

119TH CONGRESS
2D SESSION

H. R. 8340

IN THE SENATE OF THE UNITED STATES

JUNE 11, 2026

Received; read twice and referred to the Committee on Homeland Security and
Governmental Affairs

AN ACT

To modify the governmentwide financial management plan,
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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Taxpayer Funds Over-
3 sight and Accountability Act”.

4 **SEC. 2. CHIEF FINANCIAL OFFICERS; GOVERNMENTWIDE**
5 **FINANCIAL MANAGEMENT PLAN.**

6 (a) CHIEF FINANCIAL OFFICER AND DEPUTY CHIEF
7 FINANCIAL OFFICER.—Chapter 9 of title 31, United
8 States Code, is amended—

9 (1) in section 902(a)—

10 (A) in the matter preceding paragraph (1),
11 by striking “An” and inserting “It shall be the
12 duty and responsibility of each agency Chief Fi-
13 nancial Officer to oversee and, unless specified
14 otherwise in law, provide leadership in the areas
15 of budget formulation and execution, planning
16 and performance, risk management, internal
17 controls, financial systems, accounting, and
18 other areas as designated by the Deputy Direc-
19 tor of Management under their authorities de-
20 scribed in section 503 of this title. In carrying
21 out the preceding sentence, each”;

22 (B) in paragraph (3)—

23 (i) in subparagraph (C), by inserting
24 “areas and” before “systems”; and

25 (ii) in subparagraph (D)—

1 (I) in clause (iii), by striking
2 “and” at the end;

3 (II) in clause (iv), by striking
4 “performance;” and inserting “per-
5 formance and integration of perform-
6 ance and cost information; and”; and

7 (III) by adding at the end the
8 following:

9 “(v) annual agency financial state-
10 ments prepared in accordance with applica-
11 ble accounting standards;”;

12 (C) by redesignating paragraphs (5), (6),
13 (7), and (8) as paragraphs (7), (8), (9), and
14 (11) respectively;

15 (D) by inserting after paragraph (4) the
16 following:

17 “(5) oversee and provide leadership over the de-
18 sign, implementation, and operation of the internal
19 controls of the agency over financial reporting and
20 key financial management information identified
21 under section 3512(e)(1);

22 “(6) prepare, in consultation with financial
23 management and other appropriate experts, an
24 agency plan to implement the 4-year financial man-
25 agement plan prepared by the Director of the Office

1 of Management and Budget under section
2 3512(a)(2) of this title and to achieve and sustain
3 effective financial management in the agency, which
4 shall—

5 “(A) be completed within 120 days after
6 the issuance of a governmentwide plan under
7 such section 3512(a)(2);

8 “(B) be revised as determined necessary by
9 the Chief Financial Officer and the Director of
10 the Office of Management and Budget;

11 “(C) include financial management metrics
12 against which the financial management per-
13 formance of the agency shall be assessed; and

14 “(D) be submitted upon completion or re-
15 vision to the head of the agency, the Director
16 of the Office of Management and Budget, the
17 Comptroller General, and appropriate commit-
18 tees of Congress, and be made publicly avail-
19 able;”;

20 (E) in paragraph (7), as so redesignated—

21 (i) by striking subparagraph (A);

22 (ii) by redesignating subparagraphs

23 (B) through (E) as subparagraphs (A)
24 through (D), respectively; and

1 (iii) in subparagraph (C), as so rededesignated,
2 by adding “and” at the end;

3 (F) in paragraph (8), as so redesignated—

4 (i) in the matter preceding subparagraph
5 (A), by striking “and the Director of
6 the Office of Management and Budget,”
7 and inserting “, the Director of the Office
8 of Management and Budget, the Comptroller
9 General, and appropriate committees
10 of Congress, which shall be made publicly
11 available and”;

12 (ii) in subparagraph (A), by striking
13 “agency;” and inserting “agency, including—
14

15 “(i) the progress of the agency in implementing
16 the agency plan described in
17 paragraph (5);

18 “(ii) the progress of the agency in implementing
19 the governmentwide 4-year financial management
20 plan prepared by the
21 Director of the Office of Management and
22 Budget under section 3512(a)(2) of this
23 title; and

24 “(iii) the performance of the agency
25 against financial management metrics es-

1 tablished by the Director of the Office of
2 Management and Budget;”; and

3 (iii) in subparagraph (D)—

4 (I) by striking “of the reports”
5 and inserting “of—
6 “(i) the reports”;

7 (II) in clause (i), as so des-
8 ignated, by striking “the amendments
9 made by the Federal Managers’ Fi-
10 nancial Integrity Act of 1982 (Public
11 Law 97–255); and” and inserting
12 “section 3512(d) of this title; and”;
13 and

14 (III) by adding at the end the
15 following:

16 “(ii) the reporting of the agency
17 under the Federal Financial Management
18 Improvement Act of 1996 (31 U.S.C. 3512
19 note); and”;

20 (G) in paragraph (9), as so redesignated—

21 (i) by striking “monitor the” and in-
22 sert “manage the formulation and”; and

23 (ii) by striking “, and prepare and
24 submit to the head of the agency timely

