

Calendar No. 30

111TH CONGRESS }
1st Session }

SENATE

{ REPORT
111-7

FEDERAL FINANCIAL ASSISTANCE
MANAGEMENT IMPROVEMENT ACT OF 2009

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 303

TO REAUTHORIZE AND IMPROVE THE FEDERAL FINANCIAL
ASSISTANCE MANAGEMENT IMPROVEMENT ACT OF 1999



MARCH 11, 2009.—Ordered to be printed

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FEDERAL FINANCIAL ASSISTANCE MANAGEMENT IMPROVEMENT ACT OF 2009

MARCH 11, 2009.—Ordered to be printed

Mr. LIEBERMAN, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 303]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 303) to reauthorize and improve the Federal Financial Assistance Management Improvement Act of 1999, having considered the same, reports favorably thereon without amendment, and recommends that the bill do pass.

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I. PURPOSE AND SUMMARY

The purpose of S. 303 is to reauthorize and improve the Federal Financial Assistance Management Improvement Act of 1999 (“FFAMIA” or “Act”),¹ which sought to improve the effectiveness and performance of federal financial assistance programs and reduce the burden on applicants by, among other things, simplifying application and reporting requirements. S. 303 updates and expands the provisions of the FFAMIA. It requires that the Director of the Office of Management and Budget (OMB) and federal agen-

¹Pub. L. No. 106–107 (31 U.S.C. § 6101 note).

cies continue to work together and with the nonfederal entities that receive federal financial assistance to streamline federal grants administration; provides that the OMB Director develop a strategic plan for achieving such streamlining and for other improvements; and requires biennial reports from the Director of OMB and from federal agencies to ensure progress towards implementing the strategic plan and meeting the goals of the FFAMIA.

II. BACKGROUND AND NEED FOR THE LEGISLATION

There are in excess of 1,000 different federal grant programs, administered by more than two dozen federal agencies.² Traditionally, each agency has had its own distinct processes and requirements for grant applications and reporting. Individual grant programs have sometimes imposed unique requirements as well. As a result, state, local, and tribal governments, nonprofit organizations and others seeking assistance from multiple federal sources have faced duplicative, burdensome and even conflicting requirements. Additionally, these entities have spent resources meeting unnecessarily burdensome requirements that could otherwise have gone towards carrying out the public purposes for which the grants are intended.

To address these concerns, Congress enacted the FFAMIA in 1999. The Act was intended to improve the effectiveness and performance of federal grant and other assistance programs, simplify federal financial assistance application and reporting requirements, improve the delivery of services to the public and facilitate greater coordination among the federal agencies and their non-federal partners responsible for delivering such services.³

Specifically, the FFAMIA required federal agencies, in consultation with non-federal entities, to develop and implement plans to streamline and simplify the application, administrative and reporting procedures for federal financial assistance programs and use common applications and reporting systems for those programs.⁴ The Act also called for the development of electronic applications and reports on the use of federal financial assistance, and it required the OMB Director to direct, coordinate and assist federal agencies in establishing common applications and reporting systems.⁵ The Act provided that it would sunset eight years after enactment, in November 2007.⁶

The FFAMIA has led to a number of improvements in the management and transparency of the federal grants process. The most notable and visible of these is the creation of a web portal for federal grant applicants at www.grants.gov (“Grants.gov”). Currently, there are over 1,000 grants, from 26 federal agencies, listed on Grants.gov; these grants represent more than \$450 billion in federal government awards to state, local, and tribal governments, nonprofit organizations, and others.⁷ According to OMB, the

² Office of Management and Budget, Report to Congress on the Benefits of the President’s E-Government Initiatives (Fiscal Year 2008), p. 12 (hereinafter, “E-Government Report”); See also: U.S. Government Accountability Office, Grants Management Additional Actions Needed to Streamline and Simplify Processes, GAO-05-335 p. 1 (hereinafter, “2005 GAO Report”).

³ Pub. L. No. 106-107, Sec. 3.

⁴ Pub. L. No. 106-107, Sec. 5.

⁵ Pub. L. No. 106-107, Sec. 6.

⁶ Pub. L. No. 106-107, Sec. 11.

