

118TH CONGRESS
1ST SESSION

S. _____

To provide for the independent and objective conduct and supervision of audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available to Ukraine for military, economic, and humanitarian aid.

IN THE SENATE OF THE UNITED STATES

Mr. KENNEDY introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To provide for the independent and objective conduct and supervision of audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available to Ukraine for military, economic, and humanitarian aid.

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 “Independent and Ob-
5 jective Oversight of Ukrainian Assistance Act”.

6 **SEC. 2. PURPOSES.**

7 The purposes of this Act are—

1 (1) to provide for the independent and objective
2 conduct and supervision of audits and investigations
3 relating to the programs and operations funded with
4 amounts appropriated or otherwise made available to
5 Ukraine for military, economic, and humanitarian
6 aid;

7 (2) to provide for the independent and objective
8 leadership and coordination of, and recommenda-
9 tions concerning, policies designed—

10 (A) to promote economic efficiency and ef-
11 fectiveness in the administration of the pro-
12 grams and operations described in paragraph
13 (1); and

14 (B) to prevent and detect waste, fraud,
15 and abuse in such programs and operations;
16 and

17 (3) to provide for an independent and objective
18 means of keeping the Secretary of State, the Sec-
19 retary of Defense, and the heads of other relevant
20 Federal agencies fully and currently informed
21 about—

22 (A) problems and deficiencies relating to
23 the administration of the programs and oper-
24 ations described in paragraph (1); and

1 (B) the necessity for, and the progress to-
2 ward implementing, corrective action related to
3 such programs.

4 **SEC. 3. DEFINITIONS.**

5 In this Act:

6 (1) AMOUNTS APPROPRIATED OR OTHERWISE
7 MADE AVAILABLE FOR THE MILITARY, ECONOMIC,
8 AND HUMANITARIAN AID TO UKRAINE.—The term
9 “amounts appropriated or otherwise made available
10 for the military, economic, and humanitarian aid for
11 Ukraine” means amounts appropriated or otherwise
12 made available for any fiscal year—

13 (A) for the Ukraine Security Assistance
14 Initiative;

15 (B) for Foreign Military Financing fund-
16 ing for Ukraine;

17 (C) to the Department of State under the
18 heading “NONPROLIFERATION, ANTI-TER-
19 RORISM, DEMINING AND RELATED PROGRAMS”;
20 and

21 (D) under titles III and VI of the Ukraine
22 Supplemental Appropriations Act (division N of
23 Public Law 117–103)

1 (2) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

4 (A) the Committee on Appropriations of
5 the Senate;

6 (B) the Committee on Armed Services of
7 the Senate;

8 (C) the Committee on Foreign Relations of
9 the Senate;

10 (D) the Committee on Homeland Security
11 and Governmental Affairs of the Senate;

12 (E) the Committee on Appropriations of
13 the House of Representatives;

14 (F) the Committee on Armed Services of
15 the House of Representatives;

16 (G) the Committee on Foreign Affairs of
17 the House of Representatives; and

18 (H) the Committee on Oversight and Re-
19 form of the House of Representatives.

20 (3) OFFICE.—The term “Office” means the Of-
21 fice of the Special Inspector General for Ukrainian
22 Military, Economic, and Humanitarian Aid estab-
23 lished under section 4(a).

24 (4) SPECIAL INSPECTOR GENERAL.—The term
25 “Special Inspector General” means the Special In-

1 spector General for Ukrainian Military, Economic,
2 and Humanitarian Aid appointed pursuant to sec-
3 tion 4(b).

4 **SEC. 4. ESTABLISHMENT OF OFFICE OF THE SPECIAL IN-**
5 **SPECTOR GENERAL FOR UKRAINIAN MILI-**
6 **TARY, ECONOMIC, AND HUMANITARIAN AID.**

7 (a) IN GENERAL.—There is hereby established the
8 Office of the Special Inspector General for Ukrainian Mili-
9 tary, Economic, and Humanitarian Aid to carry out the
10 purposes set forth in section 2.

11 (b) APPOINTMENT OF SPECIAL INSPECTOR GEN-
12 ERAL.—The head of the Office shall be the Special Inspec-
13 tor General for Ukrainian Military, Economic, and Hu-
14 manitarian Aid, who shall be appointed by the President.
15 The first Special Inspector General shall be appointed not
16 later than 30 days after the date of the enactment of this
17 Act.

18 (c) QUALIFICATIONS.—The appointment of the Spe-
19 cial Inspector General shall be made solely on the basis
20 of integrity and demonstrated ability in accounting, audit-
21 ing, financial analysis, law, management analysis, public
22 administration, or investigations.

