

- (Q) Inspector General, Environmental Protection Agency.
- (R) Inspector General, Export-Import Bank.
- (S) Inspector General, Federal Emergency Management Agency.
- (T) Inspector General, General Services Administration.
- (U) Inspector General, National Aeronautics and Space Administration.
- (V) Inspector General, Nuclear Regulatory Commission.
- (W) Inspector General, Office of Personnel Management.
- (X) Inspector General, Railroad Retirement Board.
- (Y) Inspector General, Small Business Administration.
- (Z) Inspector General, Tennessee Valley Authority.
- (AA) Inspector General, Federal Deposit Insurance Corporation.
- (BB) Inspector General, Resolution Trust Corporation.
- (CC) Inspector General, Central Intelligence Agency.
- (DD) Inspector General, Social Security Administration.
- (EE) Inspector General, United States Postal Service.

(3) SAVINGS PROVISION.--Nothing in this subsection shall have the effect of reducing the rate of pay of any individual serving as an Inspector General on the effective date of this subsection.

(c) INSPECTORS GENERAL OF DESIGNATED FEDERAL ENTITIES.--Notwithstanding any other provision of law, the Inspector General of each designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978) shall, for pay and all other purposes, be classified at a grade, level, or rank designation, as the case may be, comparable to those of a majority of the senior staff members of such designated Federal entity (such as, but not limited to, a General Counsel, Deputy Director, or Chief of Staff) that report directly to the head of such designated Federal entity. The head of a designated Federal entity shall set the annual rate of basic pay for an Inspector General (as defined under such section 8G) 3 percent above the annual rate of basic pay for senior staff members classified at a comparable grade, level, or rank designation (or, if those senior staff members receive different rates, the annual rate of basic pay for a majority of those senior staff members, as determined by the head of the designated Federal entity concerned).

## SEC. 6. MISCELLANEOUS ENHANCEMENTS.

(a) OFFICES AS DISCRETE AGENCIES.--Section 6(d) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended to read as follows:

"(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)--

"(i) each Office of Inspector General shall be considered to be a separate agency; and

"(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

"(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

"(i) Subchapter II of chapter 35.

"(ii) Sections 8335(b), 8336, 8414, and 8425(b).

"(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

"(2) For purposes of applying *section 4507(b) of title 5, United States Code*, paragraph (1)(A)(ii) shall be applied by substituting `the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the In-

spector General Act) shall' for `the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,'."

(b) SUBPOENA POWER.--Section 6(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.), is amended--

(1) by inserting "in any medium (including electronically stored information, as well as any tangible thing)" after "other data"; and

(2) by striking "subpena" and inserting "subpoena".

(c) LAW ENFORCEMENT AUTHORITY FOR DESIGNATED FEDERAL ENTITIES.--Section 6(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended--

(1) in paragraph (1) by striking "appointed under section 3"; and

(2) by adding at the end the following:

"(9) In this subsection the term `Inspector General' means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G."

(d) AUTHORITY OF TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION TO PROTECT INTERNAL REVENUE SERVICE EMPLOYEES.--Section 8D(k)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "and the providing of physical security".

(e) AMENDMENT RELATING TO AUTHORITY OF COMPTROLLER GENERAL TO ADMINISTER OATHS.--*Section 711 of title 31, United States Code*, is amended in paragraph (4) by striking "when auditing and settling accounts" and inserting "upon the specific approval only of the Comptroller General or the Deputy Comptroller General".

(f) AMENDMENTS RELATING TO COMPTROLLER GENERAL REPORTS.--

(1) *Section 719(b)(1) of title 31, United States Code*, is amended--

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period and inserting "; and" at the end of subparagraph (C); and

(C) by adding at the end the following new subparagraph:

"(D) for Federal agencies subject to sections 901 to 903 of this title and other agencies designated by the Comptroller General, an assessment of their overall degree of cooperation in making personnel available for interview, providing written answers to questions, submitting to an oath authorized by the Comptroller General under section 711 of this title, granting access to records, providing timely comments to draft reports, adopting recommendations in reports, and responding to such other matters as the Comptroller General considers appropriate."

(2) Section 719(c) of such title is amended--

(A) by striking "and" at the end of paragraph (2);

(B) by striking the period and inserting "; and" at the end of paragraph (3); and

(C) by adding at the end the following new paragraph:

"(4) as soon as practicable when an agency or other entity does not, within a reasonable period of time after a request by the Comptroller General, make personnel available for interview, provide written answers to questions, or submit to an oath authorized by the Comptroller General under section 711 of this title."

## **SEC. 7. PROGRAM FRAUD CIVIL REMEDIES ACT.**

*Section 3801(a)(1) of title 31, United States Code*, is amended by striking "and" after the semicolon at the end of subparagraph (C), by adding "and" after the semicolon at the end of subparagraph (D), and by adding at the end the following:

"(E) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978)."

## **SEC. 8. APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO INSPECTION REPORTS AND EVALUATION REPORTS.**

Section 5 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended--

(1) in subsection (a)(6)--

(A) by inserting ", inspection report, and evaluation report" after "audit report"; and

(B) by striking "audit" the second place it appears;

(2) in each of subsections (a)(8), (a)(9), (b)(2), and (b)(3)--

(A) by inserting ", inspection reports, and evaluation reports" after "audit reports" the first place it appears; and

(B) by striking "audit" the second place it appears; and

(3) in subsection (a)(10) by inserting ", inspection report, and evaluation report" after "audit report".

### **Purpose and Summary**

H.R. 928, the Improving Government Accountability Act, was introduced by Rep. Cooper on February 8, 2007. H.R. 928 updates the Inspector General Act of 1978 to promote independence and accountability for Inspectors General in executive branch departments and agencies.

The bill includes provisions for (1) a defined term of office for the Inspectors General and conditions for removal, (2) Inspectors General to submit their budgets directly to the Office of Management and Budget (OMB) and Congress, (3) the statutory establishment of a combined President's Council on Integrity and Efficiency and Executive Council on Integrity and Efficiency, (4) pay reform for Inspectors General, (5) changes in Inspector General investigative and law enforcement authorities, (6) the application of semiannual reporting requirements with respect to inspection reports and evaluation reports, and (7) enhanced authority for the Government Accountability Office (GAO).

### **Background and Need for Legislation**

The Inspector General Act of 1978 (IG Act) created independent offices in executive departments and agencies headed by Inspectors General. Inspectors General serve as the principal watchdogs of the nation's major federal agencies and are responsible for conducting and supervising audits and investigations in an effort to prevent and detect fraud and abuse in their agencies' programs and operations.

Investigations by Inspectors General have resulted in the recovery of billions of dollars from companies and individuals who defrauded the federal government. These investigations have led to thousands of criminal prosecutions, debarments, exclusions, and suspensions. In 2006 alone, audits by Inspector General offices resulted in \$9.9 billion in potential savings from audit recommendations and \$6.8 billion in investigative recoveries.

The Inspectors General established by the IG Act are either appointed by the President with Senate confirmation (presidential IGs) or appointed by their agency heads in designated federal entities (DFE IGs). There are currently 58 Inspector General offices established under the IG Act with 29 presidential IGs and 29 DFE IGs. The presidential IGs are members of the President's Council on Integrity and Efficiency (PCIE) and the DFE IGs are part of the Executive Council on Integrity and Efficiency (ECIE). Both councils are chaired by the Deputy Director for Management in the Office of Management and Budget, and were established by Executive Order to coordinate IG activities across government.

By investigating and reporting waste, fraud, and abuse to both agency leaders and to the Congress, Inspectors General play a critical role in maintaining checks and balances in the federal government. To effectively carry out their mission, Inspectors General must be independent and objective, which requires that they be insulated from improper management and political pressure. To preserve the credibility of the office, Inspectors General must also perform their duties with integrity and apply the same standards of conduct and accountability to themselves as they apply to the agencies that they audit and investigate.

Interference by agency management, the absence of input or control by Inspectors General into their office budgets, and campaigns by management to remove Inspectors General who are aggressive in their investigations all may jeo-

pardize the independence of the Inspector General. At the same time, a lack of consistent and credible mechanisms for investigating and resolving allegations of misconduct by Inspectors General may threaten accountability and credibility.

Recent incidents demonstrating issues with independence and accountability include the following:

Department of State Inspector General Howard Krongard allegedly interfered with numerous ongoing investigations to protect the State Department and White House from political embarrassment. According to current and former employees of the Office of Inspector General, Mr. Krongard's strong affinity with State Department leadership, support for the current administration, and partisan political ties have led him to halt investigations, censor reports, and refuse to cooperate with law enforcement agencies.

NASA Inspector General Robert Cobb allegedly suppressed investigations and penalized his own investigators for pursuing allegations of theft, safety violations, and other wrongdoing. After a six-month investigation, the Integrity Committee the President's Council on Integrity and Efficiency determined that Mr. Cobb had abused his authority and created a hostile work environment, and had not maintained an appearance of independence from NASA officials. All members of the committee believed that disciplinary action, up to and including removal, could be appropriate. Mr. Cobb rejected the findings of the Integrity Committee and calls for his resignation from leaders of NASA's congressional oversight committees. He remains in office.

Department of Commerce Inspector General Johnnie Frazier was under investigation for taking trips with no apparent official purpose at government expense, retaliating against employees who objected and refused to sign the travel vouchers, and destroying emails after he was informed of an investigation into his travel. A report from the Office of Special Counsel recently concluded that he illegally retaliated against employees who challenged his conduct by demoting them. Mr Frazier retired effective June 29, 2007.

Former Smithsonian Institution Inspector General Debra Ritt stated that former Smithsonian Secretary Lawrence M. Small tried to pressure her to drop an audit of high-ranking officials and their business expenses. Ms. Ritt moved ahead with the audit, which found excessive spending on travel and other expenses by top Smithsonian officials and led to Small's resignation. However, Ms. Ritt resigned as Smithsonian Inspector General shortly afterward, in response to cuts in the Inspector General office budget.

Legal Services Corporation (LSC) Inspector General Kirt West was considered for dismissal by the LSC board after he issued audit reports questioning spending on travel and expenses for LSC board meetings. The LSC board did not proceed with removal after intervention from the House Judiciary Committee.

Other examples of challenges to independence and accountability have occurred at the General Services Administration, Special Inspector General for Iraq Reconstruction, Environmental Protection Agency, Department of Defense, and Department of Homeland Security, U.S. Postal Service, and Department of Health and Human Services.

### **Legislative History**

H.R. 928, legislation to enhance independence and accountability for Inspectors General, was introduced on February 8, 2007, and referred to the Committee on Oversight and Government Reform.

The Subcommittee on Government Management, Organization, and Procurement held a hearing on H.R. 928 on June 20, 2007. The witnesses were Clay Johnson, Deputy Director for Management, Office of Management and Budget, Executive Office of the President and Chair, President's Council on Integrity and Efficiency and Executive Council on Integrity and Efficiency; Phyllis K. Fong, Inspector General, U.S. Department of Agriculture and Chair, Legislation Committee, President's Council on Integrity and Efficiency; Christine C. Boesz, Inspector General, National Science Foundation and Vice-Chair, Executive Council on Integrity and Efficiency; Eleanor J. Hill, former Inspector General, U.S. Department of Defense; Kenneth M. Mead, former Inspector General, U.S. Department of Transportation; Nikki L. Tinsley, former Inspector General, Environmental Protection Agency; Jeffrey C. Steinhoff, Managing Director, Financial Management and Assurance, Government Accountability Office; Vanessa Burrows, Legislative Attorney, Congressional Research Service; and Fred M. Kaiser, Specialist in American National Government, Congressional Research Service.

The Committee held a markup to consider H.R. 928 on August 2, 2007, and ordered the bill to be reported, as amended, by voice vote.

### **Section-by-Section**

*Section 1: Short title*

The short title of the bill is the Improving Government Accountability Act

*Section 2: Enhancing independence of Inspectors General*

This section enhances independence of Inspectors General by providing that presidentially appointed Inspectors General may be removed only for cause, specifically permanent incapacity, inefficiency, neglect of duty, malfeasance, conviction of a felony, or conduct involving moral turpitude. Inspectors General of Designated Federal Entities, i.e. those that are appointed by agency heads, may not be removed or transferred unless both Houses of Congress are provided 30 days advance notice of the reasons for removal or transfer.

The section sets fixed terms of seven years for Inspectors General, and permits reappointment. Individuals appointed and confirmed to fill vacancies will serve full 7 year terms.

The section applies to Inspectors General appointed on or after the date of enactment of this bill.

*Section 3: Direct submission of budget requests to Congress*

This section gives Inspectors General authority to submit budget requests to OMB and to Congress, in addition to requests submitted to the head of their related agency. The President's budget shall note these separate requests, as well as the difference between budget requests submitted by Inspectors General and federal agencies.

*Section 4: Establishment of Inspectors General Council*

This section establishes in statute an Inspectors General Council similar to the President's Council on Integrity and Efficiency and Executive Council on Integrity and Efficiency established by Executive Orders 12805 and 12993 and supersedes those Executive Orders.

The Deputy Director of the Office of Management and Budget shall be the Executive Chairperson of the Council.

A Chairperson shall be elected to a two year term from among the Inspectors General who comprise the Council. The Chairperson will convene meetings, manage Council personnel and other business, establish Committees within the Council, and write an annual report to the President. The Chairperson shall appoint a Vice Chairman.

The Council's duties shall be to identify, review, and formulate plans to promote efficiency and address waste, fraud, and abuse; to maintain academies for the purpose of training personnel of the offices of Inspectors General; to maintain a website; to prepare reports for Congress at the Chairman's discretion; and to develop professional standards that are consistent with the Comptroller General's audit standards by which Council members shall adhere.

The Council shall establish an Integrity Committee, chaired by the Council's FBI representative. This Integrity Committee (which already exists within the present PCIE/ECIE structure) shall investigate any allegations of wrongdoing made against Inspectors General or their senior staff members and report substantiated allegations to the executive branch. Reports of Integrity Committee investigations must be submitted to both the Executive Chairperson of the Council and to Congress.

*Section 5: Pay and bonuses of Inspectors General*

This section prohibits Inspectors General from receiving cash awards or cash bonuses. The section reclassifies Inspectors General at Executive Schedule Level IV to a level equivalent to Executive Schedule Level III plus 3% and requires that Inspectors General of Designated Federal Entities be paid at a level comparable to other senior staff members of the agency plus 3%. This section will enhance independence and stature of Inspector General by increasing their fixed compensation and eliminating discretionary compensation that could create a conflict of interest.

*Section 6: Miscellaneous enhancements*

Section 6(a) provides that Inspectors General, rather than their associated agency heads, will be considered the "agency head" with regard to Senior Executive Service, Voluntary Separation Authority, and law enforcement officer retirement exemptions. The Inspectors General Council, rather than individual agencies, will be the nominating body for Presidential Rank Awards for Inspector General personnel.

Section 6(b) extends Inspector General subpoena power to include documents in any medium (including electronically stored information, as well as any tangible thing). This provision brings the subpoena power already enjoyed by Inspectors General up to date with electronic communications. The "tangible things" power enables Inspector General investigators to subpoena hard drives and computers.

Section 6(c) authorizes all Inspectors General to apply to the Justice Department to fully deputize agents to make arrests, obtain and execute search warrants, and carry firearms. Presidentially appointed Inspectors General have such authority under existing law, and this section expands the authority to Inspectors General of Designated Federal Entities.

Section 6(d) authorizes the Treasury Inspector General for Tax Administration to protect Internal Revenue Service employees. This provision will permit TIGTA agents to provide armed escorts to IRS employees during taxpayer contacts that are perceived to be high risk, and to engage in other essential activities to protect the IRS against external attempts to corrupt or threaten its employees. This section incorporates the language of H.R. 2527, the Enhanced Protection of the Internal Revenue Service and Its Employees Act of 2007, a bill introduced by Rep. Maloney.

Section 6(e) expands the authority of the Comptroller General to take sworn testimony, and requires the Comptroller General to assess the cooperation of federal agencies with Government Accountability Office (GAO) investigations and promptly report to Congress if agencies refuse to provide information to GAO.

#### *Section 7: Program Fraud Civil Remedies Act*

This section would authorize Inspectors General of Designated Federal Entities to pursue false claims and recoup losses resulting from fraud. Under existing law, presidentially appointed Inspectors General, executive departments, military departments, and government "establishments" which are not executive departments have the authority to address and prosecute false claims under \$150,000 under authority of the Program Fraud Civil Remedies Act. This section extends that authority to Inspectors General of Designated Federal Entities.

#### *Section 8: Application of semiannual reporting requirements with respect to inspection reports and evaluation reports*

This section requires that Inspectors General include not only audit reports, but other inspection reports and evaluation reports in their semiannual reports to Congress.

### **Explanation of Amendments**

The following amendments were adopted in Committee:

Mr. Cooper offered an amendment in the nature of a substitute. The amendment changed the bill as introduced to (1) specify that the term limits for Inspectors General apply prospectively, (2) require that reports of investigation from the Integrity Committee be submitted to Congress within 30 days of their submission to the Executive Chairperson of the Inspectors General Council, (3) prohibit Inspectors General from receiving cash awards or cash bonuses, and (4) reclassify Inspectors General at Executive Schedule Level IV to Executive Schedule Level III and require that Inspectors General of designated federal entities be classified for pay purposes at a level comparable to other senior staff members of the agency. The Cooper amendment incorporated H.R. 2527, the Enhanced Protection of the Internal Revenue Service and Its Employees Act of 2007, a bill introduced by Rep. Maloney to streamline authorities of the Treasury Inspector General for Tax Administration. The Cooper amendment also expanded the authority of the Comptroller General to take sworn testimony, and required the Comptroller General to assess the cooperation of federal agencies with Government Accountability Office (GAO) investigations and promptly report to Congress if agencies refuse to provide information to GAO.

Rep. Tom Davis offered an amendment to the Cooper amendment, passed by voice vote, striking a provision that Inspectors General of Designated Federal Entities may be removed only for specified cause, and replacing it with a provision that an Inspector General of a Designated Federal Entity may be removed or transferred only after the head of the federal agency transmits the reasons for such removal and transfer to both Houses of Congress 30 days prior to such removal or transfer.

The Cooper amendment in the nature of a substitute, as amended by the Davis amendment, passed by voice vote.

### **Committee Consideration**

On Thursday, August 2, 2007, the Committee met in open session and favorably ordered H.R. 928 to be reported to the House by a voice vote.

### **Roll Call Votes**

No rollcall votes were held.

### **Application of Law to the Legislative Branch**

Section 102(b)(3) of *Public Law 104-1* requires a description of the application of this bill to the legislative branch where the bill relates to terms and conditions of employment or access to public services and accommodations. The bill does not relate to employment or access to public services and accommodations.

### **Statement of Oversight Findings and Recommendations of the Committee**

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report, including examples of Inspector General independence and accountability being compromised that have been documented through investigations and hearings of this Committee and other Committees of Congress.

### **Statement of General Performance Goals and Objectives**

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report, including identifying waste and fraud in federal programs by maintaining independent and credible Inspectors General in federal departments and agencies.

### **Constitutional Authority Statement**

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress to enact the law proposed by H.R. 928. Article I, Section 8, Clause 18 of the Constitution of the United States grants the Congress the power to enact this law.

### **Federal Advisory Committee Act**

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 *U.S.C. App., Section 5(b)*.

### **Unfunded Mandates Statement**

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, *P.L. 104-4*) requires a statement on whether the provisions of the report include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

### **Earmark Identification**

H.R. 928 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.

### **Committee Estimate**

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 928. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

### **Budget Authority and Congressional Budget Office Cost Estimate**

2007 Committee Reports, September 27, 2007

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 928 from the Director of the Congressional Budget Office:

SEPTEMBER 27, 2007.

Hon. HENRY A. WAXMAN,

Chairman, Committee on Oversight and Government Reform, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 928, the Improving Government Accountability Act.

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

Sincerely,

PETER R. ORSZAG.

Enclosure.

*H.R. 928--Improving Government Accountability Act*

Summary: H.R. 928 would amend the Inspector General Act of 1978. The legislation would define the term of office and conditions for removal of Inspectors General (IGs); require IGs to submit their budgets directly to the Office of Management and Budget (OMB) and the Congress; establish an IG Council; provide IGs with some additional investigative, law enforcement, and personnel authorities; and require IGs to prepare additional reports.

CBO estimates that implementing H.R. 928 would cost about \$9 million in 2008 and \$73 million over the 2008-2012 period, assuming the availability of the appropriated funds. The legislation could affect direct spending and revenues, but CBO estimates that any such effects would be negligible.

H.R. 928 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budget of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 928 is shown in the following table. The costs of this legislation fall within budget function 800 (general government) and all other budget functions where federal agencies employ Inspectors General.

	<b>By fiscal year, in millions of dollars--</b>				
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Inspector General Authorities:					
Estimated Authorization Level	5	10	10	10	10
Estimated Outlays	5	9	10	10	10
Council of Inspectors General on Integrity and Efficiency:					
Estimated Authorization Level	5	5	5	5	5
Estimated Outlays	4	5	5	5	5
Pay Provisions:					
Estimated Authorization Level	1	1	1	1	1
Estimated Outlays	*	1	1	1	1
Total Changes:					
Estimated Authorization Level	11	16	16	16	16
Estimated Outlays	9	16	16	16	16

Note: \* = less than \$500,000.