⁷ E-Government Report, p. 12. OMB reports that within these grant programs, over 2,900 application packages (or all but an exempted 291 of the total application packages) were posted

Grants.gov website benefits the federal government by allowing agencies to reduce operating costs associated with posting grants and to improve operational effectiveness through increased data accuracy and reduced processing times.⁸ Equally importantly, Grants.gov has the potential to reduce the burden on the state, local, and tribal governments, nonprofits and others who apply for federal grants, by serving as a “one-stop shop” for grant information and applications for grantees.

In 2005, the Government Accountability Office (“GAO”), as required by section 7 of the FFAMIA, assessed and reported on the effectiveness of the Act,⁹ and in 2006, it issued a second report.¹⁰ In these reports, GAO noted that federal agencies had made some progress in streamlining aspects of the grants life cycle.¹¹ Grants.gov, for example, was developed to help potential grantees identify grant opportunities more easily and apply for grants electronically.¹² In addition, efforts were undertaken to consolidate grant management systems across agencies,¹³ and a standard format for the announcement of grant opportunities was developed.¹⁴ By May 2006, GAO reported, all but two agencies had provided the capability for grantees to apply for grants using the Grants.gov website.¹⁵

GAO, however, also noted that efforts to develop common electronic reporting systems had not progressed.¹⁶ In fact, although FFAMIA required the development of a common system, including electronic processes, through which a grantee could apply for, manage, and report on the use of funding,¹⁷ systems for any grant phase beyond the application phase had not been developed.¹⁸ In addition to a lack of common reporting systems, GAO found that federal agencies operated nine different systems to distribute grant funding, some of which were unreliable and antiquated.¹⁹ Some grantees also commented to GAO that each grant they were awarded required separate certifications and assurance forms, which they considered an unnecessary burden because the forms did not vary widely among programs.²⁰

Finally, GAO noted that agency coordination with the grantee community was limited.²¹ GAO reported that federal agencies solicited input from the grantee community during the early planning stages to implement the FFAMIA but did not coordinate with the grantee community on an ongoing basis.²²

online (E-Government Report, p. 13), and that over 180,000 applications were submitted through Grants.gov in FY 2007 (E-Government Report, p. ii).

⁸E-Government Report, p. 13.

⁹2005 GAO Report.

¹⁰U.S. Government Accountability Office, Grants Management Grantees’ Concerns with Efforts to Streamline and Simplify Processes, GAO 06–566 (hereinafter, “2006 GAO Report”).

¹¹2005 GAO Report, p. 3.

¹²2005 GAO Report, p. 8.

¹³2005 GAO Report, p. 3.

¹⁴2005 GAO Report, p. 3.

¹⁵2006 GAO Report, p. 10.

¹⁶2005 GAO Report, p. 16.

¹⁷Pub. L. No. 106–107, Sec. 6.

¹⁸2006 GAO Report, p. 13. GAO noted that in 2004, OMB started to create end-to-end grants management systems, with a goal of moving all agencies to common systems by 2011. 2006 GAO Report, p. 11.

¹⁹2006 GAO Report, p. 14.

²⁰2006 GAO Report, p. 15.

²¹2005 GAO Report, p. 3.

²²2005 GAO Report, p. 18.

Ultimately, GAO concluded that additional work was needed to streamline the administration of federal financial assistance programs and that the momentum established pursuant to the FFAMIA needed to continue past the law's November 2007 sunset.²³ GAO recommended that "Congress should consider reauthorizing the law to make certain that federal agencies have clear requirements to continue . . . efforts and the momentum for progress in streamlining grant administration continues."²⁴

In his responses to questions for the record following his January 14, 2009, confirmation hearing before the Senate Homeland Security and Governmental Affairs Committee, OMB Director Peter Orszag indicated his support for efforts to streamline grant administration, stating "I believe that improving grants management should be a priority, and that we should work towards simplifying the process and creating more integrity and transparency in the grant-making process. The enactment of the Federal Funding Accountability and Transparency Act (FFATA) [P.L. 109-282] was a critical step toward greater transparency of grant awards, but significant work remains in carrying out the full vision of this law. The reauthorization of the Federal Financial Assistance Management Improvement Act of 1999 would complement FFATA by enabling us to achieve, along with transparency enhancements, process improvements that lower costs and reduce burden on government agencies and Federal funding recipients."²⁵

