

106TH CONGRESS
2D SESSION

S. 3030

To amend title 31, United States Code, to provide for executive agencies to conduct annual recovery audits and recovery activities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 2000

Mr. THOMPSON introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To amend title 31, United States Code, to provide for executive agencies to conduct annual recovery audits and recovery activities, 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. RECOVERY AUDITS.**

4 (a) RECOVERY AUDIT REQUIREMENT.—(1) Chapter
5 35 of title 31, United States Code, is amended by adding
6 at the end the following:

7 “SUBCHAPTER VI—RECOVERY AUDITS

8 “§ 3561. **Definitions**

9 “In this subchapter:

1 “(1) AMOUNTS COLLECTED.—The term
2 ‘amounts collected’ means monies received or cred-
3 ited, by any means, including offset, by the United
4 States Government.

5 “(2) CHIEF FINANCIAL OFFICER.—The term
6 ‘Chief Financial Officer’ means—

7 “(A) the official appointed or designated
8 under section 901 of this title; or

9 “(B) in the case of an executive agency
10 that is not required to have a Chief Financial
11 Officer under that section, an official of the
12 agency whose authority and functions are sub-
13 stantially equivalent to the authority and func-
14 tions of an agency Chief Financial Officer
15 under section 902 of this title.

16 “(3) DIRECTOR.—The term ‘Director’ means
17 the Director of the Office of Management and Budg-
18 et.

19 “(4) DISCLOSE.—The term ‘disclose’, with re-
20 spect to individually identifiable information on any
21 person, means release, publish, transfer, provide ac-
22 cess to, or otherwise divulge the individually identifi-
23 able information to any other person.

24 “(5) FACIAL-DISCREPANCY PAYMENT ERROR.—
25 The term ‘facial-discrepancy payment error’—

1 “(A) means, except as provided in sub-
2 paragraph (B), any error in a payment made by
3 an executive agency for goods or services that
4 is apparent from a review of the face of an in-
5 voice or other payment document that is pre-
6 sented to the executive agency by the supplier
7 of the goods or services in the usual and cus-
8 tomary conduct of business or pursuant to a re-
9 quirement in law or a contract to substantiate
10 the claim for the payment, including any such
11 document that is presented electronically; and

12 “(B) does not include a payment error
13 identified, resulting, or supported from a docu-
14 ment that is—

15 “(i) a record of a proprietary nature
16 that is maintained solely by the supplier of
17 the goods or services;

18 “(ii) not specifically required to be
19 presented to the executive agency by con-
20 tract, law, or regulation, or not necessary
21 for the substantiation of the claim for the
22 payment; or

23 “(iii) submitted to the executive agen-
24 cy for evaluative purposes before the award

1 of the contract under which the payment
2 was made.

3 “(6) INDIVIDUALLY IDENTIFIABLE INFORMA-
4 TION.—The term ‘individually identifiable informa-
5 tion’, with respect to a person, means any informa-
6 tion, whether oral or recorded in any form or me-
7 dium, that identifies the person or with respect to
8 which there is a reasonable basis to believe that the
9 information can be used to identify the person.

10 “(7) OVERSIGHT.—The term ‘oversight’, with
11 respect to a payment activity, recovery audit, or re-
12 covery activity, means activities by a Federal, State,
13 or local governmental entity to enforce laws relating
14 to, to investigate, or to regulate such audit or activ-
15 ity.

16 “(8) PAYMENT ACTIVITY.—The term ‘payment
17 activity’ means an executive agency activity to pay
18 nongovernmental sources for goods or services ac-
19 quired from those sources by the agency to support
20 the performance of the agency’s mission.

21 “(9) RECOVERY AUDIT.—The term ‘recovery
22 audit’ means a financial management technique of
23 an executive agency that is used by the executive
24 agency to perform internal audits of its records to
25 identify facial-discrepancy payment errors that are

1 made by the executive agency in connection with a
2 payment activity, including facial-discrepancy pay-
3 ment errors that result from any of the following:

4 “(A) Duplicate payments.

5 “(B) Invoice errors.

6 “(C) Failure to take advantage of applica-
7 ble discounts, rebates, or other allowances.

8 “(D) Any other similar facial-discrepancy
9 payment errors resulting in inaccurate pay-
10 ments, including underpayments identified pur-
11 suant to guidance issued under section
12 3565(b)(3) of this title.

