  
21          includes a contract or agreement for Federal financial as-  
22          sistance.”.