S. 303 would reauthorize the FFAMIA by eliminating the 2007 sunset date. In addition, it would address many of the issues raised by GAO in 2005 and 2006. Specifically, the bill seeks to codify and enhance the use of Grants.gov, requiring the OMB Director to maintain a public website that allows grant applicants to search and apply for grants; to manage, track, and report on the use of grants; and to provide required certifications and assurances for grants. It would further instruct the OMB Director to develop a strategic plan that provides plans, timelines, and cost estimates for developing an electronic capability for managing federal financial assistance; creating common applications and reporting forms and requirements; developing common certifications and assurances; and minimizing the number of different systems used to disburse federal financial assistance. S. 303 would also require the OMB Director to report biennially to Congress for the next 15 years on progress made in implementing the Act and the strategic plan, and each federal agency would have to report biennially to OMB for a period of 15 years on its progress towards achieving its objectives in furtherance of the strategic plan.

III. LEGISLATIVE HISTORY

On January 22, 2009, S. 303 was introduced by Senators Voinovich, Lieberman, and Carper and was referred to the Committee on Homeland Security and Governmental Affairs. A previous version of the bill, S. 3341, introduced by Senators Voinovich and Lieberman in the 110th Congress, passed the Senate by unani-

²³ 2006 GAO Report, p. 26.

²⁴ 2006 GAO Report, p. 27.

²⁵ Additional Questions for the Record following the Nomination Hearing for Peter Orszag, submitted by Senator George V. Voinovich, January 14, 2009.

mous consent. No action was taken on S. 3341 in the House of Representatives.

On February 11, 2009, the Committee on Homeland Security and Governmental Affairs considered S. 303 and ordered the bill reported favorably without amendment by voice vote. The members present were Lieberman, Levin, Carper, Pryor, Landrieu, McCaskill, Tester, Burris, Bennet, Collins, McCain, and Voinovich.

IV. SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section establishes the title of the act as the “Federal Financial Assistance Management Improvement Act of 2009”.

Section 2. Reauthorization

This section eliminates the sunset provision originally included in section 11 of the 1999 Act, effectively reauthorizing that Act indefinitely.

Section 3. Website relating to federal grants

This section redesignates sections 6(e) and 6(f) as 6(f) and 6(g), respectively, and inserts a new section 6(e) into the FFAMIA. This new section requires the OMB Director to establish and maintain a public website to serve as a central point of information and access for applicants for federal grants. At a minimum, for each federal grant, the website is to include, to the maximum extent possible, grant announcements; statements of eligibility; application requirements; purposes of the funding; the name of the funding agency; and application and award deadlines. This section further requires that, to the greatest extent practical, the website allow grant applicants to search for all federal grants by various criteria; apply for grants; manage, track, and report on the use of grants; and provide required certifications and assurances for grants.

The section further makes a technical amendment to section 6(g) to clarify that the requirement that provisions be carried out within 18 months of the enactment of the original 1999 Act does not apply to the new website provisions of section 6(e).

Section 4. Report on implementation

This section strikes section 7 of the 1999 Act, which required GAO to evaluate the effectiveness of the Act, and inserts a new section 7 that would require the OMB Director to report to Congress within 9 months of enactment, and biennially thereafter for a period of 15 years, on progress made in implementing the FFAMIA. Each report would have to list all grants that can be applied for using the website required under section 6(e); list all agencies that provide federal financial assistance; list all agencies that have complied with the requirements of the Act and the extent of their compliance; list all agencies exempted from the requirements of the Act with an explanation of the exemption and certification that the basis for the exemption still exists; list all common application forms that allow non-federal entities to apply for multiple federal financial assistance programs; list all common forms and requirements that allow non-federal entities to report on the use of funding from multiple federal financial assistance programs; describe

federal efforts to communicate and collaborate with non-federal entities during the implementation of the FFAMIA; describe efforts of the OMB Director to work with federal agencies to meet the goals of the Act; and describe all systems used to disburse federal financial assistance to non-federal entities. Subsequent reports must also detail progress made by the federal government in meeting the goals of the FFAMIA and compile agency reports on their actions in furtherance of the Act.