13 “(10) RECOVERY ACTIVITY.—The term ‘recov-
14 ery activity’ means an executive agency activity to
15 attempt to collect, under the authority of chapter 37
16 of this title or any other provision of law, a payment
17 error identified in a recovery audit.

18 “(11) RECOVERY AUDIT CONTRACTOR.—The
19 term ‘recovery audit contractor’ means any private
20 sector person who is obligated under a contract en-
21 tered into with an executive agency to perform a re-
22 covery audit for the executive agency.

23 **“§ 3562. Recovery audit requirement**

24 “(a) IN GENERAL.—Except as exempted under sec-
25 tion 3566 of this title, the head of each executive agency—

1 “(1) shall conduct each fiscal year—

2 “(A) recovery audits of the payment activi-
3 ties of the agency for the preceding fiscal year
4 if the payment activities for the fiscal year total
5 at least \$500,000,000 (adjusted by the Director
6 annually for inflation); and

7 “(B) the recovery activities determined
8 warranted with respect to those payment activi-
9 ties; and

10 “(2) may conduct in any fiscal year—

11 “(A) recovery audits of the payment activi-
12 ties of the agency for the preceding fiscal year
13 if the payment activities for the fiscal year total
14 less than \$500,000,000 (adjusted by the Direc-
15 tor annually for inflation); and

16 “(B) the recovery activities determined
17 warranted with respect to those payment activi-
18 ties.

19 “(b) REQUEST FOR EXEMPTION.—The head of an ex-
20 ecutive agency required to conduct a recovery audit under
21 subsection (a)(1) may request that the Director exempt
22 a payment activity, in whole or in part, from that require-
23 ment if the head of the executive agency determines and
24 can demonstrate that the exemption is justified on any
25 basis described in section 3566(a) of this title.

1 “(c) PROCEDURES.—

2 “(1) IN GENERAL.—The head of each executive
3 agency shall prescribe procedures for the perform-
4 ance of recovery audits and recovery activities in the
5 agency that implement this section in a manner de-
6 signed to ensure the greatest financial benefit to the
7 United States.

8 “(2) SPECIFIC PROCEDURES.—In conducting
9 recovery audits and recovery activities under this
10 section, the head of an executive agency—

11 “(A) shall consult and coordinate with the
12 Chief Financial Officer and the Inspector Gen-
13 eral of the agency to avoid any duplication of
14 effort;

15 “(B) may conduct recovery audits and re-
16 covery activities regarding payments by the ex-
17 ecutive agency by using personnel of the agen-
18 cy’s payment office without reimbursement or
19 payment for services in accordance with the
20 standards issued by the Director under section
21 3565(b)(2) of this title, by procuring the per-
22 formance of recovery audits by contractors, or
23 by any combination of both methods; and

24 “(C) shall ensure that the recovery audits
25 and recovery activities are carried out con-

1 sistent with the standards issued by the Direc-
2 tor under section 3565(b)(2) of this title.

3 “(d) RECOVERY AUDIT CONTRACTS.—

4 “(1) AUTHORITY TO USE CONTINGENCY CON-
5 TRACTS.—Notwithstanding section 3302(b) of this
6 title, as consideration for performance of any recov-
7 ery audit procured by an executive agency, the head
8 of the executive agency may pay the recovery audit
9 contractor an amount equal to a percentage of the
10 total amount collected by the United States as a re-
11 sult of payment errors identified by the recovery
12 audit contractor in the audit.

13 “(2) CONSTRUCTION.—

14 “(A) RELATIONSHIP TO OTHER EXECU-
15 TIVE AUTHORITIES.—A contract for the per-
16 formance of a recovery audit shall not affect—

17 “(i) any authority of the head of an
18 executive agency, or any other person,
19 under the Contract Disputes Act of 1978
20 (41 U.S.C. 601 et seq.) and other applica-
21 ble laws, including authority to initiate liti-
22 gation or referrals for litigation; or

23 “(ii) the requirements of sections
24 3711, 3716, 3718, and 3720 of this title
25 that the head of an executive agency re-

1 solve disputes, compromise, or terminate
2 payment of error claims, collect by offset,
3 and otherwise engage in recovery activities
4 with respect to payment errors identified
5 by the recovery audit.