Basis of estimate: For this estimate, CBO assumes that the bill will be enacted early in fiscal year 2008, that the necessary funds will be provided for each year, and that spending will follow historical patterns for similar activities.

The Inspector General Act of 1978 created independent offices headed by Inspectors General responsible for conducting and supervising audits and investigations; promoting economy, efficiency, and effectiveness; and preventing and detecting fraud and abuse in government programs and operations. There are two types of IGs. There are 30 IGs who are appointed by the President with Senate confirmation, (known as Presidential IGs) half of whom serve the 15 cabinet departments. Another 34 IGs serve as designated federal entity (DFE) IGs at smaller agencies and are appointed (and may be removed) by the head of the agency. The Government Accountability Office (GAO) reported that IGs had appropriated budgets of almost \$2 billion in 2006 and employ over 12,000 employees.

#### *Spending subject to appropriation*

Inspector General Authorities. Under current law, many IG activities come under the purview of the agency they oversee. The budgets for IG activities are included as part of the agency's overall budget request to the Congress, with funding determined by the Congress through the appropriations process. Personnel matters, including hiring and retirement issues, are handled by each IG's agency. IGs at some of the larger agencies have independent law enforcement authorities, such as carrying firearms and executing warrants for arrests; those at smaller agencies are usually deputized by the U.S. Marshall Service to perform such functions. In addition, IGs issue semi-annual reports on their activities and operations.

H.R. 928 would amend existing law to make all IG offices separate agencies with the same powers and duties as the agency the agency monitor and investigate. IGs would be authorized to directly submit their budget requests to OMB and the Congress. In addition, IGs would be given additional personnel authorities, including more flexible hiring authorities. H.R. 928 would provide additional law enforcement authorities to IGs appointed by agency heads, including the ability to carry firearms and execute warrants. The legislation also would require program evaluations and inspections to be added to their reports to Congress.

Based on information from IG offices and the cost of similar authorities, CBO estimates that these provisions would cost \$5 million in 2008 and about \$45 million over the 2008-2012 period, mostly for additional personnel costs. CBO expects that few IG offices would become wholly independent of the administrative support of their agencies, but most would require additional personnel, especially the smaller IG offices. This estimate includes the cost of additional staff and training for budget and human resources functions, as well as additional law enforcement training.

Council of Inspectors General on Integrity and Efficiency. Currently, there are two advisory councils for IG functions: Inspectors General appointed by the President are members of the President's Council on Integrity and Efficiency (PCIE) while DFE IGs are members of the Executive Council on Integrity and Efficiency (ECIE). The two councils were created by Presidential Executive Orders and usually meet separately. They receive no specific appropriation, but are funded by the various IGs on an ad hoc basis.

H.R. 928 would establish a single council with duties and functions similar to the PCIE and ECIE. It would change the new council with identifying, reviewing, and discussing areas of weakness and fraud in federal operations and programs; developing plans for coordinated governmentwide activities that address these problems; developing policies and professional programs for IG personnel; and investigating allegations against IGs. Based on information from PCIE and ECIE regarding their current operations, CBO estimates that implementing this provision would cost an additional \$5 million in 2008 and \$25 million over the 2008-2012 period, primarily for the cost of professional training for IGs.

Pay Provisions. Section 5 would amend the Inspector General Act of 1978 to raise the annual salary level of 31 IGs specified in the legislation from Level IV to Level III of the executive schedule plus an additional 3 percent. The bill would set the level of pay for the other IGs equal to the rate of basic pay for senior staff members classified at a comparable rank plus 3 percent. In addition, the legislation would prohibit payment of cash awards and bonuses to IGs.

Based on data and information provided by the Office of Personnel Management, CBO estimates that increasing the pay for IGs would cost about \$500,000 annually and \$4 million over the 2008-2012 period, subject to the availability of appropriated funds. Most of that cost would result from increasing compensation of the 31 IGs specified in the bill who will have their rate of basic pay set at Level III of the executive schedule plus 3 percent. CBO expects the cost of increasing basic pay for the other IGs would be small because the increase in basic pay would largely be offset by the loss of bonus payments.

*Direct spending and revenues*

A few IGs are employed by offices that have direct spending authority to pay salaries and expenses. Amendments made by H.R. 928 would have an insignificant impact on spending by those offices. Enacting H.R. 928 could affect federal revenues from civil penalties as a result of allowing IGs appointed by their agency heads to investigate and report false claims and recoup losses resulting from fraud under \$150,000. Collections of civil penalties are recorded in the budget as revenues and deposited in the general fund of the Treasury. Based on information from Presidential IGs, CBO estimates that any change in revenues that would result from enacting the bill would not be significant.

Intergovernmental and private-sector impact: H.R. 928 contains no intergovernmental or private-sector mandates as defined in the UMRA and would not affect the budget of state, local, or tribal governments.

Estimate prepared by: Federal Costs: Inspectors General: Matthew Pickford; Pay and Benefits: Barry Blom; Impact on state, local, and tribal governments: Elizabeth Cove; Impact on the private-sector: Justin Hall.

Estimate approved by: Peter H. Fontaine, Assistant Director for Budget Analysis.

**Changes in Existing Law Made by the Bill, as Reported**

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, 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):-

**INSPECTOR GENERAL ACT OF 1978-****purpose; establishment**

SEC.2. In order to create independent and objective units--

(1) to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in {D> section 11(2) <D} *section 12(2)*;

**appointment and removal of officers**

SEC.3. (a) \* \* \*

(b) An Inspector General may be removed from office by the President. The President shall communicate the reasons for any such removal to both Houses of Congress. *An Inspector General may be removed from office prior to the expiration of his or her term only on any of the following grounds:*

- (1) Permanent incapacity.
- (2) Inefficiency.
- (3) Neglect of duty.
- (4) Malfeasance.
- (5) Conviction of a felony or conduct involving moral turpitude.

(e)(1) The term of office of each Inspector General shall be seven years. An individual may serve for more than one term in such office. Any individual appointed and confirmed to fill a vacancy in such position, occurring before the expiration of the term for which his or her predecessor was appointed, shall be appointed and confirmed for a full seven-year term.

(2) An individual may continue to serve as Inspector General beyond the expiration of the term for which the individual is appointed until a successor is appointed and confirmed, except that such individual may not continue to serve for more than 1 year after the date on which the term would otherwise expire under paragraph (1).

(f) An Inspector General (as defined under section 8G(a)(6) or 11(3)) may not receive any cash award or cash bonus, including any cash award under chapter 45 of title 5, United States Code.

(g) The annual rate of basic pay for an Inspector General (as defined under section 11(3)) shall be the rate payable for level III of the Executive Schedule under *section 5314 of title 5, United States Code*, plus 3 percent.

### duties and responsibilities

SEC.4. (a) \* \* \*

(b)(1) \* \* \*

(2) For purposes of determining compliance with paragraph (1)(A) with respect to whether internal quality controls are in place and operating and whether established audit standards, policies, and procedures are being followed by Offices of Inspector General of establishments defined under {D> section 11(2) <D} *section 12(2)*, Offices of Inspector General of designated Federal entities defined under section 8F(a)(2), and any audit office established within a Federal entity defined under section 8F(a)(1), reviews shall be performed exclusively by an audit entity in the Federal Government, including the General Accounting Office or the Office of Inspector General of each establishment defined under {D> section 11(2) <D} *section 12(2)*, or the Office of Inspector General of each designated Federal entity defined under section 8F(a)(2).

### reports

SEC.5. (a) Each Inspector General shall, not later than April 30 and October 31 of each year, prepare semiannual reports summarizing the activities of the Office during the immediately preceding six-month periods ending March 31 and September 30. Such reports shall include, but need not be limited to--

(1) \* \* \*

(6) a listing, subdivided according to subject matter, of each audit report, *inspection report*, and *evaluation report* issued by the Office during the reporting period and for each {D> audit <D} report, where applicable, the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs) and the dollar value of recommendations that funds be put to better use;

(8) statistical tables showing the total number of audit reports, *inspection reports*, and *evaluation reports* and the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs), for {D> audit <D} reports--

(A) \* \* \*

(9) statistical tables showing the total number of audit reports, *inspection reports*, and *evaluation reports* and the dollar value of recommendations that funds be put to better use by management, for {D> audit <D} reports--

(A) \* \* \*

(10) a summary of each audit report, *inspection report*, and *evaluation report* issued before the commencement of the reporting period for which no management decision has been made by the end of the reporting period (including the date and title of each such report), an explanation of the reasons such management decision has not been made, and a statement concerning the desired timetable for achieving a management decision on each such report;

(b) Semiannual reports of each Inspector General shall be furnished to the head of the establishment involved not later than April 30 and October 31 of each year and shall be transmitted by such head to the appropriate committees or subcommittees of the Congress within thirty days after receipt of the report, together with a report by the head of the establishment containing--

(1) any comments such head determines appropriate;

(2) statistical tables showing the total number of audit reports, *inspection reports*, and *evaluation reports* and the dollar value of disallowed costs, for {D> audit <D} reports--

(A) \* \* \*

(3) statistical tables showing the total number of audit reports, *inspection reports*, and *evaluation reports* and the dollar value of recommendations that funds be put to better use by management agreed to in a management decision, for {D> audit <D} reports--

(A) \* \* \*

**authority; administration provisions**

SEC.6. (a) In addition to the authority otherwise provided by this Act, each Inspector General, in carrying out the provisions of this Act, is authorized--

(1) \* \* \*

(4) to require by {D> subpoena <D} *subpoena* the production of all information, documents, reports, answers, records, accounts, papers, and other data *in any medium (including electronically stored information, as well as any tangible thing)* and documentary evidence necessary in the performance of the functions assigned by this Act, which subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of any appropriate United States district court: *Provided*, That procedures other than subpoenas shall be used by the Inspector General to obtain documents and information from Federal agencies;

{D> (d) For purposes of the provisions of title 5, United States Code, governing the Senior Executive Service, any reference in such provisions to the "appointing authority" for a member of the Senior Executive Service or for a Senior Executive Service position shall, if such member or position is or would be within the Office of an Inspector General, be deemed to be a reference to such Inspector General. <D}

(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)

(i) each Office of Inspector General shall be considered to be a separate agency; and

(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

(i) Subchapter II of chapter 35.

(ii) Sections 8335(b), 8336, 8414, and 8425(b).

(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

(2) For purposes of applying *section 4507(b) of title 5, United States Code*, paragraph (1)(A)(ii) shall be applied by substituting "the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the Inspector General Act) shall" for "the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,".

(e)(1) In addition to the authority otherwise provided by this Act, each Inspector General {D> appointed under section 3 <D}, any Assistant Inspector General for Investigations under such an Inspector General, and any special agent supervised by such an Assistant Inspector General may be authorized by the Attorney General to--

(A) \* \* \*

(9) In this subsection the term "Inspector General" means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G.

(f)(1) For each fiscal year, an Inspector General may transmit an appropriation estimate and request to the Director of the Office of Management and Budget and to the appropriate committees or subcommittees of the Congress, in addition to any appropriation estimate and request submitted to the head of the establishment concerned.

(2) The President shall include in each budget of the United States Government submitted to the Congress--

(A) a separate statement of the amount of appropriations requested by each Inspector General who has submitted an appropriation estimate under paragraph (1); and

(B) a statement comparing each such appropriation estimate and request submitted by an Inspector General and the funds requested by the head of the establishment concerned.

**special provisions concerning the department of the treasury**

SEC.8D. (a) \* \* \*

(k)(1) In addition to the duties and responsibilities exercised by an Inspector General of an establishment, the Treasury Inspector General for Tax Administration--

(A) \* \* \*

(C) shall be responsible for protecting the Internal Revenue Service against external attempts to corrupt or threaten employees of the Internal Revenue Service, but shall not be responsible for the conducting of background checks {D> and the providing of physical security <D}; and

#### **requirements for federal entities and designated federal entities**

SEC. 8G. (a) Notwithstanding {D> section 11 <D} *section 12* of this Act, as used in this section--

(1) the term "Federal entity" means any Government corporation (within the meaning of *section 103(1) of title 5, United States Code*), any Government controlled corporation (within the meaning of section 103(2) of such title), or any other entity in the Executive branch of the Government, or any independent regulatory agency, but does not include--

(A) an establishment (as defined under {D> section 11(2) <D} *section 12(2)* of this Act) or part of an establishment;

(c)(1) Except as provided under subsection (f) of this section, the Inspector General shall be appointed by the head of the designated Federal entity in accordance with the applicable laws and regulations governing appointments within the designated Federal entity.

(2) The term of office of each Inspector General shall be seven years. An individual may serve for more than one term in such office. Any individual appointed to fill a vacancy in such position, occurring before the expiration of the term for which his or her predecessor was appointed, shall be appointed for a full 7-year term.

(e) If {D> an Inspector General is removed from office or is transferred to another position or location within a designated Federal entity, the head of the designated Federal entity shall promptly communicate in writing the reasons for any such removal or transfer to both Houses of the Congress. <D> *the head of a designated Federal entity intends to remove an Inspector General from office or transfer an Inspector General to another position or location within such designated Federal entity, the head of such entity shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress at least 30 days before such removal or transfer.*

#### **establishment of the council of the inspectors general on integrity and efficiency**

SEC. 11. (a) ESTABLISHMENT.--There is established as an independent entity within the executive branch the Inspectors General Council (in this section referred to as the "Council"). The Council's mission shall be to increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

(b) MEMBERSHIP.--

(1) IN GENERAL.--The Council shall consist of the following members:

(A) All Inspectors General whose offices are established under--

(i) section 2; or

(ii) section 8G.

(B) The Inspectors General of the Central Intelligence Agency and the Government Printing Office.

(C) The Controller of the Office of Federal Financial Management.

(D) A senior level official of the Federal Bureau of Investigation designated by the Director of the Federal Bureau of Investigation.

(E) The Director of the Office of Government Ethics.

(F) The Special Counsel of the Office of Special Counsel.

(G) The Deputy Director of the Office of Personnel Management.

(H) The Deputy Director for Management of the Office of Management and Budget.

(2) CHAIRPERSON AND EXECUTIVE CHAIRPERSON.--

(A) EXECUTIVE CHAIRPERSON.--The Deputy Director for Management of the Office of Management and Budget shall be the Executive Chairperson of the Council.

(B) CHAIRPERSON.--The Council shall elect one of the Inspectors General referred to in paragraph (1)(A) or (B) to act as Chairperson of the Council. The term of office of the Chairperson shall be two years.

(3) FUNCTIONS OF CHAIRPERSON AND EXECUTIVE CHAIRPERSON.--

(A) EXECUTIVE CHAIRPERSON.--The Executive Chairperson shall--

(i) preside over meetings of the Council;

(ii) provide to the heads of agencies and entities represented on the Council with summary reports of the activities of the Council; and

(iii) provide to the Council such information relating to the agencies and entities represented on the Council as will assist the Council in performing its functions.

(B) CHAIRPERSON.--The Chairperson shall--

(i) convene meetings of the Council--

(ii) exercise the functions and duties of the Council under subsection (c);

(iii) appoint a Vice Chairperson to assist in carrying out the functions of the Council and act in the absence of the Chairperson, from a category of Inspectors General described in subparagraph (A)(i), (A)(ii), or (B) of subsection (b)(1), other than the category from which the Chairperson was elected;

(iv) make such payments from funds otherwise available to the Council as may be necessary to carry out the functions of the Council;

(v) select, appoint, and employ personnel as needed to carry out the functions of the Council subject to the availability of appropriations and the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates;

(vi) to the extent and in such amounts as may be provided in advance by appropriations Acts, enter into contracts and other arrangements with public agencies and private persons to carry out the functions and duties of the Council;

(vii) establish, in consultation with the members of the Council, such committees as determined by the Chairperson to be necessary and appropriate for the efficient conduct of Council functions; and

(viii) prepare and transmit a report annually on behalf of the Council to the President on the activities of the Council.

(c) FUNCTIONS AND DUTIES OF COUNCIL.--

(1) IN GENERAL.--The Council shall--

(A) continually identify, review, and discuss areas of weakness and vulnerability in Federal programs and operations with respect to fraud, waste, and abuse;

(B) develop plans for coordinated, Government-wide activities that address these problems and promote economy and efficiency in Federal programs and operations, including interagency and inter-entity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;

(C) develop policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;

(D) maintain an Internet Web site and other electronic systems for the benefit of all Inspectors General, as the Council determines are necessary or desirable;

(E) maintain one or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General; and

(F) make such reports to the Congress as the Chairperson determines are necessary or appropriate.

(2) ADHERENCE AND PARTICIPATION BY MEMBERS.--Each member of the Council should, to the extent permitted under law, and to the extent not inconsistent with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions, adhere to professional standards developed by the Council and participate in the plans, programs, and projects of the Council.

(3) EXISTING AUTHORITIES AND RESPONSIBILITIES.--The creation and operation of the Council--

(A) shall not affect the preeminent policy-setting role of the Department of Justice in law enforcement and litigation;

(B) shall not affect the authority or responsibilities of any Government agency or entity; and

(C) shall not affect the authority or responsibilities of individual members of the Council.

(d) INTEGRITY COMMITTEE.--

(1) ESTABLISHMENT.--The Council shall have an Integrity Committee, which shall receive, review, and refer for investigation allegations of wrongdoing that are made against Inspectors General and certain staff members of the various Offices of Inspector General.

(2) MEMBERSHIP.--The Integrity Committee shall consist of the following members:

(A) The official of the Federal Bureau of Investigation serving on the Council, who shall serve as Chairperson of the Integrity Committee.

(B) 3 or more Inspectors General described in subparagraph (A) or (B) of subsection (b)(1) appointed by the Chairperson of the Council, representing both establishments and designated Federal entities (as that term is defined in section 8G(a)).

(C) The Special Counsel of the Office of Special Counsel.

(D) The Director of the Office of Government Ethics.

(3) LEGAL ADVISOR.--The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as a legal advisor to the Integrity Committee.

(4) REFERRAL OF ALLEGATIONS.--

(A) REQUIREMENT.--An Inspector General shall refer to the Integrity Committee any allegation of wrongdoing against a staff member of his or her office, if--

(i) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

(ii) the Inspector General determines that--

(B) STAFF MEMBER DEFINED.--In this subsection the term "staff member" means--

(i) any employee of an Office of Inspector General who reports directly to an Inspector General; or

(ii) who is designated by an Inspector General under subparagraph (C).

(C) DESIGNATION OF STAFF MEMBERS.--Each Inspector General shall annually submit to the Chairperson of the Integrity Committee a designation of positions whose holders are staff members for purposes of subparagraph (B).

(5) REVIEW OF ALLEGATIONS.--The Integrity Committee shall--

(A) review all allegations of wrongdoing it receives against an Inspector General, or against a staff member of an Office of Inspector General; and

(B) refer to the Chairperson of the Integrity Committee any allegation of wrongdoing determined by the Integrity Committee to be meritorious that cannot be referred to an agency of the executive branch with appropriate jurisdiction over the matter.

(6) **AUTHORITY TO INVESTIGATE ALLEGATIONS.--**

(A) **REQUIREMENT.--**The Chairperson of the Integrity Committee shall cause a thorough and timely investigation of each allegation referred under paragraph (5)(B) to be conducted in accordance with this paragraph.

(B) **RESOURCES.--**At the request of the Chairperson of the Integrity Committee, the head of each agency or entity represented on the Council--

(i) may provide resources necessary to the Integrity Committee; and

(ii) may detail employees from that agency or entity to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation pursuant to this subsection.

(7) **PROCEDURES FOR INVESTIGATIONS.--**

(A) **STANDARDS APPLICABLE.--**Investigations initiated under this subsection shall be conducted in accordance with the most current Quality Standards for Investigations issued by the Council or by its predecessors (the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency).

(B) **ADDITIONAL POLICIES AND PROCEDURES.--**The Integrity Committee, in conjunction with the Chairperson of the Council, shall establish additional policies and procedures necessary to ensure fairness and consistency in--

(i) determining whether to initiate an investigation;

(ii) conducting investigations;

(iii) reporting the results of an investigation; and

(iv) providing the person who is the subject of an investigation with an opportunity to respond to any Integrity Committee report.

(C) **REPORT.--**With respect to any investigation that substantiates any allegation referred to the Chairperson of the Integrity Committee under paragraph (5)(B), the Chairperson of the Integrity Committee shall--

(i) submit to the Executive Chairperson of the Council a report on the results of such investigation, within 180 days (to the maximum extent practicable) after the completion of the investigation; and

(ii) submit to Congress a copy of such report within 30 days after the submission of such report to the Executive Chairperson under clause (i).

(8) **NO RIGHT OR BENEFIT.--**This subsection is not intended to create any right or benefit, substantive or procedural, enforceable at law by a person against the United States, its agencies, its officers, or any person.

(e) **APPLICATION.--**The provisions of this section apply only to the Inspectors General (and their offices) listed in subsection (b)(1)(A) and (B).

**definitions**

SEC. 11. As used in this Act--

(1) \* \* \*

**effective date**

SEC. 12. The provisions of this Act and the amendments made by this Act shall take effect October 1, 1978.