Section 5. Strategic plan

This section amends the FFAMIA by redesignating sections 8, 9, 10 and 11 as sections 9, 10, 11 and 12, respectively, and inserts a new section 8 that requires the OMB Director to submit a strategic plan to Congress within 18 months. The strategic plan is required to identify federal financial assistance programs, or aspects of such programs, that are suitable for common applications or common reporting forms or requirement; and to identify changes in law needed to achieve the FFAMIA's goals. The strategic plan is also required to include plans, timelines, and cost estimates for developing an entirely electronic, web-based process that allows grantees to manage various aspects of federal financial assistance; for ensuring full agency compliance with the requirements of the Act; for creating common applications, common financial and performance reporting forms and requirements, and common certifications and assurances for federal financial assistance programs or aspects of such programs; for ensuring compatibility between federal and state administration systems; and for minimizing the number of payment systems used to disburse federal financial assistance.

In addition, this section requires the OMB Director to consult with non-federal entities and federal agencies in developing and implementing the strategic plan.

This section further requires each federal agency to prepare a plan within 6 months of the date OMB submits its strategic plan to Congress that describes how the agency will carry out its responsibilities under OMB's strategic plan. Each agency's plan must include performance objectives, timelines for agency action, and plans to improve communication and collaboration with representatives of non-federal entities as the requirements of the FFAMIA are carried out.

This section further provides that each federal agency must consult with non-federal entities during the development and implementation of the agency's plan and must report to OMB biennially for a period of 15 years on the agency's progress in carrying out its planned objectives.

This section also makes a technical amendment to section 5(d) of the FFAMIA to clarify that once a federal agency begins providing the biennial reports required by new section 8 of the Act, the agency no longer needs to provide the annual reports required by the original 1999 Act.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirement of paragraph 11(b)(1) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill. The Congressional Budget Office (CBO) states that there are no intergovernmental or private-sector

mandates as defined in the Unfunded Mandates Reform Act and no costs on State, local, or tribal governments. The legislation contains no other regulatory impact.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

FEBRUARY 19, 2009.

Hon. JOSEPH I. LIEBERMAN,
Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 303, the Federal Financial Assistance Management Improvement Act of 2009.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

S. 303—Federal Financial Assistance Management Improvement Act of 2009

S. 303 would permanently reauthorize and amend the Federal Financial Assistance Management Improvement Act of 1999. The legislation would require the government to maintain a public Web site containing information regarding federal grants and require the Office of Management and Budget (OMB) and various federal agencies to improve the administrative procedures for providing grants.

The federal government has an Internet site for federal grants (*www.grants.gov*) that includes information on more than \$500 billion in grants from 1,000 programs administered by 26 agencies. OMB reports that the Web site cost about \$12 million to operate in 2008. CBO estimates that continuing this level of effort would cost about \$60 million over the 2010–2014 period, assuming the availability of appropriated funds. (That estimate reflects the 2008 spending level, adjusted for anticipated inflation.)

S. 303 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. The bill would benefit state, local, and tribal governments by reducing the costs they incur to apply and report on federal grants.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the following changes in existing law made by the bill, as reported, are shown as follows: (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

UNITED STATES CODE

TITLE 31—MONEY AND FINANCE

Subtitle V—General Assistance Administration

CHAPTER 61—PROGRAM INFORMATION

SEC. 6101. DEFINITIONS.

* * * * *

NOTES

* * * * *

Federal Financial Assistance Management Improvement Act of 1999

Pub. L. 106–107, §§ 1 to 11, Nov. 20, 1999, 113 Stat. 1486, as amended Pub. L. 108–271, § 8(b), July 7, 2004, 118 Stat. 814, provided that:

* * * * *

SEC. 5. DUTIES OF FEDERAL AGENCIES.

* * * * *

(d) **SUBMISSION OF PLAN.**—Each Federal agency shall submit the plan developed under subsection (a) to the Director and Congress and report annually thereafter on the implementation of the plan and performance of the agency in meeting the goals and objectives specified under subsection (a)(7), *until the date on which the Federal agency submits the first report by the Federal agency required under section 8(c)(3)*. Such report may be included as part of any of the general management reports required under law.

SEC. 6. DUTIES OF THE DIRECTOR.