6 “(B) CONTRACTOR AUTHORITIES AND DU-
7 TIES.—Nothing in this subchapter shall be con-
8 strued to authorize a recovery audit contractor
9 with an executive agency—

10 “(i) to require the production of any
11 record or information by any person other
12 than an officer, employee, or agent of the
13 executive agency; or

14 “(ii) to establish, or otherwise have, a
15 physical presence on the property or prem-
16 ises of any private sector entity as part of
17 its contractual obligations to an executive
18 agency.

19 “(3) REQUIRED CONTRACT TERMS AND CONDI-
20 TIONS.—The head of an executive agency shall in-
21 clude in each contract for the procurement of the
22 performance of a recovery audit the following re-
23 quirements:

24 “(A) That the recovery audit contractor
25 protect from improper use and from disclosure

1 to any person inside or outside the recovery
2 audit contractor's firm who is not directly in-
3 volved in the identification or recovery of pay-
4 ment errors—

5 “(i) any financial information that is
6 viewed or obtained in the course of car-
7 rying out a recovery audit for an executive
8 agency; and

9 “(ii) any other information so viewed
10 or obtained that has not been released for
11 general public use by the audited person or
12 an authorized agent of that person.

13 “(B) That the recovery audit contractor
14 submit to the head of the executive agency peri-
15 odic reports on conditions giving rise to pay-
16 ment errors identified by the recovery audit
17 contractor and any recommendations on how to
18 mitigate such conditions.

19 “(C) That the recovery audit contractor
20 notify the head of the executive agency of any
21 payment errors identified by the contractor per-
22 taining to the executive agency or to another
23 executive agency that are beyond the scope of
24 the contract.

1 “(D) That the recovery audit contractor
2 promptly notify the head of the executive agen-
3 cy of any indication of fraud or other criminal
4 activity discovered in the course of the audit.

5 “(4) EXECUTIVE AGENCY ACTION FOLLOWING
6 NOTIFICATION.—The head of an executive agency
7 shall take prompt and appropriate action in response
8 to a notification by a recovery audit contractor pur-
9 suant to the requirements under paragraph (3), in-
10 cluding forwarding to the head of another executive
11 agency any information that applies to that agency.

12 “(5) CONTRACTING REQUIREMENTS.—Before
13 contracting for any recovery audit, the head of an
14 executive agency shall determine and compare the
15 cost of using employees of the United States to per-
16 form the audit and the cost of procuring the per-
17 formance of the audit from the private sector. The
18 head of the executive agency shall use the outcome
19 of the cost comparison process to determine whether
20 to use the employees of the United States or to pro-
21 cure recovery audit services from the private sector.

22 “(e) RELATIONSHIP TO AUTHORITY OF INSPECTORS
23 GENERAL.—Nothing in this subchapter shall be construed
24 as impairing the authority of an Inspector General under

1 the Inspector General Act of 1978 or any other provision
2 of law.

3 “(f) RELATIONSHIP TO REQUIREMENTS FOR PAY-
4 MENTS FOR TRANSPORTATION.—Nothing in this sub-
5 chapter shall be construed to affect the requirements and
6 authorities provided in section 3726 of this title.

7 “(g) PRIVACY PROTECTIONS.—

8 “(1) LIMITATION ON DISCLOSURE OF INDIVID-
9 UALLY IDENTIFIABLE INFORMATION.—

10 “(A) RESTRICTION.—Any recovery audit
11 contractor that obtains individually identifiable
12 information on a person through the perform-
13 ance of a recovery audit or recovery activity
14 under this subchapter may disclose that infor-
15 mation only for the purpose of such audit or ac-
16 tivity, respectively, and for the oversight of such
17 audit or activity, unless otherwise authorized by
18 that person.

19 “(B) SANCTIONS.—Any person that vio-
20 lates subparagraph (A) shall be liable for any
21 damages (including nonpecuniary damages,
22 costs, and attorneys’ fees) caused by the viola-
23 tion.

24 “(2) RETURN OF INFORMATION.—

1 “(A) REQUIREMENT.—Upon the date de-
2 termined under subparagraph (B), a recovery
3 audit contractor having possession of individ-
4 ually identifiable information disclosed in the
5 course of a recovery audit or recovery activity
6 that is performed under this subchapter by the
7 recovery audit contractor shall return it to the
8 person from whom it was obtained unless an-
9 other applicable law requires retention of the
10 information.