23 (d) COMPENSATION.—The annual rate of basic pay
24 of the Special Inspector General shall be the annual rate
25 of basic pay provided for positions at level IV of the Exec-

1 utive Schedule under section 5315 of title 5, United States
2 Code.

3 (e) PROHIBITION ON POLITICAL ACTIVITIES.—For
4 purposes of section 7324 of title 5, United States Code,
5 the Special Inspector General is not an employee who de-
6 termines policies to be pursued by the United States in
7 the nationwide administration of Federal law.

8 (f) REMOVAL.—The Special Inspector General shall
9 be removable from office in accordance with section 3(b)
10 of the Inspector General Act of 1978 (5 U.S.C. App.).

11 **SEC. 5. ASSISTANT INSPECTORS GENERAL.**

12 The Special Inspector General, in accordance with
13 applicable laws and regulations governing the civil service,
14 shall appoint—

15 (1) an Assistant Inspector General for Audit-
16 ing, who shall supervise the performance of auditing
17 activities relating to programs and operations sup-
18 ported by amounts appropriated or otherwise made
19 available for military, economic, and humanitarian
20 aid to Ukraine; and

21 (2) an Assistant Inspector General for Inves-
22 tigations, who shall supervise the performance of in-
23 vestigative activities relating to the programs and
24 operations described in paragraph (1).

1 **SEC. 6. SUPERVISION.**

2 (a) IN GENERAL.—Except as provided in subsection
3 (b), the Special Inspector General shall report directly to,
4 and be under the general supervision of, the Secretary of
5 State and the Secretary of Defense.

6 (b) INDEPENDENCE TO CONDUCT INVESTIGATIONS
7 AND AUDITS.—No officer of the Department of Defense,
8 the Department of State, the United States Agency for
9 International Development, or any other relevant Federal
10 agency may prevent or prohibit the Special Inspector Gen-
11 eral from—

12 (1) initiating, carrying out, or completing any
13 audit or investigation related to amounts appro-
14 priated or otherwise made available for the military,
15 economic, and humanitarian aid to Ukraine; or

16 (2) issuing any subpoena during the course of
17 any such audit or investigation.

18 **SEC. 7. DUTIES.**

19 (a) OVERSIGHT OF MILITARY, ECONOMIC, AND HU-
20 MANITARIAN AID TO UKRAINE PROVIDED AFTER FEB-
21 RUARY 24, 2022.—The Special Inspector General shall
22 conduct, supervise, and coordinate audits and investiga-
23 tions of the treatment, handling, and expenditure of
24 amounts appropriated or otherwise made available for
25 military, economic, and humanitarian aid to Ukraine, and

1 of the programs, operations, and contracts carried out uti-
2 lizing such funds, including—

3 (1) the oversight and accounting of the obliga-
4 tion and expenditure of such funds;

5 (2) the monitoring and review of reconstruction
6 activities funded by such funds;

7 (3) the monitoring and review of contracts
8 funded by such funds;

9 (4) the monitoring and review of the transfer of
10 such funds and associated information between and
11 among departments, agencies, and entities of the
12 United States and private and nongovernmental en-
13 tities;

14 (5) the maintenance of records regarding the
15 use of such funds to facilitate future audits and in-
16 vestigations of the use of such funds;

17 (6) the monitoring and review of the effective-
18 ness of United States coordination with the Govern-
19 ment of Ukraine, major recipients of Ukrainian refu-
20 gees, partners in the region, and other donor coun-
21 tries;

22 (7) the investigation of overpayments (such as
23 duplicate payments or duplicate billing) and any po-
24 tential unethical or illegal actions of Federal employ-
25 ees, contractors, or affiliated entities; and

1 (8) the referral of reports compiled as a result
2 of such investigations, as necessary, to the Depart-
3 ment of Justice to ensure further investigations,
4 prosecutions, recovery of funds, or other remedies.

5 (b) OTHER DUTIES RELATED TO OVERSIGHT.—The
6 Special Inspector General shall establish, maintain, and
7 oversee such systems, procedures, and controls as the Spe-
8 cial Inspector General considers appropriate to discharge
9 the duties described in subsection (a).

10 (c) CONSULTATION.—The Special Inspector General
11 shall consult with the appropriate congressional commit-
12 tees before engaging in auditing activities outside of
13 Ukraine.