* * * * *

(e) **WEBSITE RELATING TO FEDERAL GRANTS**—

(1) **IN GENERAL.**—*The Director shall establish and maintain a public website that serves as a central point of information and access for applicants for Federal grants.*

(2) **CONTENTS.**—*To the maximum extent possible, the website established under this subsection shall include, at a minimum, for each Federal grant—*

- (A) *the grant announcement;*
- (B) *the statement of eligibility relating to the grant;*
- (C) *the application requirements for the grant;*
- (D) *the purposes of the grant;*
- (E) *the Federal agency funding the grant; and*
- (F) *the deadlines for applying for and awarding of the grant.*

(3) **USE BY APPLICANTS.**—*The website established under this subsection shall, to the greatest extent practical, allow grant applicants to—*

- (A) *search the website for all Federal grants by type, purpose, funding agency, program source, and other relevant criteria;*
- (B) *apply for a Federal grant using the website;*

(C) manage, track, and report on the use of Federal grants using the website; and

(D) provide all required certifications and assurances for a Federal grant using the website.

[(e)](f) REPORT ON RECOMMENDED CHANGES IN LAW.—Not later than 18 months after the date of the enactment of this Act, the Director shall submit to Congress a report containing recommendations for changes in law to improve the effectiveness, performance, and coordination of Federal financial assistance programs.

[(f)](g) DEADLINE.—**[All actions]** *Except for actions relating to establishing the website required under subsection (e), all actions required under this section shall be carried out not later than 18 months after the date of the enactment of this Act.*

[(SEC. 7. EVALUATION.]

[(a) IN GENERAL.]—The Government Accountability Office shall evaluate the effectiveness of this Act. Not later than 6 years after the date of the enactment of this Act, the evaluation shall be submitted to the lead agency, the Director, and Congress. The evaluation shall be performed with input from State, local, and tribal governments, and nonprofit organizations.

[(b) CONTENTS.]—The evaluation under subsection (a) shall—

[(1)] assess the effectiveness of this Act in meeting the purposes of this Act and make specific recommendations to further the implementation of this Act;

[(2)] evaluate actual performance of each agency in achieving the goals and objectives stated in agency plans; and

[(3)] assess the level of coordination among the Director, Federal agencies, State, local, and tribal governments, and nonprofit organizations in implementing this Act.]

SEC. 7. EVALUATION OF IMPLEMENTATION.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of the Federal Financial Assistance Management Improvement Act of 2009, and every 2 years thereafter until the date that is 15 years after the date of enactment of the Federal Financial Assistance Management Improvement Act of 2009, the Director shall submit to Congress a report regarding the implementation of this Act.

(b) CONTENTS.—

(1) IN GENERAL.—Each report under subsection (a) shall include, for the applicable period—

(A) a list of all grants for which an applicant may submit an application using the website established under section 6(e);

(B) a list of all Federal agencies that provide Federal financial assistance to non-Federal entities;

(C) a list of each Federal agency that has complied, in whole or in part, with the requirements of this Act;

(D) for each Federal agency listed under subparagraph (C), a description of the extent of the compliance with this Act by the Federal agency;

(E) a list of all Federal agencies exempted under section 6(d);

(F) for each Federal agency listed under subparagraph (E)—

(i) an explanation of why the Federal agency was exempted; and

(ii) a certification that the basis for the exemption of the Federal agency is still applicable;

(G) a list of all common application forms that have been developed that allow non-Federal entities to apply, in whole or in part, for multiple Federal financial assistance programs (including Federal financial assistance programs administered by different Federal agencies) through a single common application;

(H) a list of all common forms and requirements that have been developed that allow non-Federal entities to report, in whole or in part, on the use of funding from multiple Federal financial assistance programs (including Federal financial assistance programs administered by different Federal agencies);

(I) a description of the efforts made by the Director and Federal agencies to communicate and collaborate with representatives of non-Federal entities during the implementation of the requirements under this Act;

(J) a description of the efforts made by the Director to work with Federal agencies to meet the goals of this Act, including a description of working groups or other structures used to coordinate Federal efforts to meet the goals of this Act; and

(K) identification and description of all systems being used to disburse Federal financial assistance to non-Federal entities.

(2) **SUBSEQUENT REPORTS.**—The second report submitted under subsection (a), and each subsequent report submitted under subsection (a), shall include—

(A) a discussion of the progress made by the Federal Government in meeting the goals of this Act, including the amendments made by the Federal Financial Assistance Management Improvement Act of 2009, and in implementing the strategic plan submitted under section 8, including an evaluation of the progress of each Federal agency that has not received an exemption under section 6(d) towards implementing the strategic plan; and

(B) a compilation of the reports submitted under section 8(c)(3) during the applicable period.