**TITLE 31, UNITED STATES CODE**

**CHAPTER 7--GOVERNMENT ACCOUNTABILITY OFFICE**



**SUBCHAPTER II--GENERAL DUTIES AND POWERS**

The Comptroller General may--

(1) \* \* \*

(4) administer oaths to witnesses {D> when auditing and settling accounts <D} *upon the specific approval only of the Comptroller General or the Deputy Comptroller General.*

(a) \* \* \*

(b)(1) The Comptroller General shall include in the report to Congress under subsection (a) of this section--

(A) \* \* \*

(B) information on carrying out duties and powers of the Comptroller General under clauses (A) and (C) of this paragraph, subsections (g) and (h) of this section, and sections 717, 731(e)(2), 734, 1112, and 1113 of this title; {D> and <D}

(C) the name of each officer and employee of the Government Accountability Office assigned or detailed to a committee of Congress, the committee to which the officer or employee is assigned or detailed, the length of the period of assignment or detail, a statement on whether the assignment or detail is finished or continuing, and compensation paid out of appropriations available to the Comptroller General for the period of the assignment or detail that has been completed{D> . <D}; *and*

(D) for Federal agencies subject to sections 901 to 903 of this title and other agencies designated by the Comptroller General, an assessment of their overall degree of cooperation in making personnel available for interview, providing written answers to questions, submitting to an oath authorized by the Comptroller General under section 711 of this title, granting access to records, providing timely comments to draft reports, adopting recommendations in reports, and responding to such other matters as the Comptroller General considers appropriate.

(c) The Comptroller General shall report to Congress--

(1) \* \* \*

(2) on the adequacy and effectiveness of--

(A) administrative audits of accounts and claims in an agency; and

(B) inspections by an agency of offices and accounts of fiscal officials; {D> and <D}

(3) as frequently as practicable on audits carried out under sections 713 and 714 of this title{D> . <D}; *and*

(4) as soon as practicable when an agency or other entity does not, within a reasonable period of time after a request by the Comptroller General, make personnel available for interview, provide written answers to questions, or submit to an oath authorized by the Comptroller General under section 711 of this title.

**CHAPTER 11--THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION**

(a) On or after the first Monday in January but not later than the first Monday in February of each year, the President shall submit a budget of the United States Government for the following fiscal year. Each budget shall include a budget message and summary and supporting information. The President shall include in each budget the following:

(1) \* \* \*

{D> (33) a separate appropriation account for appropriations for the Inspectors General Criminal Investigator Academy and the Inspectors General Forensic Laboratory of the Department of the Treasury. <D}

(33) a separate appropriation account for appropriations for the Inspectors General Council, and, included in that account, a separate statement of the aggregate amount of appropriations requested for each academy maintained by the Inspectors General Council.

**CHAPTER 38--ADMINISTRATIVE REMEDIES FOR FALSE CLAIMS AND STATEMENTS**

(a) For purposes of this chapter--

(1) "authority" means--

(A) \* \* \*

(C) an establishment (as such term is defined in section 11(2) of the Inspector General Act of 1978) which is not an executive department; {D> and <D}

(D) the United States Postal Service; *and*

(E) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978).

## **TITLE 5, UNITED STATES CODE**

### **SUBPART D--PAY AND ALLOWANCES**

#### **CHAPTER 53--PAY RATES AND SYSTEMS**

##### **SUBCHAPTER II--EXECUTIVE SCHEDULE PAY RATES**

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Deputy Administrator of General Services.

{D> Inspector General, Department of Education. <D}

{D> Inspector General, Department of Energy. <D}

{D> Inspector General, Department of Health and Human Services.

{D> Inspector General, Department of Agriculture. <D}

Special Counsel of the Merit Systems Protection Board.

{D> Inspector General, Department of Housing and Urban Development. <D}

Chairman, Federal Labor Relations Authority.

{D> Inspector General, Department of Labor.

{D> Inspector General, Department of Transportation.

{D> Inspector General, Department of Veterans Affairs. <D}

{D> Inspector General, Department of Homeland Security. <D}

{D> Inspector General, Department of Defense. <D}

{D> Inspector General, Department of State. <D}

{D> Inspector General, Department of Commerce.

{D> Inspector General, Department of the Interior.

{D> Inspector General, Department of Justice.

{D> Inspector General, Department of the Treasury.

{D> Inspector General, Agency for International Development.

{D> Inspector General, Environmental Protection Agency.

{D> Inspector General, Export-Import Bank.

{D> Inspector General, Federal Emergency Management Agency.

2007 Committee Reports, September 27, 2007

{D> Inspector General, General Services Administration.  
 {D> Inspector General, National Aeronautics and Space Administration.  
 {D> Inspector General, Nuclear Regulatory Commission.  
 {D> Inspector General, Office of Personnel Management.  
 {D> Inspector General, Railroad Retirement Board.  
 {D> Inspector General, Small Business Administration.  
 {D> Inspector General, Tennessee Valley Authority.  
 {D> Inspector General, Federal Deposit Insurance Corporation. <D}  
 {D> Inspector General, Resolution Trust Corporation. <D}  
 {D> Inspector General, Central Intelligence Agency <D}  
 {D> Inspector General, Social Security Administration. <D}  
 {D> Inspector General, United States Postal Service. <D}

### **Additional Views**

#### **ADDITIONAL VIEWS OF RANKING MEMBER TOM DAVIS**

Since the enactment of the Inspector General Act of 1978, inspectors general (IGs) throughout government have played an integral role in identifying waste and mismanagement in government. IGs have also been instrumental in aiding Congress and the executive branch to find ways to make government more efficient and effective.

We all agree IGs should operate independently, free from political interference. After all, both agency heads and Congress often rely on IG reports to provide frank and open assessments of the effectiveness of federal programs.

However, inspectors general should also be part of an agency's management structure--albeit with some independence--rather than a "fourth branch" of the federal government. If we divorce the IGs from the day-to-day operations of the agencies they oversee, IGs will cease to perform a constructive role and could instead play more of a "Monday morning quarterback" role where their function is solely to second-guess decisions made by agencies.

Many of the provisions in H.R. 928 would help to enhance the effectiveness of the IGs in overseeing federal agencies and programs. But other provisions in the legislation go too far.

As an example, during Committee consideration of the legislation, I offered an amendment to exempt the smaller agency inspectors general from the "for cause" removal provision in the bill, thereby reserving the "for cause" removal threshold only for Cabinet-level agency inspectors general. The purpose of the amendment, which was adopted, was to strike a balance between the need to ensure independence of our inspectors general while at the same time preserving the President's authority over employers and officers of the Executive Branch.

While I believe this change improves the legislation, other changes may be necessary to ensure IGs are capable of effectively and efficiently carrying out their responsibilities. I understand the Administration has a number of suggested improvements to the legislation, improvements I trust the majority will work to accommodate before moving H.R. 928 to the floor.

TOM DAVIS.

**SUBJECT:** INVESTIGATIONS (89%); US FEDERAL GOVERNMENT (79%); GOVERNMENT BUDGETS (79%); APPROPRIATIONS (79%); LEGISLATION (59%); BUDGET (59%); EXECUTIVE ORDERS (59%); GOVERNMENT CONTROLLERS & AUDITORS (59%); PUBLIC FINANCE (59%); ENERGY DEPARTMENTS (59%); AUDITS (59%); RESIGNATIONS (59%)

**LOAD-DATE:** January 31, 2008

LEXSEE

Copyright © 2010 LexisNexis Academic & Library Solutions, a division of Reed Elsevier  
Inc.

All Rights Reserved  
CONGRESSIONAL RECORD -- SENATE

110th Congress, 2nd Session

154 Cong Rec S 3323

INSPECTOR GENERAL REFORM ACT OF 2007

April 23, 2008

**REFERENCE:** Vol. 154, No. 65

**SECTION:** Senate

**SPEAKER:** Mr. REID; Mr. KYL

**TEXT:** [\*3323]

Page 3323

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 578, S. 2324.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2324) to amend the Inspector General Act of 1978, (5 U.S.C. App.) to enhance the Offices of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Homeland Security and Governmental Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Inspector General Reform Act of 20072008".

#### SEC. 2. APPOINTMENT AND QUALIFICATIONS OF INSPECTORS GENERAL.

Section 8G(c) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end "Each Inspector General shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations."

### SEC. 3. REMOVAL OF INSPECTORS GENERAL.

(a) Establishments.-Section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking the second sentence and inserting "If an Inspector General is removed from office or is transferred to another position or location within an establishment, the President shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer."

(b) Designated Federal Entities.-Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "shall promptly communicate in writing the reasons for any such removal or transfer to both Houses of the Congress" and inserting "shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer".

(c) Legislative Agencies.-

(1) Library of congress.-Section 1307(c)(2) of the Legislative Branch Appropriations Act, 2006 (2 U.S.C. 185(c)(2)) is amended by striking the second sentence and inserting "If the Inspector General is removed from office or is transferred to another position or location within the Library of Congress, the Librarian of Congress shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer."

(2) Capitol police.-Section 1004(b) of the Legislative Branch Appropriations Act, 2006 (2 U.S.C. 1909(b)) is amended by striking paragraph (3) and inserting the following:

"(3) Removal.-The Inspector General may be removed or transferred from office before the expiration of his term only by the unanimous vote of all of the voting members of the Capitol Police Board. If an Inspector General is removed from office or is transferred to another position or location within the Capitol Police, the Capitol Police Board shall communicate in writing the reasons for any such removal or transfer to the Committee on Rules and Administration of the Senate, the Committee on House Administration of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives, not later than 30 days before the removal or transfer."

(3) Government printing office.-Section 3902(b)(2) of title 44, United States Code, is amended by striking the second sentence and inserting "If the Inspector General is removed from office or is transferred to another position or location within the Government Printing Office, the Public Printer shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer."

### SEC. 4. PAY OF INSPECTORS GENERAL.

(a) Inspectors General at Level III of Executive Schedule.-

(1) In general.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.), is amended by adding at the end the following:

"(e) The annual rate of basic pay for an Inspector General (as defined under section 11(3)) shall be the rate payable for level III of the Executive Schedule under section 5314 of title 5, United States Code, plus 3 percent."

(2) Technical and conforming amendments.-Section 5315 of title 5, United States Code, is amended by striking the item relating to each of the following positions:

- (A) Inspector General, Department of Education.
- (B) Inspector General, Department of Energy.
- (C) Inspector General, Department of Health and Human Services.
- (D) Inspector General, Department of Agriculture.
- (E) Inspector General, Department of Housing and Urban Development.
- (F) Inspector General, Department of Labor.
- (G) Inspector General, Department of Transportation.
- (H) Inspector General, Department of Veterans Affairs.

- (I) Inspector General, Department of Homeland Security.
- (J) Inspector General, Department of Defense.
- (K) Inspector General, Department of State.
- (L) Inspector General, Department of Commerce.
- (M) Inspector General, Department of the Interior.
- (N) Inspector General, Department of Justice.
- (O) Inspector General, Department of the Treasury.
- (P) Inspector General, Agency for International Development.
- (Q) Inspector General, Environmental Protection Agency.
- (R) Inspector General, Export-Import Bank.
- (S) Inspector General, Federal Emergency Management Agency.
- (T) Inspector General, General Services Administration.
- (U) Inspector General, National Aeronautics and Space Administration.
- (V) Inspector General, Nuclear Regulatory Commission.
- (W) Inspector General, Office of Personnel Management.
- (X) Inspector General, Railroad Retirement Board.
- (Y) Inspector General, Small Business Administration.
- (Z) Inspector General, Tennessee Valley Authority.
- (AA) Inspector General, Federal Deposit Insurance Corporation.
- (BB) Inspector General, Resolution Trust Corporation.
- (CC) Inspector General, Central Intelligence Agency.
- (DD) Inspector General, Social Security Administration.
- (EE) Inspector General, United States Postal Service.

(3) Additional technical and conforming amendment.-Section 194(b) of the National and Community Service Act of 1990 (42 U.S.C. 12651e(b)) is amended by striking paragraph (3).

(b) Inspectors General of Designated Federal Entities.-Notwithstanding any other provision of law, the Inspector General of each designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall, for pay and all other purposes, be classified at a grade, level, or rank designation, as the case may be, at or above those of a majority of the senior level executives of that designated Federal entity (such as a General Counsel, Chief Information Officer, Chief Financial Officer, Chief Human Capital Officer, or Chief Acquisition Officer). The pay of an Inspector General of a designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall be not less than the average total compensation of the senior level executives of that designated Federal entity calculated on an annual basis.

(c) Savings Provision for Newly Appointed Inspectors General.-The provisions of section 3392 of title 5, United States Code, other than the terms "performance awards" and "awarding of ranks" in subsection (c)(1) of such section, shall apply to career appointees of the Senior Executive Service who are appointed to the position of Inspector General.

(d) Savings Provision.-Nothing in this section shall have the effect of reducing the rate of pay of any individual serving on the date of enactment of this section as an Inspector General of-

- (1) an establishment as defined under section 11(2) of the Inspector General Act of 1978 (5 U.S.C. App.);
- (2) a designated Federal entity as defined under section 8G(2) of the Inspector General Act of 1978 (5 U.S.C. App.);

- (3) a legislative agency for which the position of Inspector General is established by statute; or
- (4) any other entity of the Government for which the position of Inspector General is established by statute. [\*3324]

Page 3324

#### SEC. 5. PROHIBITION OF CASH BONUS OR AWARDS.

Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 4 of this Act) is further amended by adding at the end the following:

"(f) An Inspector General (as defined under section 8G(a)(6) or 11(3)) may not receive any cash award or cash bonus, including any cash award under chapter 45 of title 5, United States Code."

#### SEC. 6. SEPARATE COUNSEL TO SUPPORT INSPECTORS GENERAL.

(a) Counsels to Inspectors General of Establishment.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by sections 4 and 5 of this Act) is further amended by adding at the end the following:

"(g) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service, obtain legal advice from a counsel either reporting directly to the Inspector General or another Inspector General."

(b) Counsels to Inspectors General of Designated Federal Entities.-Section 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(4) Each Inspector General shall, in accordance with applicable laws and regulations governing appointments within the designated Federal entity, appoint a Counsel to the Inspector General who shall report to the Inspector General or obtain the services of a counsel appointed by and directly reporting to another Inspector General or the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis."

#### SEC. 7. ESTABLISHMENT OF COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

(a) Establishment.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by redesignating sections 11 and 12 as sections 12 and 13, respectively, and by inserting after section 10 the following:

#### "SEC. 11. ESTABLISHMENT OF THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

"(a) Establishment and Mission.-

"(1) Establishment.-There is established as an independent entity within the executive branch the Council of the Inspectors General on Integrity and Efficiency (in this section referred to as the "Council").

"(2) Mission.-The mission of the Council shall be to-

"(A) address integrity, economy, and effectiveness issues that transcend individual Government agencies; and

"(B) increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

"(b) Membership.-

"(1) In general.-The Council shall consist of the following members:

"(A) All Inspectors General whose offices are established under-

"(i) section 2; or

"(ii) section 8G.

"(B) The Inspectors General of the Office of the Director of National Intelligence and the Central Intelligence Agency.

"(C) The Controller of the Office of Federal Financial Management.

"(D) A senior level official of the Federal Bureau of Investigation designated by the Director of the Federal Bureau of Investigation.

"(E) The Director of the Office of Government Ethics.

"(F) The Special Counsel of the Office of Special Counsel.

"(G) The Deputy Director of the Office of Personnel Management.

"(H) The Deputy Director for Management of the Office of Management and Budget.

"(I) The Office of Inspectors General of the Library of Congress, Capitol Police, and the Government Printing Office.

"(J) Any other members designated by the President.

"(2) Chairperson and executive chairperson.-

"(A) Executive chairperson.-The Deputy Director for Management of the Office of Management and Budget shall be the Executive Chairperson of the Council.

"(B) Chairperson.-The Council shall elect 1 of the Inspectors General referred to in paragraph (1)(A) or (B) to act as Chairperson of the Council. The term of office of the Chairperson shall be 2 years.

"(3) Functions of chairperson and executive chairperson.-

"(A) Executive chairperson.-The Executive Chairperson shall-

"(i) preside over meetings of the Council;

"(ii) provide to the heads of agencies and entities represented on the Council summary reports of the activities of the Council; and

"(iii) provide to the Council such information relating to the agencies and entities represented on the Council as assists the Council in performing its functions.

"(B) Chairperson.-The Chairperson shall-

"(i) convene meetings of the Council-

"(I) at least 6 times each year;

"(II) monthly to the extent possible; and

"(III) more frequently at the discretion of the Chairperson;

"(ii) exercise the functions and duties of the Council under subsection (c);

"(iii) appoint a Vice Chairperson to assist in carrying out the functions of the Council and act in the absence of the Chairperson, from a category of Inspectors General described in subparagraph (A)(i), (A)(ii), or (B) of paragraph (1), other than the category from which the Chairperson was elected;

"(iv) make such payments from funds otherwise available to the Council as may be necessary to carry out the functions of the Council;

"(v) select, appoint, and employ personnel as needed to carry out the functions of the Council subject to the availability of appropriations and the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates;

"(vi) to the extent and in such amounts as may be provided in advance by appropriations Acts, enter into contracts and other arrangements with public agencies and private persons to carry out the functions and duties of the Council;

"(vii) establish, in consultation with the members of the Council, such committees as determined by the Chairperson to be necessary and appropriate for the efficient conduct of Council functions; and



"(viii) prepare and transmit a report annually on behalf of the Council to the President on the activities of the Council.

"(c) Functions and Duties of Council.-

"(1) In general.-The Council shall-

"(A) continually identify, review, and discuss areas of weakness and vulnerability in Federal programs and operations with respect to fraud, waste, and abuse;

"(B) develop plans for coordinated, governmentwide activities that address these problems and promote economy and efficiency in Federal programs and operations, including interagency and interentity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;

"(C) develop policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;

"(D) maintain an Internet website and other electronic systems for the benefit of all Inspectors General, as the Council determines are necessary or desirable;

"(E) maintain 1 or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General;

"(F) submit recommendations of 3 individuals to the appropriate appointing authority for any appointment to an office of Inspector General described under subsection (b)(1)(A) or (B);

"(G) make such reports to Congress as the Chairperson determines are necessary or appropriate; and

"(H) perform other duties within the authority and jurisdiction of the Council, as appropriate.

"(2) Adherence and participation by members.-To the extent permitted under law, and to the extent not inconsistent with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions, each member of the Council shall adhere to professional standards developed by the Council and participate in the plans, programs, and projects of the Council, as appropriate.

"(3) Additional administrative authorities.-

"(A) Interagency funding.-Notwithstanding section 1532 of title 31, United States Code, or any other provision of law prohibiting the interagency funding of activities described under subclause (I) or (II) (I), (II), or (III) of clause (i), in the performance of the responsibilities, authorities, and duties of the Council-

"(i) the Executive Chairperson may authorize the use of interagency funding for-

"(I) Governmentwide training of employees of the Offices of the Inspectors General;

"(II) the functions of the Integrity Committee of the Council; and

"(III) any other authorized purpose determined by the Council; and

"(ii) upon the authorization of the Executive Chairperson, any department, agency, or entity of the United States Government executive branch which has a member on the Council shall fund or participate in the funding of such activities.

"(B) Superseding provisions.-No provision of law enacted after the date of enactment of this subsection shall be construed to limit or supersede the authority under paragraph (1), unless such provision makes specific reference to the authority in that paragraph.

"(4) Existing authorities and responsibilities.-The establishment and operation of the Council shall not affect-

"(A) the role of the Department of Justice in law enforcement and litigation;

"(B) the authority or responsibilities of any Government agency or entity; and

"(C) the authority or responsibilities of individual members of the Council.

"(d) Integrity Committee.-

"(1) Establishment.-The Council shall have an Integrity Committee, which shall receive, review, and refer for investigation allegations of wrongdoing that are made against Inspectors General and certain staff members of the various Offices of Inspector General described under paragraph (4)(C). [\*3325]

Page 3325

"(2) Membership.-The Integrity Committee shall consist of the following members:

"(A) The official of the Federal Bureau of Investigation serving on the Council, who shall serve as Chairperson of the Integrity Committee.

"(B) Three or more Inspectors General described in subparagraph (A) or (B) of subsection (b)(1) appointed by the Chairperson of the Council, representing both establishments and designated Federal entities (as that term is defined in section 8G(a)).

"(C) The Special Counsel of the Office of Special Counsel.

"(D) The Director of the Office of Government Ethics.

"(3) Legal advisor.-The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as a legal advisor to the Integrity Committee.

"(4) Referral of allegations.-

"(A) Requirement.-An Inspector General shall refer to the Integrity Committee any allegation of wrongdoing against a staff member of the office of that Inspector General, if-

"(i) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

"(ii) the Inspector General determines that-

"(I) an objective internal investigation of the allegation is not feasible; or

"(II) an internal investigation of the allegation may appear not to be objective.

"(B) Definition.-In this paragraph the term `staff member' means-

"(i) any employee of an Office of Inspector General who reports directly to an Inspector General; or

"(ii) who is designated by an Inspector General under subparagraph (C).

"(C) Designation of staff members.-Each Inspector General shall annually submit to the Chairperson of the Integrity Committee a designation of positions whose holders are staff members for purposes of subparagraph (B).