11 “(B) TIME FOR RETURN OF INFORMA-
12 TION.—The date referred to in subparagraph
13 (A) is the date of the conclusion of the matter
14 or need for which the information was dis-
15 closed, except that if, on that date, the recovery
16 audit contractor has actual notice of any over-
17 sight of the recovery audit or recovery activity,
18 the date referred to in subparagraph (A) is the
19 date of the conclusion of such oversight.

20 **“§ 3563. Disposition of amounts collected**

21 “(a) IN GENERAL.—Notwithstanding section
22 3302(b) of this title, the total amount collected in a fiscal
23 year by the United States as a result of recovery audits
24 by an executive agency under this subchapter shall be dis-
25 posed of in accordance with this section.

1 “(b) USE FOR RECOVERY AUDIT COSTS.—

2 “(1) CONTRACTOR PAYMENTS.—Amounts re-
3 ferred to in subsection (a) shall be available to the
4 executive agency to pay amounts owed to any recov-
5 ery audit contractor for performance of the audit.

6 “(2) OTHER COSTS.—Subject to the limitation
7 in subsection (e), amounts referred to in subsection
8 (a) shall be available to the executive agency—

9 “(A) to reimburse any applicable appro-
10 priation for other recovery audit costs incurred
11 by the executive agency with respect to the
12 audit; and

13 “(B) to pay any fees authorized under
14 chapter 37 of this title.

15 “(c) USE FOR MANAGEMENT IMPROVEMENT PRO-
16 GRAM.—Subject to the limitation in subsection (e), up to
17 a total of 25 percent (as determined under the guidance
18 issued under section 3565 of this title) of the amount re-
19 ferred to in subsection (a)—

20 “(1) shall be available to the executive agency
21 to carry out the management improvement program
22 of the agency under section 3564 of this title; and

23 “(2) may be credited for that purpose by the
24 head of the executive agency to any agency appro-
25 priation that is available for obligation at the time

1 of the collection and shall be merged with other
2 amounts in, and shall remain available for the same
3 period as, the appropriation to which credited.

4 “(d) REMAINDER TO TREASURY.—Subject to the lim-
5 itation in subsection (e), there shall be deposited into the
6 Treasury as miscellaneous receipts a sum equal to—

7 “(1) 50 percent of the amount referred to in
8 subsection (a); plus

9 “(2) any of that amount that remains
10 unallocated after the application of subsections (b)
11 and (c).

12 “(e) LIMITATION ON APPLICATION.—

13 “(1) IN GENERAL.—This section does not apply
14 to amounts collected through recovery audits and re-
15 covery activities to the extent that such application
16 would be inconsistent with another provision of law
17 that authorizes the crediting of the amounts to a
18 nonappropriated fund instrumentality, revolving
19 fund, working-capital fund, trust fund, or other fund
20 or account.

21 “(2) AMOUNTS PAID OUT OF CURRENTLY
22 AVAILABLE FUNDS.—Subsections (b)(2), (c), and (d)
23 shall not apply to amounts collected through recov-
24 ery audits and recovery activities that were paid out

1 of an appropriation or fund that remains available
2 for obligation at the time the amounts are collected.

3 **“§ 3564. Management improvement program**

4 “(a) IN GENERAL.—

5 “(1) REQUIRED PROGRAM.—The head of each
6 executive agency that is required to conduct recovery
7 audits under section 3562 of this title shall conduct
8 a management improvement program under this sec-
9 tion, consistent with guidelines prescribed by the Di-
10 rector.

11 “(2) DISCRETIONARY PROGRAM.—The head of
12 any other executive agency that conducts recovery
13 audits under section 3562 of this title that meet the
14 standards issued by the Director under section
15 3565(b)(2) may conduct a management improve-
16 ment program under this section.

17 “(b) PROGRAM FEATURES.—In conducting a man-
18 agement improvement program under this section, the
19 head of an executive agency—

20 “(1) shall, as the first priority of the program,
21 address problems that contribute directly to payment
22 errors of the executive agency; and

23 “(2) may seek to reduce errors and waste in
24 other programs and operations of that executive
25 agency by improving the executive agency’s staff ca-

1 pabilities, information technology, and financial
2 management.

