

118TH CONGRESS
1ST SESSION

H. R. 3515

To require agencies to notify the Director of the Office of Management and Budget when the agency suspends or terminates a Federal award, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2023

Mrs. LESKO (for herself, Mr. NORMAN, Mr. RESCHENTHALER, Mrs. BICE, Mr. GOSAR, and Mr. BIGGS) introduced the following bill; which was referred to the Committee on Oversight and Accountability

A BILL

To require agencies to notify the Director of the Office of Management and Budget when the agency suspends or terminates a Federal award, 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. SHORT TITLE.**

4 This Act may be cited as the “Stop the Outlay of
5 Payments Act”.

6 **SEC. 2. FEDERAL GRANTS.**

7 (a) DEFINITIONS.—In this section:

8 (1) AGENCY.—The term “agency” means—

1 (A) an Executive agency, as defined in sec-
2 tion 105 of title 5, United States Code; and

3 (B) an independent regulatory agency, as
4 defined in section 3502 of title 44, United
5 States Code.

6 (2) DIRECTOR.—The term “Director” means
7 the Director of the Office of Management and Budg-
8 et.

9 (3) FEDERAL AWARD.—The term “Federal
10 award” means a grant, subgrant, contract, sub-
11 contract, loan, award, or cooperative agreement
12 awarded by an agency.

13 (4) SUSPENDED ENTITY.—The term “sus-
14 pended entity” means a recipient of a Federal
15 award, any portion of which the head of an agency
16 suspends or terminates for a reason described in
17 subsection (b)(2).

18 (b) NOTIFICATION.—

19 (1) IN GENERAL.—Not later than 120 days
20 after the date on which an agency suspends or ter-
21 minates any portion of a Federal award to the re-
22 cipient of the Federal award for a reason described
23 in paragraph (2), the head of an agency shall notify
24 the Director of the suspension or termination.

1 (2) REASON FOR SUSPENSION OR TERMI-
2 NATION.—A reason for a suspension or termination
3 of a Federal award described in this paragraph is a
4 failure of the recipient of the Federal award to com-
5 ply with—

6 (A) the terms and conditions of the Fed-
7 eral award;

8 (B) a Federal law or regulation; or

9 (C) a request by the agency awarding the
10 Federal award for information or materials re-
11 lating to the Federal award.

12 (3) LIST OF SUSPENSIONS.—The Director shall
13 maintain an up-to-date list of suspended entities on
14 the website of the Office of Management and Budg-
15 et.

16 (c) EFFECT ON OTHER GRANTS.—

17 (1) IN GENERAL.—Subject to paragraph (2),
18 the head of an agency may not award a Federal
19 award or disburse funds under a Federal award to
20 a suspended entity until the date on which the sus-
21 pended entity remedies the reason for a suspension
22 or termination of a Federal award of the suspended
23 entity under subsection (b)(2).

1 (2) EXCEPTIONS.—The head of an agency may
2 award a Federal award and disburse funds under a
3 Federal award to a suspended entity if—

4 (A) the suspended entity has been classi-
5 fied as a suspended entity as a result of a cler-
6 ical error; or

7 (B) the suspended entity has an agreement
8 with the agency that suspends or terminates the
9 Federal award of the suspended entity to re-
10 solve the reason for the suspension or termi-
11 nation described in subsection (b)(2).

12 (3) COMPLIANCE.—For the purpose of com-
13 plying with paragraph (1), the head of an agency
14 shall reference the list of suspended entities main-
15 tained by the Director under subsection (b)(3).

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