"(5) Review of allegations.-The Integrity Committee shall-

"(A) review all allegations of wrongdoing the Integrity Committee receives against an Inspector General, or against an employee a staff member of an Office of Inspector General described under paragraph (4)(C);

"(B) refer any allegation of wrongdoing to the agency of the executive branch with appropriate jurisdiction over the matter; and

"(C) refer to the Chairperson of the Integrity Committee any allegation of wrongdoing determined by the Integrity Committee under subparagraph (A) to be potentially meritorious that cannot be referred to an agency under subparagraph (B).

"(6) Authority to investigate allegations.-

"(A) Requirement.-The Chairperson of the Integrity Committee shall cause a thorough and timely investigation of each allegation referred under paragraph (5)(C) to be conducted in accordance with this paragraph.

"(B) Resources.-At the request of the Chairperson of the Integrity Committee, the head of each agency or entity represented on the Council-

"(i) may provide resources necessary to the Integrity Committee; and

"(ii) may detail employees from that agency or entity to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation under this subsection.

"(7) Procedures for investigations.-

"(A) Standards applicable.-Investigations initiated under this subsection shall be conducted in accordance with the most current Quality Standards for Investigations issued by the Council or by its predecessors (the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency).

"(B) Additional policies and procedures.-

"(i) Establishment.-The Integrity Committee, in conjunction with the Chairperson of the Council, shall establish additional policies and procedures necessary to ensure fairness and consistency in-

"(I) determining whether to initiate an investigation;

"(II) conducting investigations;

"(III) reporting the results of an investigation; and

"(IV) providing the person who is the subject of an investigation with an opportunity to respond to any Integrity Committee report.

"(ii) Submission to congress.-The Council shall submit a copy of the policies and procedures established under clause (i) to the congressional committees of jurisdiction.

"(C) Reports.-

"(i) Potentially meritorious allegations.-For allegations referred to described under paragraph (5)(C), the Chairperson of the Integrity Committee shall make a report containing the results of the investigation of the Chairperson and shall provide such report to members of the Integrity Committee.

"(ii) Allegations of wrongdoing.-For allegations referred to an agency under paragraph (5)(B), the head of an that agency shall make a report containing the results of the investigation and shall provide such report to members of the Integrity Committee.

"(8) Assessment and final disposition.-

"(A) In general.-With respect to any report received under paragraph (7)(C), the Integrity Committee shall-

"(i) assess the report;

"(ii) forward the report, with the recommendations of the Integrity Committee, including those on disciplinary action, within 180 30 days (to the maximum extent practicable) after the completion of the investigation, to the Executive Chairperson of the Council and to the President (in the case of a report relating to an Inspector General of an establishment or any employee of that Inspector General) or the head of a designated Federal entity (in the case of a report relating to an Inspector General of such an entity or any employee of that Inspector General) for resolution; and

"(iii) submit to the congressional committees of jurisdiction an executive summary of such report and recommendations within 30 days after the submission of such report to the Executive Chairperson under clause (ii).

"(B) Disposition.-The Executive Chairperson of the Council shall report to the Integrity Committee the final disposition of the matter, including what action was taken by the President or agency head.

"(9) Annual report.-The Council shall submit to Congress and the President by December 31 of each year a report on the activities of the Integrity Committee during the preceding fiscal year, which shall include the following:

"(A) The number of allegations received.

"(B) The number of allegations referred to other agencies, including the number of allegations referred for criminal investigation.

"(C) The number of allegations referred to the Chairperson of the Integrity Committee for investigation.

"(D) The number of allegations closed without referral.

"(E) The date each allegation was received and the date each allegation was finally disposed of.

"(F) In the case of allegations referred to the Chairperson of the Integrity Committee, a summary of the status of the investigation of the allegations and, in the case of investigations completed during the preceding fiscal year, a summary of the findings of the investigations.

"(G) Other matters that the Council considers appropriate.

"(10) Requests for more information.-With respect to paragraphs (8) and (9), the Council shall provide more detailed information about specific allegations upon request from any of the following:

"(A) The chairperson or ranking member of the Committee on Homeland Security and Governmental Affairs of the Senate.

"(B) The chairperson or ranking member of the Committee on Oversight and Government Reform of the House of Representatives.

"(C) The chairperson or ranking member of the congressional committees of jurisdiction.

"(11) No right or benefit.-This subsection is not intended to create any right or benefit, substantive or procedural, enforceable at law by a person against the United States, its agencies, its officers, or any person."

(b) Allegations of Wrongdoing Against Special Counsel or Deputy Special Counsel.-

(1) Definitions.-In this section-

(A) the term "Integrity Committee" means the Integrity Committee established under section 11(d) of the Inspector General Act of 1978 (5 U.S.C. App.), as amended by this Act; and

(B) the term "Special Counsel" refers to the Special Counsel appointed under section 1211(b) of title 5, United States Code.

(2) Authority of integrity committee.-

(A) In general.-An allegation of wrongdoing against the Special Counsel or the Deputy Special Counsel may be received, reviewed, and referred for investigation by the Integrity Committee to the same extent and in the same manner as in the case of an allegation against an Inspector General (or a member of the staff of an Office of Inspector General), subject to the requirement that the Special Counsel recuse himself or herself from the consideration of any allegation brought under this paragraph.

(B) Coordination with existing provisions of law.-This subsection does not eliminate access to the Merit Systems Protection Board for review under section 7701 of title 5, United States Code. To the extent that an allegation brought under this subsection involves section 2302(b)(8) of that title, a failure to obtain corrective action within 120 days after the date on which that allegation is received by the Integrity Committee shall, for purposes of section 1221 of such title, be considered to satisfy section 1214(a)(3)(B) of that title.

(3) Regulations.-The Integrity Committee may prescribe any rules or regulations necessary to carry out this subsection, subject to such consultation or other requirements as might otherwise apply.

(b)(c) Existing Executive Orders.-Executive Order 12805, dated May 11, 1992, and Executive Order 12993, dated March 21, 1996, shall have no force or effect.

(c)(d) Technical and Conforming Amendments.-

(1) Inspector general act of 1978.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(A) in sections 2(1), 4(b)(2), and 8G(a)(1)(A) by striking "section 11(2)" each place it appears and inserting "section 12(2)"; and

(B) in section 8G(a), in the matter preceding paragraph (1), by striking "section 11" and inserting "section 12".

[\*3326]

Page 3326

(2) Separate appropriations account.-Section 1105(a) of title 31, United States Code, is amended by striking the first paragraph (33) and inserting the following:

"(33) a separate appropriation account for appropriations for the Council of the Inspectors General on Integrity and Efficiency, and, included in that account, a separate statement of the aggregate amount of appropriations requested for each academy maintained by the Council of the Inspectors General on Integrity and Efficiency."

#### SEC. 8. SUBMISSION OF BUDGET REQUESTS TO CONGRESS.

Section 6 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(f)(1) For each fiscal year, an Inspector General shall transmit a budget estimate and request to the head of the agency, board, or commission establishment or designated Federal entity to which the Inspector General reports. The budget request shall specify the aggregate amount of funds requested for such fiscal year for the operations of that Inspector General and shall specify the amount requested for all training requirements needs, including a certification from the Inspector General that the amount requested satisfies all training requirements for the Inspector General's office for that fiscal year, and any resources necessary to support the Council of the Inspectors General on Integrity and Efficiency. Resources necessary to support the Council of the Inspectors General on Integrity and Efficiency shall be specifically identified and justified in the budget request.

"(2) In transmitting a proposed budget to the President for approval, the head of each agency, board or commission establishment or designated Federal entity shall include-

"(A) an aggregate request for the Inspector General;

"(B) amounts for Inspector General training;

"(C) amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and

"(D) any comments of the affected Inspector General with respect to the proposal.

"(3) The President shall include in each budget of the United States Government submitted to Congress-

"(A) a separate statement of the budget estimate prepared in accordance with paragraph (1);

"(B) the amount requested by the President for each Inspector General;

"(C) the amount requested by the President for training of Inspectors General;

"(D) the amount requested by the President for support for the Council of the Inspectors General on Integrity and Efficiency; and

"(E) any comments of the affected Inspector General with respect to the proposal, including whether the budget request submitted by the head of the establishment or designated Federal entity would substantially inhibit the Inspector General from performing the duties of the office."

#### SEC. 9. SUBPOENA POWER.

Section 6(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) by inserting "in any medium (including electronically stored information, as well as any tangible thing)" after "other data"; and

(2) by striking "subpena" and inserting "subpoena".

#### SEC. 10. PROGRAM FRAUD CIVIL REMEDIES ACT.

Section 3801(a)(1) of title 31, United States Code, is amended-

(1) in subparagraph (C) (D), by striking "and" after the semicolon;

(2) in subparagraph (D) (E), by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(E)(F) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978)."

SEC. 11. LAW ENFORCEMENT AUTHORITY FOR DESIGNATED FEDERAL ENTITIES.

Section 6(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

- (1) in paragraph (1) by striking "appointed under section 3"; and
- (2) by adding at the end the following:

"(9) In this subsection the term 'Inspector General' means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G."

SEC. 12. APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO INSPECTION REPORTS AND EVALUATION REPORTS.

Section 5 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

- (1) in each of subsections (a)(6), (a)(8), (a)(9), (b)(2), and (b)(3)-
  - (A) by inserting ", inspection reports, and evaluation reports" after "audit reports" the first place it appears; and
  - (B) by striking "audit" the second place it appears; and
- (2) in subsection (a)(10) by inserting ", inspection reports, and evaluation reports" after "audit reports".

SEC. 13. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

(a) Definition.-In this section the term "agency" means a Federal agency as defined under section 11(5) of the Inspector General Act of 1978 (5 U.S.C. App.).

(b) Direct Links to Inspectors General Offices.-

(1) In general.-Each agency shall establish and maintain on the homepage of the website of that agency, a direct link to the website of the Office of the Inspector General of that agency.

(2) Accessibility.-The direct link under paragraph (1) shall be obvious and facilitate accessibility to the website of the Office of the Inspector General.

(c) Requirements for Inspectors General Websites.-

(1) Posting of reports and audits.-The Inspector General of each agency shall-

(A) in accordance with section 552a of title 5, United States Code (commonly referred to as the Privacy Act), not later than 3 working days after any report or audit (or portion of any report or audit), that is subject to release under section 552 of that title (commonly referred to as the Freedom of Information Act), is made publicly available, post that report or audit (or portion of that report or audit) on the website of the Office of the Inspector General; and

(B) ensure that any posted report or audit (or portion of that report or audit) described under subparagraph (A)-

- (i) is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;
- (ii) includes a summary of the findings of the Inspector General; and
- (iii) is in a format that-

(I) is searchable and downloadable; and

(II) facilitates printing by individuals of the public accessing the website.

(2) Reporting of fraud, waste, and abuse.-

(A) In general.-The Inspector General of each agency shall establish and maintain a direct link on the homepage of the website of the Office of the Inspector General for individuals to report fraud, waste, and abuse. Individuals reporting fraud, waste, or abuse using the direct link established under this paragraph shall not be required to provide personally identifying information relating to that individual.

(B) Anonymity.-The Inspector General of each agency shall not disclose the identity of any individual making a report under this paragraph without the consent of the individual unless the Inspector General determines that such a disclosure is unavoidable during the course of the investigation.

(d) Implementation.-Not later than 180 days after the date of enactment of this Act, the head of each agency and the Inspector General of each agency shall implement this section.

#### SEC. 13. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

(a) In General.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 8K the following:

##### "SEC. 8L. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

"(a) Direct Links to Inspectors General Offices.-

"(1) In general.-Each agency shall establish and maintain on the homepage of the website of that agency, a direct link to the website of the Office of the Inspector General of that agency.

"(2) Accessibility.-The direct link under paragraph (1) shall be obvious and facilitate accessibility to the website of the Office of the Inspector General.

"(b) Requirements for Inspectors General Websites.-

"(1) Posting of reports and audits.-The Inspector General of each agency shall-

"(A) in accordance with section 552a of title 5, United States Code (commonly referred to as the Privacy Act), not later than 3 working days after any report or audit (or portion of any report or audit), that is subject to release under section 552 of that title (commonly referred to as the Freedom of Information Act), is made publicly available, post that report or audit (or portion of that report or audit) on the website of the Office of the Inspector General; and

"(B) ensure that any posted report or audit (or portion of that report or audit) described under subparagraph (A)-

"(i) is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;

"(ii) includes a summary of the findings of the Inspector General; and

"(iii) is in a format that-

"(I) is searchable and downloadable; and

"(II) facilitates printing by individuals of the public accessing the website.

"(2) Reporting of fraud, waste, and abuse.-

"(A) In general.-The Inspector General of each agency shall establish and maintain a direct link on the homepage of the website of the Office of the Inspector General for individuals to report fraud, waste, and abuse. Individuals reporting fraud, waste, or abuse using the direct link established under this paragraph shall not be required to provide personally identifying information relating to that individual.

"(B) Anonymity.-The Inspector General of each agency shall not disclose the identity of any individual making a report under this paragraph without the consent of the individual unless the Inspector General determines that such a disclosure is unavoidable during the course of the investigation."

(b) Implementation.-Not later than 180 days after the date of enactment of this Act, the head of each agency and the Inspector General of each agency shall implement the amendment made by this section.

#### SEC. 14. INVESTIGATIONS OF DEPARTMENT OF JUSTICE PERSONNEL.

(a) Amendment to Requirement Relating to Certain Referrals.-Section 8E(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking paragraph (3).

(b) Technical and Conforming Amendments.-Section 8E of the Inspector General Act of 1978 (5 U.S.C. App.) is further amended-

(1) in subsection (b)- [\*3327]

Page 3327

(A) by striking "and paragraph (3)" in paragraph (2);

(B) by redesignating paragraph (4) as paragraph (3); and

(C) by redesignating paragraph (5) as paragraph (4) and in that paragraph by striking "(4)" and inserting "(3)"; and

(2) in subsection (d), by striking ", except with respect to allegations described in subsection (b)(3)."

#### SEC. 15. OTHER ADMINISTRATIVE AUTHORITIES.

(a) In General.-Section 6(d) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended to read as follows:

"(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)-

"(i) each Office of Inspector General shall be considered to be a separate agency; and

"(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

"(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

"(i) Subchapter II of chapter 35.

"(ii) Sections 8335(b), 8336, 8344, 8414, 8468, and 8425(b).

"(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

"(2) For purposes of applying section 4507(b) of title 5, United States Code, paragraph (1)(A)(ii) shall be applied by substituting 'the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the Inspector General Act) shall' for 'the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,'."

(b) Authority of Treasury Inspector General for Tax Administration To To Protect Internal Revenue Service Employees.-Section 8D(k)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "and the providing of physical security".

#### SEC. 16. GOVERNMENT ACCOUNTABILITY OFFICE REPORTS.

(a) In General.-

(1) Submission.-Not later than 360 days after the date of enactment of this Act, the Government Accountability Office shall submit a report examining the adequacy of mechanisms to ensure accountability of the Offices of Inspector General to-

(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) the Committee on Government Reform of the House of Representatives.

(2) Contents.-The report submitted under paragraph (1) shall examine-

(A) the practices, policies, and procedures of the Integrity Committee of the Council of the Inspectors General on Integrity and Efficiency (and its predecessor committee); and

(B) the practices, policies, and procedures of the Offices of Inspector General with respect to complaints by and about employees of any Office of Inspector General that are not within the jurisdiction of the Integrity Committee.

(b) Pay of Inspectors General.-Not later than 270 days after the date of enactment of this Act, the Government Accountability Office shall submit a report to the congressional committees of jurisdiction on the implementation of section 4.



Mr. KYL. Mr. President, I rise today to say a few words about S. 2324, the Inspector General Reform Act, which is expected to pass the Senate today with an amendment of mine. The amendment makes several reforms and clarifying changes to the bill.

Section 3 of the bill requires the President to give Congress 30 days' notice before removing or transferring an inspector general from his position. My amendment clarifies that the President may still take other actions against an inspector general without providing 30 days' notice, such as suspending him or otherwise preventing him from taking official actions. While section 3 appears to be designed to allow Congress to respond to a situation where an inspector general is fired in order to impede his discovery of wrongdoing or for other improper reasons, my amendment is intended to address another kind of scenario, one where an inspector general is fired for very good reasons.

We should not assume that inspectors general will be immune to human failings. If an inspector general is fired because he has been indicted or is under investigation for corruption or has otherwise abused the powers of his office, it should be clear that the President can prevent the inspector general from launching new investigations in retaliation or taking other official actions, and that he can be denied access to his office space. My amendment ensures that this is so.

Section 6 of the bill authorizes inspectors general to obtain legal advice from the attorneys working for them. While this provision strengthens the independence of inspectors general, it creates a potential ambiguity as to who has ultimate authority to resolve legal questions within an agency. Agency employees should not face a division of authority if an inspector general were to reach a different conclusion on a legal matter previously resolved by the agency counsel.

My amendment clarifies that the agency or department's chief legal officer remains the ultimate legal authority within the agency. While an inspector general may obtain his own legal advice, his review does not constitute an appeal or review of the general counsel's decisions and judgments. The chief legal officer's views are what is final within the agency, and they are subject to review within the executive branch only by the head of the agency and the Justice Department.

Section 8 of the bill as reported by the committee allowed inspectors general to include their own budget comments with respect to their offices in the President's budget proposal to Congress. I would first note that the generous growth of inspectors general's budgets during this administration leaves little reason to fear that these offices are being starved of resources. More fundamentally, as a general matter, all agencies and departments should be subject to the Office of Management and Budget's budgeting process, to ensure that the President's budget proposal reflects and balances competing priorities. Rules such as that in section 8 should generally be disfavored. An exception is tolerable here only because of the unique status and role of the inspectors general. And even in their case, we should not assume that every disagreement between the Office of Management and Budget and an inspector general about the size of his budget reflects some effort to suppress an investigation.

All bureaucrats love to see their budgets grow and to build their little empires. We should not assume that inspectors general are immune from this tendency. To mitigate its effects, my amendment would require that an inspector general assert that he would be inhibited in the performance of his duties before he may submit a separate budget request.

The amendment serves two purposes. First, it should rein in requests for ever-expanding budgets, and ensure that inspectors general generally remain subject to budget discipline. And secondly, it ensures that if an administration is retaliating against an inspector general or otherwise reducing his budget in order to prevent him from doing his job, then Congress will be alerted to the fact. If separate budget requests were routine, the submission of such requests would provide little notice to congressional overseers. And if an inspector general believes that an administration is starving him of resources with the intent to undermine his ability to do his job, Congress not only should have before it his separate budget request, it should also be made aware that the inspector general believes that he is being treated that way.

Finally, section 14 of the committee-reported bill would have given the Justice Department's inspector general the authority to conduct legal ethics reviews. I found this provision strongly objectionable. An attorney's decision to investigate, litigate, or provide legal advice is a sensitive one and should be reviewed with great deference. There can be a wide range of legitimate disagreement as to how such issues should be decided. Justice Department reviews of such decisions are equivalent to the attorney discipline proceedings conducted by state bar associations. They are currently conducted within the Justice Department by the Office of Professional Responsibility, and there is no evidence that this Office's reviews are anything less than adequate.

Indeed, recently the Office of Professional Responsibility has taken upon itself the role of reviewing the merits of the Office of Legal Counsel's legal analyses. The Office of Legal Counsel's lawyers are recognized to be among the

very best in the executive branch. They are assigned to resolve the most difficult legal questions that confront an administration. I find it dubious that an OPR lawyer would be in any position to assess whether an Office of Legal Counsel opinion is legally correct or not.

Absent at least some evidence that such an opinion was the product of bribery or other improper external influences, I question the basis on which [\*3328]

Page 3328

OPR even assumes for itself the authority to initiate such a review. I fear that OPR's actions are influenced more by the toxic style of opposition attacks on the Justice Department in recent years, in which legitimate policy and legal disputes are recast as ethical lapses, rather than by a sound concern for the integrity of the Department.

While some of the Office of Professional Responsibilities' recent actions are debatable, the notion of extending that Office's authority to the inspector general is totally unacceptable. Inspectors general investigate waste, fraud, and abuse. They are suited neither by temperament nor experience to second guess whether a Justice Department lawyer should have investigated a matter, prosecuted a case, or offered a legal opinion. It is at my insistence that the original section 14 has been removed from this bill.

I commend Senators Lieberman and Collins for their devotion to overseeing and improving the operations of the inspectors general and, with the changes made by my amendment, I will raise no objection to the passage of this bill.

Mr. REID. Mr. President, I ask unanimous consent that a Kyl amendment, which is at the desk, be agreed to; the committee amendments, as amended, be agreed to; the bill, as amended, be read a third time and passed; the motion to reconsider be laid upon the table, with no intervening action or debate; and any statements related to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4575) was agreed to, as follows:

(Purpose: To modify provisions relating to transfers and removals, duties of counsel, and comments on budget submissions, and for other purposes)

On page 2, line 21, insert before the quotation marks "Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

On page 2, line 26, insert a period before the quotation marks.

On page 3, line 3, insert before the quotation marks ". Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

On page 3, line 14, insert before the quotation marks "Nothing in this paragraph shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

On page 4, line 7, insert before the quotation marks "Nothing in this paragraph shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

On page 4, line 17, insert before the quotation marks "Nothing in this paragraph shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

On page 10, after line 24, add the following:

(c) Rule of Construction.-Nothing in the amendments made by this section shall be construed to alter the duties and responsibilities of the counsel for any establishment or designated Federal entity.