3 “(c) INTEGRATION WITH OTHER ACTIVITIES.—The
4 head of an executive agency—

5 “(1) subject to paragraph (2), may integrate
6 the program under this section, in whole or in part,
7 with other management improvement programs and
8 activities of that agency or other executive agencies;
9 and

10 “(2) shall retain the ability to account specifi-
11 cally for the use of amounts available to the execu-
12 tive agency under section 3563 of this title.

13 **“§ 3565. Responsibilities of the Director of the Office**
14 **of Management and Budget**

15 “(a) IN GENERAL.—The Director shall coordinate
16 and oversee the implementation of this subchapter.

17 “(b) GUIDANCE.—

18 “(1) IN GENERAL.—The Director, in consulta-
19 tion with the Chief Financial Officers Council and
20 the President’s Council on Integrity and Efficiency,
21 shall issue guidance and provide support to the exec-
22 utive agencies for the implementation of this sub-
23 chapter.

24 “(2) RECOVERY AUDIT STANDARDS.—The Di-
25 rector shall include in the guidance standards for

1 the performance of recovery audits under this sub-
2 chapter. The Director shall develop the guidance in
3 consultation with the Comptroller General and pri-
4 vate sector experts on recovery audits, including
5 such experts who use recovery auditing as part of
6 their financial management procedures.

7 “(3) TREATMENT OF UNDERPAYMENTS.—The
8 guidance developed under this subsection shall in-
9 clude specific standards and procedures for the iden-
10 tification and disposition of facial-discrepancy pay-
11 ment errors that result in underpayments to ven-
12 dors.

13 “(c) FEE LIMITATIONS.—The Director may limit the
14 percentage amounts that may be paid to recovery audit
15 contractors under section 3562(d)(1) of this title.

16 **“§ 3566. Exemptions**

17 “(a) IN GENERAL.—The Director may exempt an ex-
18 ecutive agency, in whole or in part, from the requirement
19 to conduct recovery audits under section 3562(a)(1) of
20 this title if the Director determines that compliance with
21 the requirement—

22 “(1) would impair the performance of the agen-
23 cy’s mission; or

24 “(2) would not, or would no longer, be cost-ef-
25 fective.

1 “(b) REPORT TO CONGRESS.—The Director shall
2 promptly report the basis of any determination made and
3 exemption granted under subsection (a)(1) to Congress.

4 “(c) EXEMPTION OF CERTAIN CONTRACTS.—The re-
5 quirements of section 3562(a) of this title shall not apply
6 to any of the following contracts:

7 “(1) A contract that provides for periodic audit
8 of invoices pursuant to section 2313 of title 10 or
9 section 304C of the Federal Property and Adminis-
10 trative Services Act of 1949 (41 U.S.C. 254d).

11 “(2) A contract for which cost or pricing data
12 were required to be provided pursuant to section
13 2306a of title 10 or section 304A of the Federal
14 Property and Administrative Services Act of 1949
15 (41 U.S.C. 254b).

16 “(3) A contract that is subject to cost account-
17 ing standards issued by the Cost Accounting Stand-
18 ards Board under section 26 of the Office of Federal
19 Procurement Policy Act (41 U.S.C. 422).”.

20 (2) The table of sections at the beginning of such
21 chapter 35 is amended by adding at the end the following:

“SUBCHAPTER VI—RECOVERY AUDITS

“Sec.

“3561. Definitions.

“3562. Recovery audit requirement.

“3563. Disposition of amounts collected.

“3564. Management improvement program.

“3565. Responsibilities of the Director of the Office of Management and Budg-
et.

“3566. Exemptions.”.

1 (b) APPLICATION TO ALL EXECUTIVE AGENCIES.—
2 Section 3501 of title 31, United States Code, is amended
3 by inserting “and subchapter VI of this chapter” after
4 “section 3513”.

5 (c) INITIAL OMB GUIDANCE.—The Director of the
6 Office of Management and Budget shall issue initial guid-
7 ance under section 3565(b) of title 31, United States Code
8 (as added by subsection (a)), not later than 180 days after
9 the date of the enactment of this Act. The initial guidance
10 shall include the standards required by paragraph (2) of
11 such section.