14 (d) DUTIES AND RESPONSIBILITIES UNDER INSPEC-
15 TOR GENERAL ACT OF 1978.—In addition to the duties
16 specified in subsections (a) and (b), the Special Inspector
17 General shall have the duties and responsibilities of in-
18 spectors general under the Inspector General Act of 1978
19 (5 U.S.C. App.).

20 (e) COORDINATION OF EFFORTS.—In carrying out
21 the duties, responsibilities, and authorities of the Special
22 Inspector General under this Act, the Special Inspector
23 General shall coordinate with, and receive cooperation
24 from—

1 (1) the Inspector General of the Department of
2 Defense;

3 (2) the Inspector General of the Department of
4 State;

5 (3) the Inspector General of the United States
6 Agency for International Development; and

7 (4) the Inspector General of any other relevant
8 Federal agency.

9 **SEC. 8. POWERS AND AUTHORITIES.**

10 (a) **AUTHORITIES UNDER INSPECTOR GENERAL ACT**
11 **OF 1978.—**

12 (1) **IN GENERAL.—**Except as provided in para-
13 graph (2), in carrying out the duties specified in sec-
14 tion 7, the Special Inspector General shall have the
15 authorities provided under section 6 of the Inspector
16 General Act of 1978, including the authorities under
17 subsection (e) of such section.

18 (2) **LIMITATION.—**The Special Inspector Gen-
19 eral is not authorized to audit or investigate the in-
20 telligence community (as defined in section 3 of the
21 National Security Act of 1947 (50 U.S.C. 3003)).

22 (b) **AUDIT STANDARDS.—**The Special Inspector Gen-
23 eral shall carry out the duties specified in section 7(a) in
24 accordance with section 4(b)(1) of the Inspector General
25 Act of 1978.

1 (c) EXPEDITED HIRING AUTHORITY.—

2 (1) IN GENERAL.—Subject to paragraph (2),
3 the Special Inspector General may exercise any au-
4 thority provided to the head of a temporary organi-
5 zation under section 3161 of title 5, United States
6 Code, without regard to whether the Office qualifies
7 as a temporary organization under subsection (a) of
8 that section.

9 (2) LIMITATIONS.—With respect to the exercise
10 of authority under subsection (b) of section 3161 of
11 title 5, United States Code, as authorized under
12 paragraph (1)—

13 (A) the Special Inspector General may not
14 make any appointment under that subsection
15 on or after the later of—

16 (i) the date that is 180 days after the
17 date of enactment of this Act; or

18 (ii) the date that is 180 days after the
19 date on which the Special Inspector Gen-
20 eral is confirmed by the Senate;

21 (B) paragraph (2) of that subsection (re-
22 lating to periods of appointments) shall not
23 apply; and

24 (C) no period of an appointment made
25 under that subsection may extend after the date

1 on which the Office terminates under section
2 13.

3 (3) REEMPLOYMENT OF ANNUITANTS.—

4 (A) IN GENERAL.—Subject to subpara-
5 graph (B), if an annuitant receiving an annuity
6 from the Civil Service Retirement and Dis-
7 ability Fund becomes employed in a position in
8 the Office—

9 (i) the annuity of that annuitant shall
10 continue; and

11 (ii) such reemployed annuitant shall
12 not be considered to be an employee for
13 the purposes of chapter 83 or 84 of title
14 5, United States Code.

15 (B) LIMITATIONS.—Subparagraph (A)
16 shall apply to—

17 (i) not more than 25 employees of the
18 Office at any particular time, as des-
19 ignated by the Special Inspector General;
20 and

21 (ii) pay periods beginning after the
22 date of enactment of this Act.

23 **SEC. 9. PERSONNEL, FACILITIES, AND OTHER RESOURCES.**

24 (a) PERSONNEL.—The Special Inspector General
25 may select, appoint, and employ such officers and employ-

1 ees as may be necessary for carrying out the duties of the
2 Special Inspector General, subject to the provisions of—

3 (1) chapter 33 of title 5, United States Code,
4 governing appointments in the competitive service;
5 and

6 (2) chapter 51 and subchapter III of chapter
7 53 of such title, relating to classification and Gen-
8 eral Schedule pay rates.

9 (b) EMPLOYMENT OF EXPERTS AND CONSULT-
10 ANTS.—The Special Inspector General may obtain the
11 services of experts and consultants in accordance with sec-
12 tion 3109 of title 5, United States Code, at daily rates
13 not to exceed the equivalent rate prescribed for grade GS-
14 15 of the General Schedule under section 5332 of such
15 title.