On page 32, strike lines 14 through 19 and insert the following:

"(E) if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office, any comments of the affected Inspector General with respect to the proposal."

On page 40, strike lines 1 through 20.

On page 40, line 21, strike "15" and insert "14".

On page 42, line 4, strike "16" and insert "15".

The committee amendments were agreed to.

The bill (S. 2324), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Inspector General Reform Act of 2008".

SEC. 2. APPOINTMENT AND QUALIFICATIONS OF INSPECTORS GENERAL.

Section 8G(c) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end "Each Inspector General shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations."

SEC. 3. REMOVAL OF INSPECTORS GENERAL.

(a) Establishments.-Section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking the second sentence and inserting "If an Inspector General is removed from office or is transferred to another position or location within an establishment, the President shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

(b) Designated Federal Entities.-Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "shall promptly communicate in writing the reasons for any such removal or transfer to both Houses of the Congress." and inserting "shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

(c) Legislative Agencies.-

(1) Library of congress.-Section 1307(c)(2) of the Legislative Branch Appropriations Act, 2006 (2 U.S.C. 185(c)(2)) is amended by striking the second sentence and inserting "If the Inspector General is removed from office or is transferred to another position or location within the Library of Congress, the Librarian of Congress shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this paragraph shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

(2) Capitol police.-Section 1004(b) of the Legislative Branch Appropriations Act, 2006 (2 U.S.C. 1909(b)) is amended by striking paragraph (3) and inserting the following:

"(3) Removal.-The Inspector General may be removed or transferred from office before the expiration of his term only by the unanimous vote of all of the voting members of the Capitol Police Board. If an Inspector General is removed from office or is transferred to another position or location within the Capitol Police, the Capitol Police Board shall communicate in writing the reasons for any such removal or transfer to the Committee on Rules and Administration of the Senate, the Committee on House Administration of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives, not later than 30 days before the removal or transfer. Nothing in this paragraph shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

(3) Government printing office.-Section 3902(b)(2) of title 44, United States Code, is amended by striking the second sentence and inserting "If the Inspector General is removed from office or is transferred to another position or location within the Government Printing Office, the Public Printer shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this paragraph shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

SEC. 4. PAY OF INSPECTORS GENERAL.

(a) Inspectors General at Level III of Executive Schedule.-

(1) In general.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.), is amended by adding at the end the following:

"(e) The annual rate of basic pay for an Inspector General (as defined under section 11(3)) shall be the rate payable for level III of the Executive Schedule under section 5314 of title 5, United States Code, plus 3 percent."

(2) Technical and conforming amendments.-Section 5315 of title 5, United States Code, is amended by striking the item relating to each of the following positions:

- (A) Inspector General, Department of Education.
- (B) Inspector General, Department of Energy.
- (C) Inspector General, Department of Health and Human Services.
- (D) Inspector General, Department of Agriculture.
- (E) Inspector General, Department of Housing and Urban Development.
- (F) Inspector General, Department of Labor.
- (G) Inspector General, Department of Transportation.
- (H) Inspector General, Department of Veterans Affairs.
- (I) Inspector General, Department of Homeland Security.
- (J) Inspector General, Department of Defense.
- (K) Inspector General, Department of State.
- (L) Inspector General, Department of Commerce.
- (M) Inspector General, Department of the Interior.
- (N) Inspector General, Department of Justice.
- (O) Inspector General, Department of the Treasury.
- (P) Inspector General, Agency for International Development.
- (Q) Inspector General, Environmental Protection Agency.
- (R) Inspector General, Export-Import Bank.
- (S) Inspector General, Federal Emergency Management Agency.
- (T) Inspector General, General Services Administration.
- (U) Inspector General, National Aeronautics and Space Administration. [\*3329]

Page 3329

- (V) Inspector General, Nuclear Regulatory Commission.
- (W) Inspector General, Office of Personnel Management.
- (X) Inspector General, Railroad Retirement Board.
- (Y) Inspector General, Small Business Administration.
- (Z) Inspector General, Tennessee Valley Authority.
- (AA) Inspector General, Federal Deposit Insurance Corporation.
- (BB) Inspector General, Resolution Trust Corporation.

(CC) Inspector General, Central Intelligence Agency.

(DD) Inspector General, Social Security Administration.

(EE) Inspector General, United States Postal Service.

(3) Additional technical and conforming amendment.-Section 194(b) of the National and Community Service Act of 1990 (42 U.S.C. 12651e(b)) is amended by striking paragraph (3).

(b) Inspectors General of Designated Federal Entities.-Notwithstanding any other provision of law, the Inspector General of each designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall, for pay and all other purposes, be classified at a grade, level, or rank designation, as the case may be, at or above those of a majority of the senior level executives of that designated Federal entity (such as a General Counsel, Chief Information Officer, Chief Financial Officer, Chief Human Capital Officer, or Chief Acquisition Officer). The pay of an Inspector General of a designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall be not less than the average total compensation of the senior level executives of that designated Federal entity calculated on an annual basis.

(c) Savings Provision for Newly Appointed Inspectors General.-The provisions of section 3392 of title 5, United States Code, other than the terms "performance awards" and "awarding of ranks" in subsection (c)(1) of such section, shall apply to career appointees of the Senior Executive Service who are appointed to the position of Inspector General.

(d) Savings Provision.-Nothing in this section shall have the effect of reducing the rate of pay of any individual serving on the date of enactment of this section as an Inspector General of-

(1) an establishment as defined under section 11(2) of the Inspector General Act of 1978 (5 U.S.C. App.);

(2) a designated Federal entity as defined under section 8G(2) of the Inspector General Act of 1978 (5 U.S.C. App.);

(3) a legislative agency for which the position of Inspector General is established by statute; or

(4) any other entity of the Government for which the position of Inspector General is established by statute.

#### SEC. 5. PROHIBITION OF CASH BONUS OR AWARDS.

Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 4 of this Act) is further amended by adding at the end the following:

"(f) An Inspector General (as defined under section 8G(a)(6) or 11(3)) may not receive any cash award or cash bonus, including any cash award under chapter 45 of title 5, United States Code."

#### SEC. 6. SEPARATE COUNSEL TO SUPPORT INSPECTORS GENERAL.

(a) Counsels to Inspectors General of Establishment.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by sections 4 and 5 of this Act) is further amended by adding at the end the following:

"(g) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service, obtain legal advice from a counsel either reporting directly to the Inspector General or another Inspector General."

(b) Counsels to Inspectors General of Designated Federal Entities.-Section 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(4) Each Inspector General shall, in accordance with applicable laws and regulations governing appointments within the designated Federal entity, appoint a Counsel to the Inspector General who shall report to the Inspector General or obtain the services of a counsel appointed by and directly reporting to another Inspector General or the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis."

(c) Rule of Construction.-Nothing in the amendments made by this section shall be construed to alter the duties and responsibilities of the counsel for any establishment or designated Federal entity.

#### SEC. 7. ESTABLISHMENT OF COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

(a) Establishment.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by redesignating sections 11 and 12 as sections 12 and 13, respectively, and by inserting after section 10 the following:

"SEC. 11. ESTABLISHMENT OF THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

"(a) Establishment and Mission.-

"(1) Establishment.-There is established as an independent entity within the executive branch the Council of the Inspectors General on Integrity and Efficiency (in this section referred to as the `Council').

"(2) Mission.-The mission of the Council shall be to-

"(A) address integrity, economy, and effectiveness issues that transcend individual Government agencies; and

"(B) increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

"(b) Membership.-

"(1) In general.-The Council shall consist of the following members:

"(A) All Inspectors General whose offices are established under-

"(i) section 2; or

"(ii) section 8G.

"(B) The Inspectors General of the Office of the Director of National Intelligence and the Central Intelligence Agency.

"(C) The Controller of the Office of Federal Financial Management.

"(D) A senior level official of the Federal Bureau of Investigation designated by the Director of the Federal Bureau of Investigation.

"(E) The Director of the Office of Government Ethics.

"(F) The Special Counsel of the Office of Special Counsel.

"(G) The Deputy Director of the Office of Personnel Management.

"(H) The Deputy Director for Management of the Office of Management and Budget.

"(I) The Office of Inspectors General of the Library of Congress, Capitol Police, and the Government Printing Office.

"(J) Any other members designated by the President.

"(2) Chairperson and executive chairperson.-

"(A) Executive chairperson.-The Deputy Director for Management of the Office of Management and Budget shall be the Executive Chairperson of the Council.

"(B) Chairperson.-The Council shall elect 1 of the Inspectors General referred to in paragraph (1)(A) or (B) to act as Chairperson of the Council. The term of office of the Chairperson shall be 2 years.

"(3) Functions of chairperson and executive chairperson.-

"(A) Executive chairperson.-The Executive Chairperson shall-

"(i) preside over meetings of the Council;

"(ii) provide to the heads of agencies and entities represented on the Council summary reports of the activities of the Council; and

"(iii) provide to the Council such information relating to the agencies and entities represented on the Council as assists the Council in performing its functions.

"(B) Chairperson.-The Chairperson shall-

"(i) convene meetings of the Council-

"(I) at least 6 times each year;

"(II) monthly to the extent possible; and

"(III) more frequently at the discretion of the Chairperson;

"(ii) exercise the functions and duties of the Council under subsection (c);

"(iii) appoint a Vice Chairperson to assist in carrying out the functions of the Council and act in the absence of the Chairperson, from a category of Inspectors General described in subparagraph (A)(i), (A)(ii), or (B) of paragraph (1), other than the category from which the Chairperson was elected;

"(iv) make such payments from funds otherwise available to the Council as may be necessary to carry out the functions of the Council;

"(v) select, appoint, and employ personnel as needed to carry out the functions of the Council subject to the availability of appropriations and the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates;

"(vi) to the extent and in such amounts as may be provided in advance by appropriations Acts, enter into contracts and other arrangements with public agencies and private persons to carry out the functions and duties of the Council;

"(vii) establish, in consultation with the members of the Council, such committees as determined by the Chairperson to be necessary and appropriate for the efficient conduct of Council functions; and

"(viii) prepare and transmit a report annually on behalf of the Council to the President on the activities of the Council.

"(c) Functions and Duties of Council.-

"(1) In general.-The Council shall-

"(A) continually identify, review, and discuss areas of weakness and vulnerability in Federal programs and operations with respect to fraud, waste, and abuse;

"(B) develop plans for coordinated, governmentwide activities that address these problems and promote economy and efficiency in Federal programs and operations, including interagency and interentity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;

"(C) develop policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;

"(D) maintain an Internet website and other electronic systems for the benefit of [\*3330]

Page 3330

all Inspectors General, as the Council determines are necessary or desirable;

"(E) maintain 1 or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General;

"(F) submit recommendations of individuals to the appropriate appointing authority for any appointment to an office of Inspector General described under subsection (b)(1)(A) or (B);

"(G) make such reports to Congress as the Chairperson determines are necessary or appropriate; and

"(H) perform other duties within the authority and jurisdiction of the Council, as appropriate.

"(2) Adherence and participation by members.-To the extent permitted under law, and to the extent not inconsistent with standards established by the Comptroller General of the United States for audits of Federal establishments, organi-

zations, programs, activities, and functions, each member of the Council shall adhere to professional standards developed by the Council and participate in the plans, programs, and projects of the Council, as appropriate.

"(3) Additional administrative authorities.-

"(A) Interagency funding.-Notwithstanding section 1532 of title 31, United States Code, or any other provision of law prohibiting the interagency funding of activities described under subclause (I), (II), or (III) of clause (i), in the performance of the responsibilities, authorities, and duties of the Council-

"(i) the Executive Chairperson may authorize the use of interagency funding for-

"(I) Governmentwide training of employees of the Offices of the Inspectors General;

"(II) the functions of the Integrity Committee of the Council; and

"(III) any other authorized purpose determined by the Council; and

"(ii) upon the authorization of the Executive Chairperson, any department, agency, or entity of the executive branch which has a member on the Council shall fund or participate in the funding of such activities.

"(B) Superseding provisions.-No provision of law enacted after the date of enactment of this subsection shall be construed to limit or supersede the authority under paragraph (1), unless such provision makes specific reference to the authority in that paragraph.

"(4) Existing authorities and responsibilities.-The establishment and operation of the Council shall not affect-

"(A) the role of the Department of Justice in law enforcement and litigation;

"(B) the authority or responsibilities of any Government agency or entity; and

"(C) the authority or responsibilities of individual members of the Council.

"(d) Integrity Committee.-

"(1) Establishment.-The Council shall have an Integrity Committee, which shall receive, review, and refer for investigation allegations of wrongdoing that are made against Inspectors General and staff members of the various Offices of Inspector General described under paragraph (4)(C).

"(2) Membership.-The Integrity Committee shall consist of the following members:

"(A) The official of the Federal Bureau of Investigation serving on the Council, who shall serve as Chairperson of the Integrity Committee.

"(B) Three or more Inspectors General described in subparagraph (A) or (B) of subsection (b)(1) appointed by the Chairperson of the Council, representing both establishments and designated Federal entities (as that term is defined in section 8G(a)).

"(C) The Special Counsel of the Office of Special Counsel.

"(D) The Director of the Office of Government Ethics.

"(3) Legal advisor.-The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as a legal advisor to the Integrity Committee.

"(4) Referral of allegations.-

"(A) Requirement.-An Inspector General shall refer to the Integrity Committee any allegation of wrongdoing against a staff member of the office of that Inspector General, if-

"(i) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

"(ii) the Inspector General determines that-

"(I) an objective internal investigation of the allegation is not feasible; or

"(II) an internal investigation of the allegation may appear not to be objective.



"(B) Definition.-In this paragraph the term `staff member' means-

"(i) any employee of an Office of Inspector General who reports directly to an Inspector General; or

"(ii) who is designated by an Inspector General under subparagraph (C).

"(C) Designation of staff members.-Each Inspector General shall annually submit to the Chairperson of the Integrity Committee a designation of positions whose holders are staff members for purposes of subparagraph (B).

"(5) Review of allegations.-The Integrity Committee shall-

"(A) review all allegations of wrongdoing the Integrity Committee receives against an Inspector General, or against a staff member of an Office of Inspector General described under paragraph (4)(C);

"(B) refer any allegation of wrongdoing to the agency of the executive branch with appropriate jurisdiction over the matter; and

"(C) refer to the Chairperson of the Integrity Committee any allegation of wrongdoing determined by the Integrity Committee under subparagraph (A) to be potentially meritorious that cannot be referred to an agency under subparagraph (B).

"(6) Authority to investigate allegations.-

"(A) Requirement.-The Chairperson of the Integrity Committee shall cause a thorough and timely investigation of each allegation referred under paragraph (5)(C) to be conducted in accordance with this paragraph.

"(B) Resources.-At the request of the Chairperson of the Integrity Committee, the head of each agency or entity represented on the Council-

"(i) may provide resources necessary to the Integrity Committee; and

"(ii) may detail employees from that agency or entity to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation under this subsection.

"(7) Procedures for investigations.-

"(A) Standards applicable.-Investigations initiated under this subsection shall be conducted in accordance with the most current Quality Standards for Investigations issued by the Council or by its predecessors (the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency).

"(B) Additional policies and procedures.-

"(i) Establishment.-The Integrity Committee, in conjunction with the Chairperson of the Council, shall establish additional policies and procedures necessary to ensure fairness and consistency in-

"(I) determining whether to initiate an investigation;

"(II) conducting investigations;

"(III) reporting the results of an investigation; and

"(IV) providing the person who is the subject of an investigation with an opportunity to respond to any Integrity Committee report.

"(ii) Submission to congress.-The Council shall submit a copy of the policies and procedures established under clause (i) to the congressional committees of jurisdiction.

"(C) Reports.-

"(i) Potentially meritorious allegations.-For allegations described under paragraph (5)(C), the Chairperson of the Integrity Committee shall make a report containing the results of the investigation of the Chairperson and shall provide such report to members of the Integrity Committee.

"(ii) Allegations of wrongdoing.-For allegations referred to an agency under paragraph (5)(B), the head of that agency shall make a report containing the results of the investigation and shall provide such report to members of the Integrity Committee.

"(8) Assessment and final disposition.-

"(A) In general.-With respect to any report received under paragraph (7)(C), the Integrity Committee shall-

"(i) assess the report;

"(ii) forward the report, with the recommendations of the Integrity Committee, including those on disciplinary action, within 30 days (to the maximum extent practicable) after the completion of the investigation, to the Executive Chairperson of the Council and to the President (in the case of a report relating to an Inspector General of an establishment or any employee of that Inspector General) or the head of a designated Federal entity (in the case of a report relating to an Inspector General of such an entity or any employee of that Inspector General) for resolution; and

"(iii) submit to the congressional committees of jurisdiction an executive summary of such report and recommendations within 30 days after the submission of such report to the Executive Chairperson under clause (ii).

"(B) Disposition.-The Executive Chairperson of the Council shall report to the Integrity Committee the final disposition of the matter, including what action was taken by the President or agency head.

"(9) Annual report.-The Council shall submit to Congress and the President by December 31 of each year a report on the activities of the Integrity Committee during the preceding fiscal year, which shall include the following:

"(A) The number of allegations received.

"(B) The number of allegations referred to other agencies, including the number of allegations referred for criminal investigation.

"(C) The number of allegations referred to the Chairperson of the Integrity Committee for investigation.

"(D) The number of allegations closed without referral.

"(E) The date each allegation was received and the date each allegation was finally disposed of.

"(F) In the case of allegations referred to the Chairperson of the Integrity Committee, a summary of the status of the investigation of the allegations and, in the case of investigations completed during the preceding fiscal year, a summary of the findings of the investigations.

"(G) Other matters that the Council considers appropriate.

"(10) Requests for more information.-With respect to paragraphs (8) and (9), the [\*3331]

Page 3331

Council shall provide more detailed information about specific allegations upon request from any of the following:

"(A) The chairperson or ranking member of the Committee on Homeland Security and Governmental Affairs of the Senate.

"(B) The chairperson or ranking member of the Committee on Oversight and Government Reform of the House of Representatives.

"(C) The chairperson or ranking member of the congressional committees of jurisdiction.

"(11) No right or benefit.-This subsection is not intended to create any right or benefit, substantive or procedural, enforceable at law by a person against the United States, its agencies, its officers, or any person."

(b) Allegations of Wrongdoing Against Special Counsel or Deputy Special Counsel.-

(1) Definitions.-In this section-

(A) the term "Integrity Committee" means the Integrity Committee established under section 11(d) of the Inspector General Act of 1978 (5 U.S.C. App), as amended by this Act; and

(B) the term "Special Counsel" refers to the Special Counsel appointed under section 1211(b) of title 5, United States Code.

(2) Authority of integrity committee.-

(A) In general.-An allegation of wrongdoing against the Special Counsel or the Deputy Special Counsel may be received, reviewed, and referred for investigation by the Integrity Committee to the same extent and in the same manner as in the case of an allegation against an Inspector General (or a member of the staff of an Office of Inspector General), subject to the requirement that the Special Counsel recuse himself or herself from the consideration of any allegation brought under this paragraph.

(B) Coordination with existing provisions of law.-This subsection does not eliminate access to the Merit Systems Protection Board for review under section 7701 of title 5, United States Code. To the extent that an allegation brought under this subsection involves section 2302(b)(8) of that title, a failure to obtain corrective action within 120 days after the date on which that allegation is received by the Integrity Committee shall, for purposes of section 1221 of such title, be considered to satisfy section 1214(a)(3)(B) of that title.

(3) Regulations.-The Integrity Committee may prescribe any rules or regulations necessary to carry out this subsection, subject to such consultation or other requirements as might otherwise apply.

(c) Existing Executive Orders.-Executive Order 12805, dated May 11, 1992, and Executive Order 12993, dated March 21, 1996, shall have no force or effect.

(d) Technical and Conforming Amendments.-

(1) Inspector general act of 1978.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(A) in sections 2(1), 4(b)(2), and 8G(a)(1)(A) by striking "section 11(2)" each place it appears and inserting "section 12(2)"; and

(B) in section 8G(a), in the matter preceding paragraph (1), by striking "section 11" and inserting "section 12".

(2) Separate appropriations account.-Section 1105(a) of title 31, United States Code, is amended by striking the first paragraph (33) and inserting the following:

"(33) a separate appropriation account for appropriations for the Council of the Inspectors General on Integrity and Efficiency, and, included in that account, a separate statement of the aggregate amount of appropriations requested for each academy maintained by the Council of the Inspectors General on Integrity and Efficiency."

## SEC. 8. SUBMISSION OF BUDGET REQUESTS TO CONGRESS.

Section 6 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(f)(1) For each fiscal year, an Inspector General shall transmit a budget estimate and request to the head of the establishment or designated Federal entity to which the Inspector General reports. The budget request shall specify the aggregate amount of funds requested for such fiscal year for the operations of that Inspector General and shall specify the amount requested for all training needs, including a certification from the Inspector General that the amount requested satisfies all training requirements for the Inspector General's office for that fiscal year, and any resources necessary to support the Council of the Inspectors General on Integrity and Efficiency. Resources necessary to support the Council of the Inspectors General on Integrity and Efficiency shall be specifically identified and justified in the budget request.

