

112<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2170

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 3, 2012

Referred to the Committee on Oversight and Government Reform

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## AN ACT

To amend the provisions of title 5, United States Code, which are commonly referred to as the “Hatch Act”, to scale back the provision forbidding certain State and local employees from seeking elective office, clarify the application of certain provisions to the District of Columbia, and modify the penalties which may be imposed for certain violations under subchapter III of chapter 73 of that title.

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 “Hatch Act Moderniza-  
5 tion Act of 2012”.

6 **SEC. 2. PERMITTING STATE AND LOCAL EMPLOYEES TO BE**  
7 **CANDIDATES FOR ELECTIVE OFFICE.**

8       Section 1502(a)(3) of title 5, United States Code, is  
9 amended to read as follows:

10           “(3) if the salary of the employee is paid com-  
11 pletely, directly or indirectly, by loans or grants  
12 made by the United States or a Federal agency, be  
13 a candidate for elective office.”.

14 **SEC. 3. APPLICABILITY OF PROVISIONS RELATING TO**  
15 **STATE AND LOCAL EMPLOYEES.**

16       (a) STATE OR LOCAL AGENCY.—Section 1501(2) of  
17 title 5, United States Code, is amended by inserting “,  
18 or the executive branch of the District of Columbia, or  
19 an agency or department thereof” before the semicolon.

20       (b) STATE OR LOCAL OFFICER OR EMPLOYEE.—Sec-  
21 tion 1501(4) of title 5, United States Code, is amended  
22 by striking subparagraph (B) and inserting the following:

23           “(B) an individual employed by an edu-  
24 cational or research institution, establishment,

1 agency, or system which is supported in whole  
2 or in part by—

3 “(i) a State or political subdivision  
4 thereof;

5 “(ii) the District of Columbia; or

6 “(iii) a recognized religious, philan-  
7 thropic, or cultural organization.”.

8 (c) EXCEPTION OF CERTAIN OFFICERS.—Section  
9 1502(c)(3) of title 5, United States Code, is amended—

10 (1) by striking “‘or municipality’ and inserting  
11 “, municipality, or the District of Columbia’”; and

12 (2) by striking “‘or municipal’ and inserting “,  
13 municipal, or the District of Columbia’”.

14 (d) MERIT SYSTEMS PROTECTION BOARD OR-  
15 DERS.—Section 1506(a)(2) of title 5, United States Code,  
16 is amended by inserting “(or in the case of the District  
17 of Columbia, in the District of Columbia)” after “the same  
18 State”.

19 (e) PROVISIONS RELATING TO FEDERAL EMPLOYEES  
20 MADE INAPPLICABLE.—Section 7322(1) of title 5, United  
21 States Code, is amended—

22 (1) in subparagraph (A), by adding “or” at the  
23 end;

24 (2) in subparagraph (B), by striking “or” at  
25 the end;

1 (3) by striking subparagraph (C); and

2 (4) by striking “services;” and inserting “serv-  
3 ices or an individual employed or holding office in  
4 the government of the District of Columbia;”.

5 (f) EMPLOYEES RESIDING IN CERTAIN MUNICIPALI-  
6 TIES.—Section 7325(1) of title 5, United States Code, is  
7 amended to read as follows:

8 “(1) the municipality or political subdivision  
9 is—

10 “(A) the District of Columbia;

11 “(B) in Maryland or Virginia and in the  
12 immediate vicinity of the District of Columbia;

13 or

14 “(C) a municipality in which the majority  
15 of voters are employed by the Government of  
16 the United States; and”.

17 **SEC. 4. HATCH ACT PENALTIES FOR FEDERAL EMPLOYEES.**

18 Chapter 73 of title 5, United States Code, is amended  
19 by striking section 7326 and inserting the following:

20 **“§ 7326. Penalties**

21 “An employee or individual who violates section 7323  
22 or 7324 shall be subject to removal, reduction in grade,  
23 debarment from Federal employment for a period not to  
24 exceed 5 years, suspension, reprimand, or an assessment  
25 of a civil penalty not to exceed \$1,000.”.

1 **SEC. 5. EFFECTIVE DATE.**

2 (a) IN GENERAL.—This Act and the amendments  
3 made by this Act shall take effect 30 days after the date  
4 of enactment of this Act.

5 (b) APPLICABILITY RULE.—

6 (1) IN GENERAL.—Except as provided in para-  
7 graph (2), the amendment made by section 4 shall  
8 apply with respect to any violation occurring before,  
9 on, or after the effective date of this Act.

10 (2) EXCEPTION.—The amendment made by  
11 section 4 shall not apply with respect to an alleged  
12 violation if, before the effective date of this Act—

13 (A) the Special Counsel has presented a  
14 complaint for disciplinary action, under section  
15 1215 of title 5, United States Code, with re-  
16 spect to the alleged violation; or

17 (B) the employee alleged to have com-  
18 mitted the violation has entered into a signed  
19 settlement agreement with the Special Counsel  
20 with respect to the alleged violation.

Passed the Senate November 30, 2012.

Attest:

NANCY ERICKSON,

*Secretary.*