16 (c) CONTRACTING AUTHORITY.—To the extent and
17 in such amounts as may be provided in advance by appro-
18 priations Acts, the Special Inspector General may—

19 (1) enter into contracts and other arrangements
20 for audits, studies, analyses, and other services with
21 public agencies and with private persons; and

22 (2) make such payments as may be necessary
23 to carry out the duties of the Special Inspector Gen-
24 eral.

1 (d) RESOURCES.—The Secretary of State or the Sec-
2 retary of Defense, as appropriate, shall provide the Special
3 Inspector General with—

4 (1) appropriate and adequate office space at ap-
5 propriate locations of the Department of State or
6 the Department of Defense, as appropriate, in
7 Ukraine or in European partner countries;

8 (2) such equipment, office supplies, and com-
9 munications facilities and services as may be nec-
10 essary for the operation of such offices; and

11 (3) necessary maintenance services for such of-
12 fices and the equipment and facilities located in such
13 offices.

14 (e) ASSISTANCE FROM FEDERAL AGENCIES.—

15 (1) IN GENERAL.—Upon request of the Special
16 Inspector General for information or assistance from
17 any department, agency, or other entity of the Fed-
18 eral Government, the head of such entity shall, to
19 the extent practicable and not in contravention of
20 any existing law, furnish such information or assist-
21 ance to the Special Inspector General or an author-
22 ized designee.

23 (2) REPORTING OF REFUSED ASSISTANCE.—

24 Whenever information or assistance requested by the
25 Special Inspector General is, in the judgment of the

1 Special Inspector General, unreasonably refused or
2 not provided, the Special Inspector General shall im-
3 mediately report the circumstances to—

4 (A) the Secretary of State or the Secretary
5 of Defense, as appropriate; and

6 (B) the appropriate congressional commit-
7 tees.

8 **SEC. 10. REPORTS.**

9 (a) QUARTERLY REPORTS.—Not later than 30 days
10 after the end of each quarter of each fiscal year, the Spe-
11 cial Inspector General shall submit to the appropriate con-
12 gressional committees, the Secretary of State, and the
13 Secretary of Defense a report that—

14 (1) summarizes, for the applicable quarter, and
15 to the extent possible, for the period from the end
16 of such quarter to the date on which the report is
17 submitted, the activities during such period of the
18 Special Inspector General and the activities under
19 programs and operations funded with amounts ap-
20 propriated or otherwise made available for military,
21 economic, and humanitarian aid to Ukraine; and

22 (2) includes, for applicable quarter, a detailed
23 statement of all obligations, expenditures, and reve-
24 nues associated with military, economic, and human-
25 itarian activities in Ukraine, including—

1 (A) obligations and expenditures of appro-
2 priated funds;

3 (B) a project-by-project and program-by-
4 program accounting of the costs incurred to
5 date for military, economic, and humanitarian
6 aid to Ukraine, including an estimate of the
7 costs to be incurred by the Department of De-
8 fense, the Department of State, the United
9 States Agency for International Development,
10 and other relevant Federal agencies to complete
11 each project and each program;

12 (C) revenues attributable to, or consisting
13 of, funds provided by foreign nations or inter-
14 national organizations to programs and projects
15 funded by any Federal department or agency
16 and any obligations or expenditures of such rev-
17 enues;

18 (D) revenues attributable to, or consisting
19 of, foreign assets seized or frozen that con-
20 tribute to programs and projects funded by any
21 Federal department or agency and any obliga-
22 tions or expenditures of such revenues;

23 (E) operating expenses of entities receiving
24 amounts appropriated or otherwise made avail-

1 able for military, economic, and humanitarian
2 aid to Ukraine; and

3 (F) for any contract, grant, agreement, or
4 other funding mechanism described in sub-
5 section (b)—

6 (i) the dollar amount of the contract,
7 grant, agreement, or other funding mecha-
8 nism;

9 (ii) a brief discussion of the scope of
10 the contract, grant, agreement, or other
11 funding mechanism;

12 (iii) a discussion of how the Federal
13 department or agency involved in the con-
14 tract, grant, agreement, or other funding
15 mechanism identified, and solicited offers
16 from, potential individuals or entities to
17 perform the contract, grant, agreement, or
18 other funding mechanism, including a list
19 of the potential individuals or entities that
20 were issued solicitations for the offers; and

21 (iv) the justification and approval doc-
22 uments on which the determination to use
23 procedures other than procedures that pro-
24 vide for full and open competition was
25 based.