"(2) In transmitting a proposed budget to the President for approval, the head of each establishment or designated Federal entity shall include-

"(A) an aggregate request for the Inspector General;

"(B) amounts for Inspector General training;

"(C) amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and

"(D) any comments of the affected Inspector General with respect to the proposal.

"(3) The President shall include in each budget of the United States Government submitted to Congress-

"(A) a separate statement of the budget estimate prepared in accordance with paragraph (1);

"(B) the amount requested by the President for each Inspector General;

"(C) the amount requested by the President for training of Inspectors General;

"(D) the amount requested by the President for support for the Council of the Inspectors General on Integrity and Efficiency; and

"(E) if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office, any comments of the affected Inspector General with respect to the proposal."

#### SEC. 9. SUBPOENA POWER.

Section 6(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) by inserting "in any medium (including electronically stored information, as well as any tangible thing)" after "other data"; and

(2) by striking "subpena" and inserting "subpoena".

#### SEC. 10. PROGRAM FRAUD CIVIL REMEDIES ACT.

Section 3801(a)(1) of title 31, United States Code, is amended-

(1) in subparagraph (D), by striking "and" after the semicolon;

(2) in subparagraph (E), by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(F) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978)."

#### SEC. 11. LAW ENFORCEMENT AUTHORITY FOR DESIGNATED FEDERAL ENTITIES.

Section 6(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in paragraph (1) by striking "appointed under section 3"; and

(2) by adding at the end the following:

"(9) In this subsection the term 'Inspector General' means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G."

#### SEC. 12. APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO INSPECTION REPORTS AND EVALUATION REPORTS.

Section 5 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in each of subsections (a)(6), (a)(8), (a)(9), (b)(2), and (b)(3)-

(A) by inserting ", inspection reports, and evaluation reports" after "audit reports" the first place it appears; and

(B) by striking "audit" the second place it appears; and

(2) in subsection (a)(10) by inserting ", inspection reports, and evaluation reports" after "audit reports".

#### SEC. 13. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

(a) In General.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 8K the following:

##### "SEC. 8L. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

"(a) Direct Links to Inspectors General Offices.-

"(1) In general.-Each agency shall establish and maintain on the homepage of the website of that agency, a direct link to the website of the Office of the Inspector General of that agency.

"(2) Accessibility.-The direct link under paragraph (1) shall be obvious and facilitate accessibility to the website of the Office of the Inspector General.

"(b) Requirements for Inspectors General Websites.-

"(1) Posting of reports and audits.-The Inspector General of each agency shall-

"(A) in accordance with section 552a of title 5, United States Code (commonly referred to as the Privacy Act), not later than 3 working days after any report or audit (or portion of any report or audit), that is subject to release under section 552 of that title (commonly referred to as the Freedom of Information Act), is made publicly available, post that report or audit (or portion of that report or audit) on the website of the Office of the Inspector General; and

"(B) ensure that any posted report or audit (or portion of that report or audit) described under subparagraph (A)-

"(i) is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;

"(ii) includes a summary of the findings of the Inspector General; and

"(iii) is in a format that-

"(I) is searchable and downloadable; and

"(II) facilitates printing by individuals of the public accessing the website.

"(2) Reporting of fraud, waste, and abuse.-

"(A) In general.-The Inspector General of each agency shall establish and maintain a direct link on the homepage of the website of the Office of the Inspector General for individuals to report fraud, waste, and abuse. Individuals reporting fraud, waste, or abuse using the direct link established under this paragraph shall not be required to provide personally identifying information relating to that individual.

"(B) Anonymity.-The Inspector General of each agency shall not disclose the identity of any individual making a report under this paragraph without the consent of the individual unless the Inspector General determines that such a disclosure is unavoidable during the course of the investigation."

(b) Implementation.-Not later than 180 days after the date of enactment of this Act, the head of each agency and the Inspector General of each agency shall implement the amendment made by this section. [\*3332]

Page 3332

#### SEC. 14. OTHER ADMINISTRATIVE AUTHORITIES.

(a) In General.-Section 6(d) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended to read as follows:

"(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)-

"(i) each Office of Inspector General shall be considered to be a separate agency; and

"(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

"(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

"(i) Subchapter II of chapter 35.

"(ii) Sections 8335(b), 8336, 8344, 8414, 8468, and 8425(b).

"(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

"(2) For purposes of applying section 4507(b) of title 5, United States Code, paragraph (1)(A)(ii) shall be applied by substituting 'the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the Inspector General Act) shall' for 'the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,'."

(b) Authority of Treasury Inspector General for Tax Administration To Protect Internal Revenue Service Employees.-Section 8D(k)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "and the providing of physical security".

SEC. 15. GOVERNMENT ACCOUNTABILITY OFFICE REPORTS.

(a) In General.-

(1) Submission.-Not later than 360 days after the date of enactment of this Act, the Government Accountability Office shall submit a report examining the adequacy of mechanisms to ensure accountability of the Offices of Inspector General to-

(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) the Committee on Government Reform of the House of Representatives.

(2) Contents.-The report submitted under paragraph (1) shall examine-

(A) the practices, policies, and procedures of the Integrity Committee of the Council of the Inspectors General on Integrity and Efficiency (and its predecessor committee); and

(B) the practices, policies, and procedures of the Offices of Inspector General with respect to complaints by and about employees of any Office of Inspector General that are not within the jurisdiction of the Integrity Committee.

(b) Pay of Inspectors General.-Not later than 270 days after the date of enactment of this Act, the Government Accountability Office shall submit a report to the congressional committees of jurisdiction on the implementation of section 4.

**SUBJECT:** INVESTIGATIONS (89%); US FEDERAL GOVERNMENT (79%); LAW ENFORCEMENT (59%); DISMISSALS (59%); APPOINTMENTS (59%); AUDITS (59%); LEGISLATION (59%); LEGISLATIVE BODIES (59%); SPECIAL INVESTIGATIVE FORCES (59%)

**LOAD-DATE:** September 20, 2010

LEXSEE

Copyright © 2008 LexisNexis Academic & Library Solutions, a division of Reed Elsevier  
Inc.

All Rights Reserved  
CONGRESSIONAL RECORD -- SENATE

110th Congress, 1st Session

153 Cong Rec S 14193

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

November 8, 2007

**REFERENCE:** Vol. 153, No. 173

**SECTION:** Senate

**SPEAKER:** Mrs. McCASKILL; Ms. COLLINS; Mr. LIEBERMAN; Mr. WARNER; Mr. DORGAN

**TEXT:** [\*14193]

Page 14193

By Mrs. McCaskill (for herself, Ms. Collins, Mr. Lieberman, and Mr. Coburn):

[S. 2324](#). A bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to enhance the Offices of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mrs. McCASKILL. Mr. President, I am pleased today to join my colleagues Senators Collins, Lieberman and Coburn in introducing the Inspector General Reform Act of 2007. This bill represents a strong bipartisan effort to strengthen the independence and integrity of our nation's Inspectors General, who represent one of our strongest tools in combating waste, fraud and abuse throughout our government.

When I first came to the Senate this January, I made it one of my top priorities to become actively involved in oversight and accountability in Congress and in the Federal Government. I was thrilled to have been given an appointment to the Homeland Security and Government Affairs Committee, which is ably run by Chairman Lieberman. I was proud to have been able to cosponsor [S. 680](#), the bill authored by Senator Collins which included not only extensive reforms of Government contracting practices, but also included many provisions geared towards improving the Inspector General system. I must thank Senator Collins especially for working with me on [\*14194]

Page 14194

the Inspector General legislation, which incorporates not only many of her reform ideas, but also those introduced in the House by Representatives Jim Cooper of Tennessee in [H.R. 928](#), which has passed that chamber by an overwhelming vote of 404 to 11.

My 8 years as State Auditor in Missouri has given me tremendous respect for auditors and investigators working to make sure Government is spending our taxpayer dollars wisely. While many people are aware of the great work done by the legislative branch's Government Accountability Office, very few people realize that there are Inspectors General in many of our most important agencies. These IGs report both to the Executive and Legislative branch, and work in the

trenches in the agency, constantly ferreting out cases of fraud, waste, abuse, and other mismanagement. Their unique role, resting inside the very agency they are charged with auditing and investigating, often creates unavoidable tensions.

The goal of the first Inspector General Act, passed 30 years ago next year, was to create a system that would allow the IG to rest harmoniously in the agency but allow them to provide oversight of an agency's actions and duties free from interference.

For the most part, this system has worked. But we can do better to assure that Inspectors General are free of intimidation or inappropriate influence by the agencies they oversee. Recent news reports have noted that the CIA Inspector General, John Helgerson, is being investigated by his own agency, even though there is no apparent legal authority for such an investigation to take place. The Administrator for the General Services Administration has been openly critical of the GSA IG, and has tried to cut the responsibilities and the budget of that office. The State Department IG has answered charges that he has failed to investigate allegations of contracting fraud in Iraq and Afghanistan with the claim that he has not been provided enough money by his agency to do such an investigation.

Obviously, some changes are needed and our IG reform bill attempts to make them. For example, IGs currently request their budgets through their agencies and then the agency heads determine if that request is appropriate before sending their budgets to the White House and then on to Congress. No one in Congress has the ability to see how much an IG office truly needs to adequately fulfill its oversight duties. Our bill requires that IGs can attach comments to the agency's official budget request if he or she believes the funding the agency requested for its IG is not enough to do the job.

As more Executive agencies move to a pay for performance compensation system, bonuses given by the agency have become a bigger part of the total compensation for employees. Having the agency that you audit decide how much of a bonus you will receive is an obvious, unacceptable conflict of interest for Inspectors General. Many IGs refuse to take a bonus, and those who do accept them have myriad reasons for doing so. However, this practice will be forbidden under the new law. Given the negative impact on the compensation for Inspector General and the need to attract and retain the best and the brightest, the pay of presidentially appointed Inspectors General will be raised one level. For the other Executive IGs, their agencies will be directed to pay them the same or more than the total compensation received by other senior level employees. This system will end the possibility of an agency head trying to entice an IG to go easy on them, or to punish an IG who refuses to do so.

This bill also gives the IGs more security from the fear of losing one's job for the simple reason they are too good. Before any IG can be removed, the congressional committees of jurisdiction must be notified, in writing, of the intent to remove the IG, and the reasons for doing so. This notice must be received at least 30 days before the scheduled removal. Bringing transparency to this process should guarantee that no IG will be removed for the wrong reason.

I want to make sure that the good work of the IGs is readily accessible to the people who pay for it, the taxpayer. I was shocked to realize that many IGs did not post their reports on the web. At least one IG shop didn't even have a website. In this day and age the public, and Congress, should have timely and easy access to all the public reports produced by Inspectors General. This bill requires all reports which are open to the public to be posted on the web within three working days of their release. It also requires all IG shops to provide, on their websites, a method for anonymously reporting waste, fraud or abuse.

Finally, this bill codifies a council for the IGs to have as a resource. This council, which exists now only pursuant to Executive order, would provide a structure for IGs to pool their resources when it would effectively help them perform their mission, such as providing Government-wide training for investigators and auditors. It will also include an Integrity Committee that will investigate allegations made against Inspectors General and certain staff members. Congress would receive periodic reports from this committee on the number of investigations they have undertaken, the results of those investigations, and any action by the agency taken in response to the findings of the committee.

I want to make clear that I am one of the biggest fans of the current cadre of Inspectors General, with very few exceptions. I want to make sure these dedicated public servants are able to perform their duties free from interference. I am very proud to be part of the effort to make sure this happens, and again thank my colleagues Senators Collins, Lieberman and Coburn for their hard work and dedication to this issue.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:



Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Inspector General Reform Act of 2007".

SEC. 2. APPOINTMENT AND QUALIFICATIONS OF INSPECTORS GENERAL.

Section 8G(c) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end "Each Inspector General shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations."

SEC. 3. REMOVAL OF INSPECTORS GENERAL.

(a) Establishments.-Section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking the second sentence and inserting "If an Inspector General is removed from office or is transferred to another position or location within an establishment, the President shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer."

(b) Designated Federal Entities.-Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "shall promptly communicate in writing the reasons for any such removal or transfer to both Houses of the Congress" and inserting "shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer".

(c) Legislative Agencies.-

(1) Library of congress.-Section 1307(c)(2) of the Legislative Branch Appropriations Act, 2006 ([2 U.S.C. 185\(c\)\(2\)](#)) is amended by striking the second sentence and inserting "If the Inspector General is removed from office or is transferred to another position or location within the Library of Congress, the Librarian of Congress shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer."

(2) Capitol police.-Section 1004(b) of the Legislative Branch Appropriations Act, 2006 ([2 U.S.C. 1909\(b\)](#)) is amended by striking paragraph (3) and inserting the following:

"(3) Removal.-The Inspector General may be removed or transferred from office before the expiration of his term only by the unanimous vote of all of the voting members of the Capitol Police Board. If an Inspector General is removed from office or is transferred to another position or location within the Capitol Police, the Capitol Police Board shall communicate in writing the reasons for any such removal or transfer to the Committee on Rules and Administration of the Senate, the Committee on House Administration of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives, not later than 30 days before the removal or transfer."

(3) Government printing office.-[Section 3902\(b\)\(2\) of title 44, United States Code](#), is amended by striking the second sentence and [\*14195]

Page 14195

inserting "If the Inspector General is removed from office or is transferred to another position or location within the Government Printing Office, the Public Printer shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer."

SEC. 4. PAY OF INSPECTORS GENERAL.

(a) Inspectors General at Level III of Executive Schedule.-

(1) In general.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.), is amended by adding at the end the following:

"(e) The annual rate of basic pay for an Inspector General (as defined under section 11(3)) shall be the rate payable for level III of the Executive Schedule under [section 5314 of title 5, United States Code](#), plus 3 percent."

(2) Technical and conforming amendments.-[Section 5315 of title 5, United States Code](#), is amended by striking the item relating to each of the following positions:

- (A) Inspector General, Department of Education.
- (B) Inspector General, Department of Energy.
- (C) Inspector General, Department of Health and Human Services.
- (D) Inspector General, Department of Agriculture.
- (E) Inspector General, Department of Housing and Urban Development.
- (F) Inspector General, Department of Labor.
- (G) Inspector General, Department of Transportation.
- (H) Inspector General, Department of Veterans Affairs.
- (I) Inspector General, Department of Homeland Security.
- (J) Inspector General, Department of Defense.
- (K) Inspector General, Department of State.
- (L) Inspector General, Department of Commerce.
- (M) Inspector General, Department of the Interior.
- (N) Inspector General, Department of Justice.
- (O) Inspector General, Department of the Treasury.
- (P) Inspector General, Agency for International Development.
- (Q) Inspector General, Environmental Protection Agency.
- (R) Inspector General, Export-Import Bank.
- (S) Inspector General, Federal Emergency Management Agency.
- (T) Inspector General, General Services Administration.
- (U) Inspector General, National Aeronautics and Space Administration.
- (V) Inspector General, Nuclear Regulatory Commission.
- (W) Inspector General, Office of Personnel Management.
- (X) Inspector General, Railroad Retirement Board.
- (Y) Inspector General, Small Business Administration.
- (Z) Inspector General, Tennessee Valley Authority.
- (AA) Inspector General, Federal Deposit Insurance Corporation.
- (BB) Inspector General, Resolution Trust Corporation.
- (CC) Inspector General, Central Intelligence Agency.
- (DD) Inspector General, Social Security Administration.
- (EE) Inspector General, United States Postal Service.

(3) Additional technical and conforming amendment.-Section 194(b) of the National and Community Service Act of 1990 ([42 U.S.C. 12651e\(b\)](#)) is amended by striking paragraph (3).

(b) Inspectors General of Designated Federal Entities.-Notwithstanding any other provision of law, the Inspector General of each designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall, for pay and all other purposes, be classified at a grade, level, or rank designation, as the

case may be, at or above those of a majority of the senior level executives of that designated Federal entity (such as a General Counsel, Chief Information Officer, Chief Financial Officer, Chief Human Capital Officer, or Chief Acquisition Officer). The pay of an Inspector General of a designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall be not less than the average total compensation of the senior level executives of that designated Federal entity.

(c) Savings Provision for Newly Appointed Inspectors General.-The provisions of [section 3392 of title 5, United States Code](#), other than the terms "performance awards" and "awarding of ranks" in subsection (c)(1) of such section, shall apply to career appointees of the Senior Executive Service who are appointed to the position of Inspector General.

(d) Savings Provision.-Nothing in this section shall have the effect of reducing the rate of pay of any individual serving on the date of enactment of this section as an Inspector General of-

- (1) an establishment as defined under section 11(2) of the Inspector General Act of 1978 (5 U.S.C. App.);
- (2) a designated Federal entity as defined under section 8G(2) of the Inspector General Act of 1978 (5 U.S.C. App.);
- (3) a legislative agency; or
- (4) any other entity of the Government.

#### SEC. 5. PROHIBITION OF CASH BONUS OR AWARDS.

Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 4 of this Act) is further amended by adding at the end the following:

"(f) An Inspector General (as defined under section 8G(a)(6) or 11(3)) may not receive any cash award or cash bonus, including any cash award under chapter 45 of title 5, United States Code."

#### SEC. 6. SEPARATE COUNSEL TO SUPPORT INSPECTORS GENERAL.

(a) Counsels to Inspectors General of Establishment.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by sections 4 and 5 of this Act) is further amended by adding at the end the following:

"(g) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service, obtain legal advice from a counsel either reporting directly to the Inspector General or another Inspector General."

(b) Counsels to Inspectors General of Designated Federal Entities.-Section 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(4) Each Inspector General shall, in accordance with applicable laws and regulations governing appointments within the designated Federal entity, appoint a Counsel to the Inspector General who shall report to the Inspector General or obtain the services of a counsel appointed by and directly reporting to another Inspector General or the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis."

#### SEC. 7. ESTABLISHMENT OF COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

(a) Establishment.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by redesignating sections 11 and 12 as sections 12 and 13, respectively, and by inserting after section 10 the following:

#### "SEC. 11. ESTABLISHMENT OF THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

"(a) Establishment and Mission.-

"(1) Establishment.-There is established as an independent entity within the executive branch the Council of the Inspectors General on Integrity and Efficiency (in this section referred to as the 'Council').

"(2) Mission.-The mission of the Council shall be to-

"(A) address integrity, economy, and effectiveness issues that transcend individual Government agencies; and

"(B) increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

"(b) Membership.-

"(1) In general.-The Council shall consist of the following members:

"(A) All Inspectors General whose offices are established under-

"(i) section 2; or

"(ii) section 8G.

"(B) The Inspectors General of the Office of the Director of National Intelligence and the Central Intelligence Agency.

"(C) The Controller of the Office of Federal Financial Management.

"(D) A senior level official of the Federal Bureau of Investigation designated by the Director of the Federal Bureau of Investigation.

"(E) The Director of the Office of Government Ethics.

"(F) The Special Counsel of the Office of Special Counsel.

"(G) The Deputy Director of the Office of Personnel Management.

"(H) The Deputy Director for Management of the Office of Management and Budget.

"(I) The Office of Inspectors General of the Library of Congress, Capitol Police, and the Government Printing Office.

"(J) Any other members designated by the President.

"(2) Chairperson and executive chairperson.-

"(A) Executive chairperson.-The Deputy Director for Management of the Office of Management and Budget shall be the Executive Chairperson of the Council.

"(B) Chairperson.-The Council shall elect 1 of the Inspectors General referred to in paragraph (1)(A) or (B) to act as Chairperson of the Council. The term of office of the Chairperson shall be 2 years.

"(3) Functions of chairperson and executive chairperson.-

"(A) Executive chairperson.-The Executive Chairperson shall-

"(i) preside over meetings of the Council;

"(ii) provide to the heads of agencies and entities represented on the Council summary reports of the activities of the Council; and

"(iii) provide to the Council such information relating to the agencies and entities represented on the Council as assists the Council in performing its functions.

"(B) Chairperson.-The Chairperson shall-

"(i) convene meetings of the Council-

"(I) at least 6 times each year;

"(II) monthly to the extent possible; and

"(III) more frequently at the discretion of the Chairperson;

"(ii) exercise the functions and duties of the Council under subsection (c); [\*14196]

"(iii) appoint a Vice Chairperson to assist in carrying out the functions of the Council and act in the absence of the Chairperson, from a category of Inspectors General described in subparagraph (A)(i), (A)(ii), or (B) of paragraph (1), other than the category from which the Chairperson was elected;

"(iv) make such payments from funds otherwise available to the Council as may be necessary to carry out the functions of the Council;

"(v) select, appoint, and employ personnel as needed to carry out the functions of the Council subject to the availability of appropriations and the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates;

"(vi) to the extent and in such amounts as may be provided in advance by appropriations Acts, enter into contracts and other arrangements with public agencies and private persons to carry out the functions and duties of the Council;

"(vii) establish, in consultation with the members of the Council, such committees as determined by the Chairperson to be necessary and appropriate for the efficient conduct of Council functions; and

"(viii) prepare and transmit a report annually on behalf of the Council to the President on the activities of the Council.