1 performance reports; and” and inserting a
2 semicolon;

3 (H) by inserting after paragraph (9), as so
4 redesignated, the following:

5 “(10) coordinating with the responsible agency
6 official to ensure performance and cost information
7 are linked, including in the preparation and submis-
8 sion to the head of the agency of timely performance
9 reports that incorporate cost information;”;

10 (I) in paragraph (11), as so redesign-
11 nated—

12 (i) by inserting “inflation and” before
13 “costs”; and

14 (ii) by striking the period at the end
15 and inserting “; and”; and

16 (J) by adding at the end the following:

17 “(12) coordinate with senior agency personnel,
18 including but not limited to, those with statutory,
19 regulatory, and related policy responsibility which
20 may include the Chief Data Officer, Chief Informa-
21 tion Officer, Chief Performance Officer, Chief Acqui-
22 sition Officer, Chief Risk Officer, and Chief Evalua-
23 tion Officer of the agency on—

24 “(A) the exercise of authorities under this
25 subsection; and

1 “(B) the strategic planning, performance
2 measurement and reporting, and risk manage-
3 ment functions of the agency.”; and
4 (2) in section 903—

5 (A) in subsection (a), by inserting “and
6 who shall assist the agency Chief Financial Of-
7 ficer in the performance of each of the duties
8 of the agency Chief Financial Officer under this
9 chapter” after “matters”; and

10 (B) by adding at the end the following:

11 “(c) Notwithstanding subchapter III of chapter 33 of
12 title 5, in the event of a vacancy in the position of Chief
13 Financial Officer of an agency, the Deputy Chief Finan-
14 cial Officer of the agency shall serve as the acting Chief
15 Financial Officer.”.

16 (b) GOVERNMENTWIDE FINANCIAL MANAGEMENT
17 PLAN.—Section 3512 of title 31, United States Code, is
18 amended—

19 (1) in subsection (a)—

20 (A) in paragraph (1), by striking “a finan-
21 cial management status report and a govern-
22 mentwide 5-year financial management plan”
23 and inserting “a governmentwide 4-year finan-
24 cial management plan, to be included within the
25 Federal Government performance plan de-

scribed in section 1115, and a financial management status report”;

(B) by striking paragraph (2);

(C) by redesignating paragraph (3) as paragraph (2);

(D) in paragraph (2), as so redesignated—

(i) in subparagraph (A)—

(I) by striking “5-year” and inserting “4-year”;

(II) by striking “shall describe” and inserting the following: “shall—
“(i) describe”;

(III) in clause (i), as so redesignated, by striking “5 fiscal years to improve the financial management of the Federal Government.” and inserting “4 fiscal years to improve the financial management of the Federal Government in a manner that is strategic, comprehensive, and cost-effective, and shall also include strategies for enabling data sharing in accordance with applicable law and joint fraud prevention initiatives with State (meaning a State of the United

1 States, the District of Columbia, a
2 territory or possession of the United
3 States, or a federally recognized In-
4 dian tribe) and local governments that
5 administer federally funded programs
6 or disburse Federal funds on behalf of
7 the Federal Government; and”;

8 (IV) by adding at the end the fol-
9 lowing:

10 “(ii) be developed in consultation with the Chief
11 Financial Officers Council and, as appropriate, other
12 councils and financial management experts, includ-
13 ing the Chief Information Officers Council, the Chief
14 Data Officer Council, the Chief Acquisition Officers
15 Council, and the Government Accountability Office,
16 as determined by the Director of the Office of Man-
17 agement and Budget in consultation with the Chief
18 Financial Officers Council.”;

19 (ii) in subparagraph (B)—

20 (I) in the matter preceding clause
21 (i), by striking “5-year” and inserting
22 “4-year”;

23 (II) in clause (iii)—

24 (aa) by striking “for devel-
25 oping” and inserting “for im-

1 proving financial management
2 systems, including—

3 “(I) developing”; and

4 (bb) by adding at the end
5 the following:

6 “(II) describe how performance and cost
7 information are linked in order to facilitate ef-
8 fective and efficient decision making;

9 “(III) eliminating duplicative and unneces-
10 sary systems and activities; and

11 “(IV) identifying opportunities for agencies
12 to share systems and services and encouraging
13 agencies to do so where practicable;”;

14 (III) by striking clause (iv);

15 (IV) by redesignating clause (v)
16 as clause (iv);

17 (V) by inserting after clause (iv),
18 as so redesignated, the following:

19 “(v) provide a strategy for reporting perform-
20 ance and cost information;”;

21 (VI) in clause (vi), by striking
22 “5-year” and inserting “4-year”;

23 (VII) in clause (vii), by striking
24 “identify” and inserting “provide a
25 strategy for strengthening the Federal

1 financial management workforce, in-
2 cluding identification of”;

3 (VIII) in clause (viii), by striking
4 “and” at the end;

5 (IX) by redesignating clause (ix)
6 as clause (x);

7 (X) by inserting after clause
8 (viii) the following:

9 “(ix) include financial management metrics
10 against which the performance of executive agencies
11 can be assessed; and”; and