12 (d) INITIAL RECOVERY AUDITS.—(1) The head of
13 each executive agency shall begin the first recovery audit
14 under section 3562(a)(1) of title 31, United States Code
15 (as added by subsection (a)), for payment activities re-
16 ferred to in that section by not later than 18 months after
17 the date of the enactment of this Act.

18 (2) The first recovery audit shall cover fiscal year
19 2001, the preceding fiscal year, and any additional fiscal
20 years before fiscal year 2000 that the head of the executive
21 agency determines that it is practical and cost-effective to
22 conduct, subject to any limitation regarding the period for
23 recordkeeping that is provided under applicable law.

24 (e) USE OF RESULTS.—A determination of whether
25 an individual is an original source for the purposes of sec-

1 tion 3730(e)(4) of title 31, United States Code, may not
2 be based in whole or in part on results of any recovery
3 audit conducted under section 3562 of such title.

4 (f) RECOVERY AUDIT PILOT PROGRAMS.—(1) The
5 Director of the Office of Management and Budget may
6 designate one or more executive agencies to carry out a
7 recovery audit pilot program for payment activities not de-
8 scribed in section 3561(8) of title 31, United States Code
9 (as added by subsection (a)), that involve payments to en-
10 tities providing services or making payments for or on be-
11 half of the Federal Government pursuant to contracts,
12 grants, or other arrangements with the executive agency
13 or agencies. The Director shall consult with the head of
14 the executive agency before designating an executive agen-
15 cy to carry out a pilot program under this subsection.

16 (2) The purposes of a pilot program of an executive
17 agency under this subsection are as follows:

18 (A) To test the feasibility and effectiveness of
19 conducting recovery audits with respect to payment
20 activities other than those related to Federal con-
21 tracts for the procurement of goods or services to
22 support the performance of the executive agency's
23 mission.

1 (B) To develop best practices for conducting re-
2 covery audits with respect to such payment activi-
3 ties.

4 (3) A recovery audit pilot program conducted under
5 this subsection shall be subject to the same authorities,
6 conditions, and limitations as other recovery audits con-
7 ducted under subchapter VI of chapter 35 of title 31,
8 United States Code (as added by subsection (a)).

9 (g) REPORTS.—(1) Not later than 30 months after
10 the date of the enactment of this Act, and annually for
11 each of the two years thereafter, the Director of the Office
12 of Management and Budget shall submit a report on the
13 implementation of subchapter VI of chapter 35 of title 31,
14 United States Code (as added by subsection (a)), to the
15 President and Congress. Each report shall include the fol-
16 lowing:

17 (A) A general description and evaluation of the
18 steps taken by the heads of executive agencies to
19 conduct recovery audits, including an inventory of
20 the programs and activities of each executive agency
21 that are subject to recovery audits.

22 (B) An assessment of the benefits of recovery
23 audits and recovery activities, including amounts
24 identified and recovered (including by administrative
25 offset).

1 (C) An identification of best practices that
2 could be applied to future recovery audits and recov-
3 ery activities.

4 (D) An identification of any significant prob-
5 lems or barriers to more effective performance of re-
6 covery audits and recovery activities.

7 (E) A description of executive agency expendi-
8 tures in the recovery audit process.

9 (F) A description of executive agency manage-
10 ment improvement programs under section 3564 of
11 title 31, United States Code (as added by subsection
12 (a)).

13 (G) Any recommendations for changes in execu-
14 tive agency practices or law or other improvements
15 that the Director believes would enhance the effec-
16 tiveness of the performance of executive agency re-
17 covery audits.

18 (H) A description and evaluation of each recov-
19 ery audit pilot program conducted under subsection
20 (f).

21 (2) Not later than 60 days after the submittal of each
22 report under paragraph (1), the Comptroller General of
23 the United States shall submit a report on the implemen-
24 tation of subchapter VI of chapter 35 of title 31, United

1 States Code, to Congress and the Director of the Office
2 of Management and Budget.

3 (h) STUDY.—(1) The Director of the Office of Man-
4 agement and Budget shall conduct a study of the effects
5 of recovery audits conducted by the heads of executive
6 agencies. The effects identified in the study shall include
7 any significant problems relating to the provision of im-
8 proper or inadequate notice of recovery audits to persons
9 who are audited.

10 (2) The Director shall submit a report on the study
11 to Congress. The report shall contain the Director's find-
12 ings, conclusions, and recommendations resulting from the
13 study.

○