"(c) Functions and Duties of Council.-

"(1) In general.-The Council shall-

"(A) continually identify, review, and discuss areas of weakness and vulnerability in Federal programs and operations with respect to fraud, waste, and abuse;

"(B) develop plans for coordinated, governmentwide activities that address these problems and promote economy and efficiency in Federal programs and operations, including interagency and interentity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;

"(C) develop policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;

"(D) maintain an Internet website and other electronic systems for the benefit of all Inspectors General, as the Council determines are necessary or desirable;

"(E) maintain 1 or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General;

"(F) submit recommendations of 3 individuals to the appropriate appointing authority for any appointment to an office of Inspector General described under subsection (b)(1)(A) or (B);

"(G) make such reports to Congress as the Chairperson determines are necessary or appropriate; and

"(H) perform other duties within the authority and jurisdiction of the Council, as appropriate.

"(2) Adherence and participation by members.-To the extent permitted under law, and to the extent not inconsistent with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions, each member of the Council shall adhere to professional standards developed by the Council and participate in the plans, programs, and projects of the Council, as appropriate.

"(3) Additional administrative authorities.-

"(A) Interagency funding.-Notwithstanding [section 1532 of title 31, United States Code](#), or any other provision of law prohibiting the interagency funding of activities described under subclause (I) or (II) of clause (i), in the performance of the responsibilities, authorities, and duties of the Council-

"(i) the Executive Chairperson may authorize the use of interagency funding for-

"(I) Governmentwide training of employees of the Offices of the Inspectors General;

"(II) the functions of the Integrity Committee of the Council; and

"(III) any other authorized purpose determined by the Council; and

"(ii) upon the authorization of the Executive Chairperson, any department, agency, or entity of the United States Government shall fund or participate in the funding of such activities.

"(B) Superseding provisions.-No provision of law enacted after the date of enactment of this subsection shall be construed to limit or supersede the authority under paragraph (1), unless such provision makes specific reference to the authority in that paragraph.

"(4) Existing authorities and responsibilities.-The establishment and operation of the Council shall not affect-

"(A) the role of the Department of Justice in law enforcement and litigation;

"(B) the authority or responsibilities of any Government agency or entity; and

"(C) the authority or responsibilities of individual members of the Council.

"(d) Integrity Committee.-

"(1) Establishment.-The Council shall have an Integrity Committee, which shall receive, review, and refer for investigation allegations of wrongdoing that are made against Inspectors General and certain staff members of the various Offices of Inspector General.

"(2) Membership.-The Integrity Committee shall consist of the following members:

"(A) The official of the Federal Bureau of Investigation serving on the Council, who shall serve as Chairperson of the Integrity Committee.

"(B) Three or more Inspectors General described in subparagraph (A) or (B) of subsection (b)(1) appointed by the Chairperson of the Council, representing both establishments and designated Federal entities (as that term is defined in section 8G(a)).

"(C) The Special Counsel of the Office of Special Counsel.

"(D) The Director of the Office of Government Ethics.

"(3) Legal advisor.-The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as a legal advisor to the Integrity Committee.

"(4) Referral of allegations.-

"(A) Requirement.-An Inspector General shall refer to the Integrity Committee any allegation of wrongdoing against a staff member of the office of that Inspector General, if-

"(i) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

"(ii) the Inspector General determines that-

"(I) an objective internal investigation of the allegation is not feasible; or

"(II) an internal investigation of the allegation may appear not to be objective.

"(B) Definition.-In this paragraph the term `staff member' means-

"(i) any employee of an Office of Inspector General who reports directly to an Inspector General; or

"(ii) who is designated by an Inspector General under subparagraph (C).

"(C) Designation of staff members.-Each Inspector General shall annually submit to the Chairperson of the Integrity Committee a designation of positions whose holders are staff members for purposes of subparagraph (B).

"(5) Review of allegations.-The Integrity Committee shall-

"(A) review all allegations of wrongdoing the Integrity Committee receives against an Inspector General, or against an employee of an Office of Inspector General;

"(B) refer any allegation of wrongdoing to the agency of the executive branch with appropriate jurisdiction over the matter; and

"(C) refer to the Chairperson of the Integrity Committee any allegation of wrongdoing determined by the Integrity Committee to be potentially meritorious that cannot be referred to an agency under subparagraph (B).

"(6) Authority to investigate allegations.-

"(A) Requirement.-The Chairperson of the Integrity Committee shall cause a thorough and timely investigation of each allegation referred under paragraph (5)(C) to be conducted in accordance with this paragraph.

"(B) Resources.-At the request of the Chairperson of the Integrity Committee, the head of each agency or entity represented on the Council-

"(i) may provide resources necessary to the Integrity Committee; and

"(ii) may detail employees from that agency or entity to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation under this subsection.

"(7) Procedures for investigations.-

"(A) Standards applicable.-Investigations initiated under this subsection shall be conducted in accordance with the most current Quality Standards for Investigations issued by the Council or by its predecessors (the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency).

"(B) Additional policies and procedures.-

"(i) Establishment.-The Integrity Committee, in conjunction with the Chairperson of the Council, shall establish additional policies and procedures necessary to ensure fairness and consistency in-

"(I) determining whether to initiate an investigation;

"(II) conducting investigations;

"(III) reporting the results of an investigation; and

"(IV) providing the person who is the subject of an investigation with an opportunity to respond to any Integrity Committee report.

"(ii) Submission to congress.-The Council shall submit a copy of the policies and procedures established under clause (i) to the congressional committees of jurisdiction.

"(C) Reports.-

"(i) Potentially meritorious allegations.-For allegations referred to under paragraph (5)(C), the Chairperson of the Integrity Committee shall make a report containing the results of the investigation of the Chairperson and shall provide such report to members of the Integrity Committee.

"(ii) Allegations of wrongdoing.-For allegations referred to under paragraph (5)(B), the head of an agency shall make a report containing the results of the investigation and shall provide such report to members of the Integrity Committee.

"(8) Assessment and final disposition.- [\*14197]

Page 14197

"(A) In general.-With respect to any report received under paragraph (7)(C), the Integrity Committee shall-

"(i) assess the report;

"(ii) forward the report, with the recommendations of the Integrity Committee, including those on disciplinary action, within 180 days (to the maximum extent practicable) after the completion of the investigation, to the Executive Chairperson of the Council and to the President (in the case of a report relating to an Inspector General of an establishment or any employee of that Inspector General) or the head of a designated Federal entity (in the case of a report relating to an Inspector General of such an entity or any employee of that Inspector General) for resolution; and

"(iii) submit to the congressional committees of jurisdiction an executive summary of such report and recommendations within 30 days after the submission of such report to the Executive Chairperson under clause (ii).

"(B) Disposition.-The Executive Chairperson of the Council shall report to the Integrity Committee the final disposition of the matter, including what action was taken by the President or agency head.

"(9) Annual report.-The Council shall submit to Congress and the President by December 31 of each year a report on the activities of the Integrity Committee during the preceding fiscal year, which shall include the following:

"(A) The number of allegations received.

"(B) The number of allegations referred to other agencies, including the number of allegations referred for criminal investigation.

"(C) The number of allegations referred to the Chairperson of the Integrity Committee for investigation.

"(D) The number of allegations closed without referral.

"(E) The date each allegation was received and the date each allegation was finally disposed of.

"(F) In the case of allegations referred to the Chairperson of the Integrity Committee, a summary of the status of the investigation of the allegations and, in the case of investigations completed during the preceding fiscal year, a summary of the findings of the investigations.

"(G) Other matters that the Council considers appropriate.

"(10) Requests for more information.-With respect to paragraphs (8) and (9), the Council shall provide more detailed information about specific allegations upon request from any of the following:

"(A) The chairperson or ranking member of the Committee on Homeland Security and Governmental Affairs of the Senate.

"(B) The chairperson or ranking member of the Committee on Oversight and Government Reform of the House of Representatives.

"(C) The chairperson or ranking member of the congressional committees of jurisdiction.

"(11) No right or benefit.-This subsection is not intended to create any right or benefit, substantive or procedural, enforceable at law by a person against the United States, its agencies, its officers, or any person."

(b) Existing Executive Orders.-Executive Order 12805, dated May 11, 1992, and Executive Order 12993, dated March 21, 1996, shall have no force or effect.

(c) Technical and Conforming Amendments.-

(1) Inspector general act of 1978.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(A) in sections 2(1), 4(b)(2), and 8G(a)(1)(A) by striking "section 11(2)" each place it appears and inserting "section 12(2)"; and

(B) in section 8G(a), in the matter preceding paragraph (1), by striking "section 11" and inserting "section 12".

(2) Separate appropriations account.-[Section 1105\(a\) of title 31, United States Code](#), is amended by striking the first paragraph (33) and inserting the following:

"(33) a separate appropriation account for appropriations for the Council of the Inspectors General on Integrity and Efficiency, and, included in that account, a separate statement of the aggregate amount of appropriations requested for each academy maintained by the Council of the Inspectors General on Integrity and Efficiency."

## SEC. 8. SUBMISSION OF BUDGET REQUESTS TO CONGRESS.

Section 6 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(f)(1) For each fiscal year, an Inspector General shall transmit a budget estimate and request to the head of the agency, board, or commission to which the Inspector General reports. The budget request shall specify the aggregate amount of funds requested for such fiscal year for the operations of that Inspector General and shall specify the amount



requested for all training requirements, including a certification from the Inspector General that the amount requested satisfies all training requirements for the Inspector General's office for that fiscal year, and any resources necessary to support the Council of the Inspectors General on Integrity and Efficiency. Resources necessary to support the Council of the Inspectors General on Integrity and Efficiency shall be specifically identified and justified in the budget request.

"(2) In transmitting a proposed budget to the President for approval, the head of each agency, board or commission shall include-

"(A) an aggregate request for the Inspector General;

"(B) amounts for Inspector General training;

"(C) amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and

"(D) any comments of the affected Inspector General with respect to the proposal.

"(3) The President shall include in each budget of the United States Government submitted to Congress-

"(A) a separate statement of the budget estimate prepared in accordance with paragraph (1);

"(B) the amount requested by the President for each Inspector General;

"(C) training of Inspectors General;

"(D) support for the Council of the Inspectors General on Integrity and Efficiency; and

"(E) any comments of the affected Inspector General with respect to the proposal, including whether the budget request submitted by the head of the establishment would substantially inhibit the Inspector General from performing the duties of the office."

#### SEC. 9. SUBPOENA POWER.

Section 6(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) by inserting "in any medium (including electronically stored information, as well as any tangible thing)" after "other data"; and

(2) by striking "subpena" and inserting "subpoena".

#### SEC. 10. PROGRAM FRAUD CIVIL REMEDIES ACT.

[Section 3801\(a\)\(1\) of title 31, United States Code](#), is amended-

(1) in subparagraph (C), by striking "and" after the semicolon;

(2) in subparagraph (D), by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(E) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978)."

#### SEC. 11. LAW ENFORCEMENT AUTHORITY FOR DESIGNATED FEDERAL ENTITIES.

Section 6(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in paragraph (1) by striking "appointed under section 3"; and

(2) by adding at the end the following:

"(9) In this subsection the term 'Inspector General' means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G."

#### SEC. 12. APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO INSPECTION REPORTS AND EVALUATION REPORTS.

Section 5 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

- (1) in each of subsections (a)(6), (a)(8), (a)(9), (b)(2), and (b)(3)-
- (A) by inserting ", inspection reports, and evaluation reports" after "audit reports" the first place it appears; and
- (B) by striking "audit" the second place it appears; and
- (2) in subsection (a)(10) by inserting ", inspection reports, and evaluation reports" after "audit reports".

#### SEC. 13. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

(a) Definition.-In this section the term "agency" means a Federal agency as defined under section 11(5) of the Inspector General Act of 1978 (5 U.S.C. App.).

(b) Direct Links to Inspectors General Offices.-

(1) In general.-Each agency shall establish and maintain on the homepage of the website of that agency, a direct link to the website of the Office of the Inspector General of that agency.

(2) Accessibility.-The direct link under paragraph (1) shall be obvious and facilitate accessibility to the website of the Office of the Inspector General.

(c) Requirements for Inspectors General Websites.-

(1) Posting of reports and audits.-The Inspector General of each agency shall-

(A) in accordance with [section 552a of title 5, United States Code](#) (commonly referred to as the Privacy Act), not later than 3 working days after any report or audit (or portion of any report or audit), that is subject to release under section 552 of that title (commonly referred to as the Freedom of Information Act), is made publicly available, post that report or audit (or portion of that report or audit) on the website of the Office of the Inspector General; and

(B) ensure that any posted report or audit (or portion of that report or audit) described under subparagraph (A)-

(i) is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;

(ii) includes a summary of the findings of the Inspector General; and

(iii) is in a format that-

(I) is searchable and downloadable; and

(II) facilitates printing by individuals of the public accessing the website.

(2) Reporting of fraud, waste, and abuse.-

(A) In general.-The Inspector General of each agency shall establish and maintain a direct link on the homepage of the website of the Office of the Inspector General for individuals to report fraud, waste, and abuse. Individuals reporting fraud, waste, or abuse using the direct link established under this paragraph shall not be required to provide personally identifying information relating to that individual.

(B) Anonymity.-The Inspector General of each agency shall not disclose the identity of any individual making a report under this [\*14198]

Page 14198

paragraph without the consent of the individual unless the Inspector General determines that such a disclosure is unavoidable during the course of the investigation.

(d) Implementation.-Not later than 180 days after the date of enactment of this Act, the head of each agency and the Inspector General of each agency shall implement this section.

#### SEC. 14. INVESTIGATIONS OF DEPARTMENT OF JUSTICE PERSONNEL.

(a) Amendment to Requirement Relating to Certain Referrals.-Section 8E(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking paragraph (3).

(b) Technical and Conforming Amendments.-Section 8E of the Inspector General Act of 1978 (5 U.S.C. App.) is further amended-

(1) in subsection (b)-

(A) by striking "and paragraph (3)" in paragraph (2);

(B) by redesignating paragraph (4) as paragraph (3); and

(C) by redesignating paragraph (5) as paragraph (4) and in that paragraph by striking "(4)" and inserting "(3)"; and

(2) in subsection (d), by striking ", except with respect to allegations described in subsection (b)(3)."

#### SEC. 15. OTHER ADMINISTRATIVE AUTHORITIES.

(a) In General.-Section 6(d) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended to read as follows:

"(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)-

"(i) each Office of Inspector General shall be considered to be a separate agency; and

"(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

"(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

"(i) Subchapter II of chapter 35.

"(ii) Sections 8335(b), 8336, 8344, 8414, 8468, and 8425(b).

"(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

"(2) For purposes of applying [section 4507\(b\) of title 5, United States Code](#), paragraph (1)(A)(ii) shall be applied by substituting 'the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the Inspector General Act) shall' for 'the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,'."

(b) Authority of Treasury Inspector General for Tax Administration to Protect Internal Revenue Service Employees.-Section 8D(k)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "and the providing of physical security".

#### SEC. 16. GOVERNMENT ACCOUNTABILITY OFFICE REPORTS.

(a) In General.-

(1) Submission.-Not later than 360 days after the date of enactment of this Act, the Government Accountability Office shall submit a report examining the adequacy of mechanisms to ensure accountability of the Offices of Inspector General to-

(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) the Committee on Government Reform of the House of Representatives.

(2) Contents.-The report submitted under paragraph (1) shall examine-

(A) the practices, policies, and procedures of the Integrity Committee of the Council of the Inspectors General on Integrity and Efficiency (and its predecessor committee); and

(B) the practices, policies, and procedures of the Offices of Inspector General with respect to complaints by and about employees of any Office of Inspector General that are not within the jurisdiction of the Integrity Committee.

(b) Pay of Inspectors General.-Not later than 270 days after the date of enactment of this Act, the Government Accountability Office shall submit a report to the congressional committees of jurisdiction on the implementation of section 4.

Ms. COLLINS. Mr. President. I am pleased to join my colleagues, Senators McCaskill, Lieberman, and Coburn, in introducing the Inspector General Reform Act of 2007, a bipartisan measure that will help detect and prevent fraud, waste, and abuse in government operations.

This legislation is an important companion to [S. 680](#), the Accountability in Government Contracting Act of 2007, which the Senate passed last night by unanimous consent. Indeed, many of the reforms in this bill were included in [S. 680](#) in February, when I first introduced that legislation along with Senators Lieberman, Coleman, Carper, and McCaskill. At our Committee's markup of [S. 680](#), I recommended that the provisions governing Inspectors General be removed from that bill so that we could work together to improve the effectiveness of our Nation's Inspectors General in a separate legislative vehicle. The legislation we introduce today reflects that collaboration and continues our Committee's strong, bipartisan efforts to improve the effectiveness of Government.

Inspectors General are vital partners in Congress's effort to identify inefficient, ineffective, and improper Government programs. By leveraging the expertise and independence of Inspectors General and their staffs, Congress has been able to identify, and take action to stop, wasteful spending.

Examples of the IGs' invaluable work could be cited in depressingly large numbers, but let me note two efforts that I found particularly striking. In a 6-month period following the Hurricane Katrina disaster, the Department of Homeland Security's IG produced 29 reports that included alarming discoveries, including that 63 percent of the DHS purchase-card transactions made during the response had no documentation of goods or services actually being received. The DHS IG investigations helped produce 243 convictions for fraud or related offenses and aided in recovery of millions of taxpayer dollars.

As you will recall, the impressive work of the Special Inspector General for Iraq Reconstruction led to Congress's extending SIGIR's work in that country. The SIGIR reported, among other things, that more than \$9 billion in Iraqi oil revenues disbursed in 2004 could not be accounted for, that hundreds of contracts had problems, and that many projects to restore Iraq's water and electric services would not be completed. The SIGIR's work is estimated to yield taxpayers \$25 of benefit for every dollar of cost.

The investigations and reports of IGs throughout the government help Congress shape legislation and oversight activities-improving Government performance, providing important transparency into programs, and giving Americans better value for their tax dollar.

Unfortunately, the past year has produced troubling instances in which the independence of Inspectors General has been challenged within their respective departments. We have also heard allegations of misconduct by some Inspectors General. These alarming examples of pressure and impropriety cannot be tolerated, and the legislation we introduce today is an important first step in clarifying congressional expectations concerning the independence, funding, training, and accountability of the Federal Government's Inspectors General.

The Inspector General Reform Act of 2007 would improve the independence and effectiveness of Inspectors General and contribute to better relations among the IGs, the agencies they serve, and the Congress. These improvements will also help to insulate and protect Inspectors General from inappropriate efforts to hinder their investigations.

First and foremost, the legislation provides a clear manifestation of how Congress believes IGs should be chosen. It amends the Inspector General Act of 1978 to explicitly require appointments on the basis of ability and integrity, not political affiliation.

Additional enhancements included in the bill are a mandatory requirement to notify Congress 30 days before the removal of an IG, helping to prevent politically motivated attempts to terminate effective IGs.

A separate budget line for Inspectors General that includes their overall budget and training needs, helping to ensure that these offices are properly funded to perform their important mission.

A pay increase for IGs and a prohibition on cash bonuses or awards. Most IGs already refuse to accept bonuses to avoid an appearance of conflict, with the result that many deputies earn more than the IGs. This provision will improve an IG's influence and independence within an agency while avoiding the appearance of improper influence that bonuses can create.

Authorization for the Government-wide IG Council on Integrity and Efficiency that will ensure appropriate investigations of misconduct or malfeasance by IGs. And finally,

Clarification that the IGs' subpoena authority extends to electronic documents.

The oversight experience of the Homeland Security and Governmental Affairs Committee and many reviews by the Government Accountability Office have confirmed the vital importance of the Inspector General function [\*14199]

Page 14199

in our system of Government. By addressing identified shortcomings and further insulating IGs from inappropriate influence, the legislation we introduce today will make a critical function of Government even more effective. I urge my colleagues to support its prompt consideration and passage.

Mr. LIEBERMAN. Mr. President, I am proud to join my colleagues Senators McCaskill, Collins, and Coburn today in introducing the Inspector General Reform Act of 2007. This bipartisan bill reflects the broad Congressional support for the outstanding work of our Inspectors General and our desire to ensure that these important and unique government officials are given the tools and the accountability to perform at their very best.

It has been almost 30 years since Congress, as part of its post-Watergate reforms, passed the Inspectors General Act of 1978 that created an office of Inspector General in 12 major departments and agencies to hold those agencies accountable to the public interest and report back both to the agency heads and Congress on their findings. The law was amended in 1988 to add an Inspector General to almost all Executive agencies and departments.

The experiment has been a great success, hailed as a sort of consumer protector for the taxpayer deep within each agency. According to the President's Council on Integrity and Efficiency, last year alone IG audits resulted in \$9.9 billion in potential savings and another \$6.8 billion in savings when the results of civil and criminal investigations are added in.

Some of the IGs' work lands on the front page-exposing major shortcomings in government practices and official conduct. Most of it unfolds more quietly, but is just as critical in helping Federal agencies establish effective and efficient programs that make the most of the taxpayers' hard earned dollars.

Over the years, we have become aware of several instances where the independence of Inspectors General appears to be threatened. It is vital that Congress reiterate its strong support for the internal oversight IGs can provide and ensure they have the independence they need to carry out this vital, but often unpopular work.