12 (XI) in clause (x), as so redesign-
13 nated, by striking “5-year” and in-
14 serting “4-year”;

15 (E) by inserting after paragraph (2) the
16 following:

17 “(3) A financial management status report under this
18 subsection shall include—

19 “(A) a description and analysis of the sta-
20 tus of financial management in the executive
21 branch, including the progress made towards
22 implementing the governmentwide 4-year finan-
23 cial management plan, and the status of re-
24 maining challenges to implementing the govern-
25 mentwide 4-year financial management plan;

1 “(B) a summary of the performance of
2 agencies against the metrics developed and
3 identified by the Director of the Office of Man-
4 agement and Budget in the governmentwide 4-
5 year financial management plan;

6 “(C) a summary of the most recently com-
7 pleted financial statements—

8 “(i) of Federal agencies under section
9 3515 of this title; and

10 “(ii) of Government corporations;

11 “(D) a summary of the most recently com-
12 pleted financial statement audits and reports—

13 “(i) of Federal agencies under sub-
14 sections (e) and (f) of section 3521 of this
15 title; and

16 “(ii) of Government corporations;

17 “(E) a summary of reports on internal ac-
18 counting and administrative control systems
19 submitted to the President and Congress under
20 subsection (d);

21 “(F) a listing of agencies whose financial
22 management systems do not comply substan-
23 tially with the requirements of section 803(a) of
24 the Federal Financial Management Improve-
25 ment Act of 1996 (31 U.S.C. 3512 note), and

1 a summary statement of the efforts underway
2 to remedy the noncompliance; and

3 “(G) any other information the Director
4 considers appropriate to fully inform Congress
5 regarding the financial management of the Fed-
6 eral Government.”;

7 (F) in paragraph (4)—

8 (i) in subparagraph (A)—

9 (I) by striking “15 months after
10 the date of the enactment of this sub-
11 section” and inserting “12 months
12 after the date of the enactment of the
13 Taxpayer Funds Oversight and Ac-
14 countability Act”; and

15 (II) by striking “5-year” and in-
16 serting “4-year”;

17 (ii) in subparagraph (B)—

18 (I) in clause (i)—

19 (aa) by striking “Not later
20 than January 31 of each year
21 thereafter” and inserting “At a
22 minimum, concurrently with the
23 submission of the budget of the
24 United States Government under
25 section 1105(a) of this title made

1 in the first full fiscal year fol-
2 lowing any year in which the
3 term of the President commences
4 under section 101 of title 3”;

5 (bb) by striking “financial
6 management status report and a
7 revised governmentwide 5-year”
8 and inserting “governmentwide
9 4-year”; and

10 (cc) by striking “5 fiscal
11 years” and all that follows
12 through the period at the end
13 and inserting “4 fiscal years.”;
14 and

15 (II) in clause (ii)—

16 (aa) by striking “revised
17 governmentwide 5-year” and in-
18 serting “governmentwide 4-year”;
19 and

20 (bb) by striking “paragraph
21 (3)(B)(viii)” and inserting “para-
22 graph (2)(B)(viii)”;

23 (iii) by adding at the end the fol-
24 lowing:

1 “(C) Each year, concurrently with the submission of
2 the budget of the United States Government under section
3 1105(a) of this title, the Director of the Office of Manage-
4 ment and Budget shall submit to the appropriate commit-
5 tees of Congress and the Comptroller General a financial
6 management status report.”; and

7 (G) by striking paragraph (5);

8 (2) in subsection (d)(2)—

9 (A) in subparagraph (A), by striking
10 “and” at the end;

11 (B) in subparagraph (B), by striking the
12 period at the end and inserting “; and”; and

13 (C) by adding at the end the following:

14 “(C) a separate report on the results of the as-
15 sessment and conclusion required under subsection
16 (e)(2).”;

17 (3) by redesignating subsections (e), (f), and
18 (g) as subsections (f), (g), and (h), respectively; and

19 (4) by inserting after subsection (d) the fol-
20 lowing:

21 “(e) The head of each executive agency shall—

22 “(1) in establishing the internal accounting and
23 administrative controls under subsection (c), identify
24 the key financial management information needed

1 for effective financial management and decision
2 making, which shall include a consideration of—

3 “(A) the agency spending data required to
4 be published under the Federal Funding Ac-
5 countability and Transparency Act of 2006 (31
6 U.S.C. 6101 note); and

7 “(B) the information used by the agency to
8 report on improper payments under section
9 3352 of this title; and

10 “(2) annually assess and make a conclusion on
11 the effectiveness of the internal controls of the exec-
12 utive agency over financial reporting and key finan-
13 cial management information identified under para-
14 graph (1) consistent with guidance provided by the
15 Director of the Office of Management and Budget.”.

16 (c) TECHNICAL AND CONFORMING AMENDMENT.—
17 Section 3348(e) of title 5, United States Code, is amend-
18 ed—

19 (1) in paragraph (3), by adding “or” at the
20 end;

21 (2) by striking paragraph (4); and

Attest: KEVIN F. MCCUMBER,
Clerk.