1 (b) COVERED CONTRACTS, GRANTS, AGREEMENTS,
2 AND FUNDING MECHANISMS.—A contract, grant, agree-
3 ment, or other funding mechanism described in this sub-
4 section is any major contract, grant, agreement, or other
5 funding mechanism that is entered into by any Federal
6 department or agency that involves the use of amounts
7 appropriated or otherwise made available for the military,
8 economic, or humanitarian aid to Ukraine with any public
9 or private sector entity—

10 (1) to build or rebuild the physical infrastruc-
11 ture of Ukraine;

12 (2) to establish or reestablish a political or soci-
13 etal institution of Ukraine;

14 (3) to provide products or services to the people
15 of Ukraine; or

16 (4) to provide security assistance to Ukraine.

17 (c) PUBLIC AVAILABILITY.—The Special Inspector
18 General shall publish each report submitted pursuant to
19 subsection (a) on a publicly available internet website in
20 English, Ukrainian, and Russian.

21 (d) FORM.—Each report required under subsection
22 (a) shall be submitted in unclassified form, but may in-
23 clude a classified annex if the Special Inspector General
24 determines that a classified annex is necessary.

1 (e) SUBMISSION OF COMMENTS TO CONGRESS.—
2 During the 30-day period beginning on the date a report
3 is received pursuant to subsection (a), the Secretary of
4 State and the Secretary of Defense may submit comments
5 to the appropriate congressional committees, in unclassi-
6 fied form, regarding any matters covered by the report
7 that the Secretary of State or the Secretary of Defense
8 considers appropriate. Such comments may include a clas-
9 sified annex if the Secretary of State or the Secretary of
10 Defense considers such annex to be necessary.

11 (f) RULE OF CONSTRUCTION.—Nothing in this sec-
12 tion may be construed to authorize the public disclosure
13 of information that is—

14 (1) specifically prohibited from disclosure by
15 any other provision of law;

16 (2) specifically required by Executive order to
17 be protected from disclosure in the interest of de-
18 fense or national security or in the conduct of for-
19 eign affairs; or

20 (3) a part of an ongoing criminal investigation.

21 **SEC. 11. TRANSPARENCY.**

22 (a) REPORT.—Except as provided in subsection (c),
23 not later than 60 days after receiving a report pursuant
24 to section 10(a), the Secretary of State and the Secretary

1 of Defense shall jointly make copies of the report available
2 to the public upon request and at a reasonable cost.

3 (b) COMMENTS.—Except as provided in subsection
4 (c), not later than 60 days after submitting comments
5 pursuant to section 10(e), the Secretary of State and the
6 Secretary of Defense shall jointly make copies of such
7 comments available to the public upon request and at a
8 reasonable cost.

9 (c) WAIVER.—

10 (1) AUTHORITY.—The President may waive the
11 requirement under subsection (a) or (b) with respect
12 to availability to the public of any element in a re-
13 port submitted pursuant to section 10(a) or any
14 comments submitted pursuant to section 10(e) if the
15 President determines that such waiver is justified
16 for national security reasons.

17 (2) NOTICE OF WAIVER.—The President shall
18 publish a notice of each waiver made under para-
19 graph (1) in the Federal Register not later than the
20 date of the submission to the appropriate congres-
21 sional committees of a report required under section
22 10(a) or any comments submitted pursuant to sec-
23 tion 10(e). Each such report and comments shall
24 specify whether a waiver was made pursuant to

1 paragraph (1) and which elements in the report or
2 the comments were affected by such waiver.

3 **SEC. 12. AUTHORIZATION OF APPROPRIATIONS.**

4 (a) IN GENERAL.—There is authorized to be appro-
5 priated \$20,000,000 for fiscal year 2024 to carry out this
6 Act.

7 (b) RESCISSION.—Of the amount appropriated under
8 the heading “ASSISTANCE FOR EUROPE, EURASIA, AND
9 CENTRAL ASIA” in title III of the Department of State,
10 Foreign Operations, and Related Programs Appropria-
11 tions Act, 2023 (division K of Public Law 117–328),
12 \$20,000,000 is rescinded.

13 **SEC. 13. TERMINATION.**

14 (a) IN GENERAL.—The Office shall terminate on the
15 day that is 180 days after the date on which amounts ap-
16 propriated or otherwise made available for the reconstruc-
17 tion of Ukraine that are unexpended are less than
18 \$250,000,000.

19 (b) FINAL REPORT.—Before the termination date re-
20 ferred to in subsection (a), the Special Inspector General
21 shall prepare and submit to the appropriate congressional
22 committees a final forensic audit report on programs and
23 operations funded with amounts appropriated or otherwise
24 made available for the military, economic, and humani-
25 tarian aid to Ukraine.