(c) **DEFINITION OF APPLICABLE PERIOD.**—In this section, the term ‘applicable period’ means—

(1) for the first report submitted under subsection (a), the most recent full fiscal year before the date of the report; and

(2) for the second report submitted under subsection (a), and each subsequent report submitted under subsection (a), the period beginning on the date on which the most recent report under subsection (a) was submitted and ending on the date of the report.

SEC. 8. STRATEGIC PLAN.

(a) **IN GENERAL.**—Not later than 18 months after the date of enactment of the Federal Financial Assistance Management Improvement Act of 2009, the Director shall submit to Congress a strategic plan that—

(1) identifies Federal financial assistance programs that are suitable for common applications based on the common or similar purposes of the Federal financial assistance;

(2) identifies Federal financial assistance programs that are suitable for common reporting forms or requirements based on the common or similar purposes of the Federal financial assistance;

(3) identifies common aspects of multiple Federal financial assistance programs that are suitable for common application or reporting forms or requirements;

(4) identifies changes in law, if any, needed to achieve the goals of this Act; and

(5) provides plans, timelines, and cost estimates for—

(A) developing an entirely electronic, web-based process for managing Federal financial assistance, including the ability to—

(i) apply for Federal financial assistance;

(ii) track the status of applications for and payments of Federal financial assistance;

(iii) report on the use of Federal financial assistance, including how such use has been in furtherance of the objectives or purposes of the Federal financial assistance; and

(iv) provide required certifications and assurances;

(B) ensuring full compliance by Federal agencies with the requirements of this Act, including the amendments made by the Federal Financial Assistance Management Improvement Act of 2009;

(C) creating common applications for the Federal financial assistance programs identified under paragraph (1), regardless of whether the Federal financial assistance programs are administered by different Federal agencies;

(D) establishing common financial and performance reporting forms and requirements for the Federal financial assistance programs identified under paragraph (2), regardless of whether the Federal financial assistance programs are administered by different Federal agencies;

(E) establishing common applications and financial and performance reporting forms and requirements for aspects of the Federal financial assistance programs identified under paragraph (3), regardless of whether the Federal financial assistance programs are administered by different Federal agencies;

(F) developing mechanisms to ensure compatibility between Federal financial assistance administration systems and State systems to facilitate the importing and exporting of data;

(G) developing common certifications and assurances, as appropriate, for all Federal financial assistance programs that have common or similar purposes, regardless of whether the Federal financial assistance programs are administered by different Federal agencies; and

(H) minimizing the number of different systems used to disburse Federal financial assistance.

(b) *CONSULTATION.*—*In developing and implementing the strategic plan under subsection (a), the Director shall consult with representatives of non-Federal entities and Federal agencies that have not received an exemption under section 6(d).*

(c) *FEDERAL AGENCIES.*—

(1) *IN GENERAL.*—*Not later than 6 months after the date on which the Director submits the strategic plan under subsection (a), the head of each Federal agency that has not received an exemption under section 6(d) shall develop a plan that describes how the Federal agency will carry out the responsibilities of the Federal agency under the strategic plan, which shall include—*

(A) *clear performance objectives and timelines for action by the Federal agency in furtherance of the strategic plan; and*

(B) *the identification of measures to improve communication and collaboration with representatives of non-Federal entities on an on-going basis during the implementation of this Act.*

(2) *CONSULTATION.**The head of each Federal agency that has not received an exemption under section 6(d) shall consult with representatives of non-Federal entities during the development and implementation of the plan of the Federal agency developed under paragraph (1).*

(3) *REPORTING.*—*Not later than 2 years after the date on which the head of a Federal agency that has not received an exemption under section 6(d) develops the plan under paragraph (1), and every 2 years thereafter until the date that is 15 years after the date of enactment of the Federal Financial Assistance Management Improvement Act of 2009, the head of the Federal agency shall submit to the Director a report regarding the progress of the Federal agency in achieving the objectives of the plan of the Federal agency developed under paragraph (1).*

SEC. [8]9. COLLECTION OF INFORMATION.

* * * * *

SEC. [9]10. JUDICIAL REVIEW.

* * * * *

SEC. [10]11. STATUTORY REQUIREMENTS.

* * * * *

SEC. [11]12. EFFECTIVE DATE[AND SUNSET].

This Act shall take effect on the date of the enactment of this Act[and shall cease to be effective 8 years after such date of enactment].