Unfortunately, we are also aware of instances in which the watchdog needs watching-that is, situations where the Inspector General has behaved improperly or failed to provide vigorous oversight.

This legislation attempts to address both problems.

It includes an array of measures designed to strengthen the independence of the Inspectors General, such as requiring the administration to notify Congress 30 days before attempting to remove or transfer an IG. This would give us time to consider whether the administration was improperly seeking to displace an Inspector General for political reasons because the IG was, in effect, doing his or her job too well. It requires that all IGs be chosen on the basis of qualifications, without regard to political affiliation.

The legislation would codify and strengthen the existing IG councils, creating a unitary council that can provide greater support for IGs throughout the Government.

The bill would provide greater transparency of IG budget needs, including funds for training and council activities, to help ensure the IG offices have the resources they need for their investigations.

Most IGs would also receive a pay raise, to reflect the importance of the work they do and their proper stature within an agency. Currently, some IGs earn less than other senior officials in their agency and sometimes even less than some of their subordinates. However, we also prohibit bonuses for IGs, to remove a potential avenue for improper influence by the agency head.

Our bill also enhances IG accountability by strengthening the Integrity Committee that handles allegations against Inspectors General and their senior staff, and facilitating greater oversight of Integrity Committee by Congress.

The bill also ensures that the Inspector General of the Justice Department will have the authority, shared by other IGs, to investigate misconduct of any Departmental employee.

The House has already voted overwhelmingly in support of legislation addressing many of these same issues. It is time for the Senate to follow suit. I urge my colleagues to support this worthy and common sense piece of legislation.

By Mr. WARNER (for himself and Mr. Webb):

[S. 2331](#). A bill to exclude from gross income payments from the Hokie Spirit Memorial Fund to the victims of the tragic event, loss of life and limb, at Virginia Polytechnic Institute & State University; to the Committee on Finance.

Mr. WARNER. Mr. President, today I introduce legislation that will, I hope, help provide some measure of assistance to those family members who lost loved ones and to those who suffered wounds as a consequence of the horrific shootings that took place on April 16, 2007, on the campus of Virginia Tech. I am pleased to have my colleague from Virginia, Senator Webb, as a cosponsor of this legislation.

In the aftermath of that tragic day, where 32 lives of promise were forever cut short, over 20,000 individuals and groups across the country demonstrated their support for the victims and their families with generous financial donations that totaled approximately \$7.5 million. Virginia Tech established the Hokie Spirit Memorial Fund within the Virginia Tech Foundation to accept these charitable contributions. The Hokie Spirit Fund distribution plan offers families of the 32 individuals who lost their lives a choice of receiving proceeds from the Fund or dividing those proceeds between a cash payment and a scholarship in the victim's name. Injured victims are also eligible for Fund proceeds. On October 30, 2007, the University officially distributed these funds to the 79 families and individuals in accordance with the protocols established. While no amount of money can truly compensate for the loss of life or limb, these payments provide both the families of the deceased and the injured survivors with some financial resources to help, in some modest way.

Unfortunately, Federal law is not clear as to whether these payments are subject to Federal taxation. In my view, not only does precedent indicate that these types of payments should be free of Federal income tax, common sense concurs. Accordingly, the legislation that Senator Webb and I introduce today makes it clear that any payments by Virginia Tech from the Hokie Spirit Fund in conjunction with the April 16, 2007, shooting at Virginia Tech should not be taxable for Federal purposes.

It is my hope that the Congress will expeditiously pass this important legislation. I ask for unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

[S. 2331](#)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXCLUSION FROM INCOME FOR PAYMENTS FROM THE HOKIE SPIRIT MEMORIAL FUND.

For purposes of the Internal Revenue Code of 1986, gross income shall not include any amount received from the Virginia Polytechnic Institute & State University, out of amounts transferred from the Hokie Spirit Memorial Fund established by the Virginia Tech Foundation, an organization organized and operated as described in [section 501\(c\)\(3\) of the Internal Revenue Code of 1986](#), as a payment in connection with the tragic event, loss of life and limb, on April 16, 2007, at such university.

By Mr. DORGAN (for himself, Mr. Lott, Mr. Obama, Ms. Snowe, Mr. Kerry, Mr. Nelson of Florida, Ms. Cantwell, Mrs. Feinstein, Mr. Biden, and Mrs. Clinton):

[S. 2332](#). A bill to promote transparency in the adoption of new media ownership rules by the Federal Communications Commission, and to establish an independent panel to make recommendations on how to increase the representation of women and minorities in broadcast media ownership; to the Committee on Commerce, Science, and Transportation.

Mr. DORGAN. Mr. President, today I am introducing the Media Ownership Act of 2007, along with Senators Lott, Obama, Snowe, Kerry, Nelson of Florida, Cantwell, and Feinstein. We seek with this bill to halt the Federal Communications Commission's, FCC, fast [\*14200]

Page 14200

march toward easing media ownership rules.

The FCC has taken a series of destructive actions in the past two decades that, I believe, have undermined the public interest. Now they appear prepared to do it again. The FCC is working to have a rewrite of media ownership rules

completed just next month. Now this seems like a massive rush to me and a big mistake. How will the public interest be served by attempting to rush through a plan to relax ownership rules?

We don't need more concentration of ownership in radio and television stations and a green light for cross ownership between newspapers, radio and television stations. Further consolidation of media ownership at all is an affront to common sense. But even if we disagree with the rules the FCC issues, and even if we think the FCC should break up the big media companies rather than allow them to consolidate, the FCC must go through an honest and thorough process. They must study the questions that affect a decision of whether to adjust ownership limits. They have not done this. They have not put the final rules out for comment for a meaningful amount of time, they have not given the necessary consideration to the issue of localism, and they do not know enough about the impact of consolidation on localism or female and minority ownership.

The Media Ownership Act of 2007 ensures that the FCC allow enough time for comment on the actual rule changes. It requires that the FCC put out the final rules proposed by the Commission for 90 days of comment.

The bill also requires that the FCC complete a separate proceeding on the promotion of local programming and content by broadcasters and newspapers. In 2003, Chairman Powell set up a task force to promote localism in broadcasting and they began some hearings and took in comments. Chairman Martin has wrapped those comments into this ownership proceeding and is finishing the last localism hearing as part of this rushed schedule. The bill requires that they must publish a final rule in a separate proceeding and allow 90 days of comment. This must be completed prior to the vote on ownership.

The bill requires that the FCC establish an Independent Panel on Ownership by Women and Minorities. The FCC must collect and provide this panel with data on the specific gender and ethnic makeup of media owners. The panel shall issue recommendations and the FCC must act on these recommendations prior to a vote on media ownership.

The last time the FCC tried to do rush to consolidate media ownership, the United States Senate voted to block it. On September 16, 2003, the Senate voted 55-40 to support a "resolution of disapproval" of the FCC's previous decision to allow further concentration. If we have to do this again we will. A number of us have sent numerous letters to the FCC stating what needs to be done prior to a vote on media ownership limits and yet the Chairman is on track to move this proceeding to a vote. The FCC is clearly not listening and legislation is now necessary.

This is again a bipartisan effort to stop the FCC from destroying the local interests that we have always felt must be a part of broadcasting.

It is time to ensure that we first protect localism and diversity, which the FCC appears to have long forgotten. Only then can we really review the rules of media ownership in a thorough process to see if it is actually in the public interest to reverse any of those rules, or if greater public interest protections are necessary.

Mr. President, I ask unanimous consent that the text of the bill be placed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

[S. 2332](#)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Media Ownership Act of 2007".

SEC. 2. MEDIA OWNERSHIP REFORMS.

Section 202 of the Telecommunications Act of 1996 ([Public Law 104-104](#); [110 Stat. 110](#)) is amended by-

- (1) redesignating subsection (i) as subsection (l); and
- (2) by inserting after subsection (h) the following:

"(i) Notice and Public Comment Requirement.-



"(1) In general.-In modifying, revising, or amending any of its regulations related to broadcast ownership, including any ownership rule or limitation set forth under sections 73.3555, 73.658(g), or 76.501 of its regulations ([47 C.F.R. 73.3555](#), [73.658\(g\)](#), [76.501](#)), the Commission shall-

"(A) not later than 90 days prior to any vote by the Commission on the adoption of such modification, revision, or amendment publish such prospective modification, revision, or amendment in the Federal Register;

"(B) after such publication provide the public at least 60 days on which to comment on the prospective modification, revision, or amendment; and

"(C) upon the expiration of the 60-day comment period described under paragraph (2), have not less than 30 days in which to reply to any such comments.

"(2) Effective date.-

"(A) In general.-The notice and public requirements under paragraph (1) shall apply to any attempt by the Commission to modify, revise, or amend its regulations related to broadcast and newspaper ownership made after October 1, 2007.

"(B) Failure to comply.-If the Commission fails to comply with the notice and public requirements under paragraph (1) with respect to any modification, revision, or amendment to which such requirements apply, then such modification, revision, or amendment shall be vitiated and shall be of no force and effect.

"(j) Promotion of Local Content in Media.-Before voting on any change in the broadcast and newspaper ownership rules, the Commission shall initiate, conduct, and complete a separate rulemaking proceeding to promote the broadcast of local programming and content by broadcasters, including radio and television broadcast stations, and newspapers. Before issuing a final rule, the Commission shall-

"(1) conduct a study to determine the overall impact of television station duopolies and newspaper-broadcast cross-ownership on the quantity and quality of local news, public affairs, local news media jobs, and local cultural programming at the market level;

"(2) publish a proposed final rule in the Federal Register not later than 90 days prior to any vote by the Commission on the adoption of the rule;

"(3) after such publication provide the public at least 60 days on which to comment on the prospective rule; and

"(4) upon the expiration of the 60-day comment period described in paragraph (3), have not less than 30 days in which to reply to any such comments.

"(k) Independent Panel on Women and Minority Ownership of Broadcast Media.-

"(1) Establishment.-The Commission shall establish and convene an independent panel on women and minority ownership of broadcast media to make recommendations to the Commission for specific Commission rules to increase the representation of women and minorities in the ownership of broadcast media.

"(2) Census.-The Commission shall-

"(A) conduct a full and accurate census of the race and gender of individuals holding a controlling interest in broadcast station licensee;

"(B) provide the results of the census to the panel for its consideration before it makes any recommendation to the Commission; and

"(C) study the impact of media market concentration on the representation of women and minorities in the ownership of broadcast media based on the data in the census and report the results of that study to the panel for its consideration before it makes any recommendation to the Commission.

"(3) Consideration of panel's recommendations.-The Commission shall act on the panel's recommendations before voting on any changes to its broadcast and newspaper ownership rules."

**SUBJECT:** INVESTIGATIONS (79%); US FEDERAL GOVERNMENT (79%); LEGISLATIVE BODIES (79%); JUSTICE DEPARTMENTS (59%); DISMISSALS (59%); LAW ENFORCEMENT (59%); SPECIAL INVESTIGATIVE FORCES (59%); INTELLIGENCE SERVICES (59%); LEGISLATION (59%); APPROPRIATIONS (59%);



LEXSEE 154 CONG REC S 9426

Copyright © 2008 LexisNexis Academic & Library Solutions, a division of Reed Elsevier  
Inc.

All Rights Reserved  
CONGRESSIONAL RECORD -- SENATE

110th Congress, 2nd Session

*154 Cong Rec S 9426*

TEXT OF AMENDMENTS

September 24, 2008

**REFERENCE:** Vol. 154, No. 152

**SECTION:** Senate

**TEXT:** [\*9426]

Page 9428

inserting "50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, Palau, the Marshall Islands, and the Commonwealth of the Northern Mariana Islands".

(2) Authorization of appropriations.-Section 338I(i)(1) of such Act (*42 U.S.C. 254q-1(i)(1)*) is amended by striking "2002" and all that follows through the period and inserting "2008, and such sums as may be necessary for each of fiscal years 2009 through 2012."

#### SEC. 4. REAUTHORIZATION OF RURAL HEALTH CARE PROGRAMS.

Section 330A(j) of the Public Health Service Act (*42 U.S.C. 254c(j)*) is amended by striking "\$40,000,000" and all that follows through the period and inserting "\$45,000,000 for each of fiscal years 2008 through 2012."

#### SEC. 5. REAUTHORIZATION OF PRIMARY DENTAL HEALTH WORKFORCE PROGRAMS.

Section 340G(f) of the Public Health Service Act (*42 U.S.C. 256g(f)*) is amended-

(1) by striking "\$50,000,000" and inserting "\$25,000,000"; and

(2) by striking "2002" and inserting "2008".

#### SEC. 6. EMERGENCY RESPONSE COORDINATION OF PRIMARY CARE PROVIDERS.

(a) In General.-Subtitle B of title XXVIII of the Public Health Service Act (*42 U.S.C. 300hh-10 et seq.*) is amended by adding at the end the following:

"SEC. 2815. EMERGENCY RESPONSE COORDINATION OF PRIMARY CARE PROVIDERS.

"The Secretary, acting through Administrator of the Health Resources and Services Administration, and in coordination with the Assistant Secretary for Preparedness and Response, shall

"(1) provide guidance and technical assistance to health centers funded under section 330 and to State and local health departments and emergency managers to integrate health centers into State and local emergency response plans and to better meet the primary care needs of populations served by health centers during public health emergencies; and

"(2) encourage employees at health centers funded under section 330 to participate in emergency medical response programs including the National Disaster Medical System authorized in section 2812, the Volunteer Medical Reserve Corps authorized in section 2813, and the Emergency System for Advance Registration of Health Professions Volunteers authorized in section 319I."

(b) Sense of the Congress.-It is the Sense of Congress that the Secretary of Health and Human Services, to the extent permitted by law, utilize the existing authority provided under the Federal Tort Claims Act for health centers funded under section 330 of the Public Health Service Act (*42 U.S.C. 254b*) in order to establish expedited procedures under which such health centers and their health care professionals that have been deemed eligible for Federal Tort Claims Act coverage are able to respond promptly in a coordinated manner and on a temporary basis to public health emergencies outside their traditional service area and sites, and across State lines, as necessary and appropriate.

#### SEC. 7. REVISION OF THE TIMEFRAME FOR THE RECOGNITION OF CERTAIN DESIGNATIONS IN CERTIFYING RURAL HEALTH CLINICS UNDER THE MEDICARE PROGRAM.

(a) In General.-The second sentence of section 1861(aa)(2) of the Social Security Act (*42 U.S.C. 1395x(aa)(2)*) is amended by striking "3-year period" and inserting "4-year period" in the matter in clause (i) preceding subclause (I).

(b) Effective Date.-The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SA 5643. Mr. WYDEN (for himself and Mr. Barrasso) submitted an amendment intended to be proposed by him to the bill *S. 3268*, to amend the Commodity Exchange Act, to prevent excessive price speculation with respect to energy commodities, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. XXX. MINERALS MANAGEMENT SERVICE.

(a) Definitions.-In this section:

(1) Department.-The term "Department" means the Department of the Interior.

(2) Director.-The term "Director" means the Director of the Service.

(3) Royalty-in-kind program.-The term "royalty-in-kind program" means the program established under-

(A) section 342 of the Energy Policy Act of 2005 (*42 U.S.C. 15902*);

(B) section 36 of the Mineral Leasing Act (*30 U.S.C. 192*);

(C) section 27 of the Outer Continental Shelf Lands Act (*43 U.S.C. 1353*); or

(D) any other similar provision of law.

(4) Secretary.-The term "Secretary" means the Secretary of the Interior.

(5) Service.-The term "Service" means the Minerals Management Service.

(b) Establishment.-The Secretary shall-

(1) establish and maintain within the Department the Minerals Management Service; and

(2) assign to the Service such functions as the Secretary considers appropriate.

(c) Director.-The Service shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(d) Audits.-

(1) Royalty audits.-The Director shall ensure that the Service implements a comprehensive program of financial audits of royalty payments and adjustments, including physical on-site audits, on the basis of risk and statistical samples.

(2) Standards.-Not later than 90 days after the date of enactment of this Act, the Director shall promulgate regulations that-

(A) require that all employees of the Service that conduct audits and compliance reviews meet professional auditor qualifications that are consistent with the latest revision of the Government Auditing Standards published by the Government Accountability Office; and

(B) ensure that all audits conducted by the Service are performed in accordance with the standards.

(3) Inspector general.-The Inspector General of the Department shall-

(A) conduct, annually and as necessary, audits of activities of the Service, including leasing and royalty activities; and

(B) report the results of the audits of activities of the Service (including leasing and royalty activities) and the certifications required under subsection (e) to-

(i) the Committee on Energy and Natural Resources of the Senate;

(ii) the Committee on Natural Resources of the House of Representatives; and

(iii) the Secretary.

(e) Royalties-in-Kind Program.-

(1) Initial certification.-Subject to paragraph (3), not later than 60 days after the date of enactment of this Act, the Secretary shall submit to Congress a certification that all of the recommendations made by the Office of the Inspector General of the Department as the result of investigations that culminated in a memorandum dated September 9, 2008, and a report dated May 2008 (C-EV-MMS-001-2008), with respect to the royalty-in-kind program have been implemented.

(2) Annual certifications.-Subject to paragraph (3), not later than 1 year after the date of enactment of this Act and each year thereafter, the Secretary shall submit to Congress a certification that the royalty-in-kind program is in full compliance with Federal law (including regulations) governing procurement and ethics.

(3) Suspension.-Notwithstanding any other provision of law, if the Secretary fails to make a certification required under paragraph (1) or (2), the authority of the Secretary to carry out each royalty-in-kind program is suspended during the period-

(A) beginning on the day after the deadline for the certification under that paragraph; and

(B) ending on the date the Secretary makes the certification required under that paragraph.

SA 5644. Mr. SALAZAR (for Mrs. McCaskill (for herself, Mr. Salazar, Ms. Collins, and Mr. Lieberman)) proposed an amendment to the bill *H.R. 928*, to amend the Inspector General Act of 1978 to enhance the independence of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Inspector General Reform Act of 2008".

#### SEC. 2. APPOINTMENT AND QUALIFICATIONS OF INSPECTORS GENERAL.

Section 8G(c) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end "Each Inspector General shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations."

### SEC. 3. REMOVAL OF INSPECTORS GENERAL.

(a) Establishments.-Section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking the second sentence and inserting "If an Inspector General is removed from office or is transferred to another position or location within an establishment, the President shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

(b) Designated Federal Entities.-Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "shall promptly communicate in writing the reasons for any such removal or transfer to both Houses of the Congress." and inserting "shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

### SEC. 4. PAY OF INSPECTORS GENERAL.

(a) Inspectors General at Level III of Executive Schedule.-

(1) In general.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.), is amended by adding at the end the following:

"(e) The annual rate of basic pay for an Inspector General (as defined under section 12(3)) shall be the rate payable for level III of the Executive Schedule under *section 5314 of title 5, United States Code*, plus 3 percent." [\*9429]

Page 9429

(2) Technical and conforming amendments.-*Section 5315 of title 5, United States Code*, is amended by striking the item relating to each of the following positions:

- (A) Inspector General, Department of Education.
- (B) Inspector General, Department of Energy.
- (C) Inspector General, Department of Health and Human Services.
- (D) Inspector General, Department of Agriculture.
- (E) Inspector General, Department of Housing and Urban Development.
- (F) Inspector General, Department of Labor.
- (G) Inspector General, Department of Transportation.
- (H) Inspector General, Department of Veterans Affairs.
- (I) Inspector General, Department of Homeland Security.
- (J) Inspector General, Department of Defense.
- (K) Inspector General, Department of State.
- (L) Inspector General, Department of Commerce.
- (M) Inspector General, Department of the Interior.
- (N) Inspector General, Department of Justice.
- (O) Inspector General, Department of the Treasury.
- (P) Inspector General, Agency for International Development.
- (Q) Inspector General, Environmental Protection Agency.
- (R) Inspector General, Export-Import Bank.
- (S) Inspector General, Federal Emergency Management Agency.

- (T) Inspector General, General Services Administration.
- (U) Inspector General, National Aeronautics and Space Administration.
- (V) Inspector General, Nuclear Regulatory Commission.
- (W) Inspector General, Office of Personnel Management.
- (X) Inspector General, Railroad Retirement Board.
- (Y) Inspector General, Small Business Administration.
- (Z) Inspector General, Tennessee Valley Authority.
- (AA) Inspector General, Federal Deposit Insurance Corporation.
- (BB) Inspector General, Resolution Trust Corporation.
- (CC) Inspector General, Central Intelligence Agency.
- (DD) Inspector General, Social Security Administration.
- (EE) Inspector General, United States Postal Service.

(3) Applicability to other inspectors general.-

(A) In general.-Notwithstanding any other provision of law, the annual rate of basic pay of the Inspector General of the Central Intelligence Agency, the Special Inspector General for Iraq Reconstruction, and the Special Inspector General for Afghanistan Reconstruction shall be that of an Inspector General as defined under section 12(3) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 7(a) of this Act).

(B) Prohibition of cash bonus or awards.-Section 3(f) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 5 of this Act) shall apply to the Inspectors General described under subparagraph (A).

(4) Additional technical and conforming amendment.-Section 194(b) of the National and Community Service Act of 1990 (*42 U.S.C. 12651e(b)*) is amended by striking paragraph (3).

(b) Inspectors General of Designated Federal Entities.-

(1) In general.-Notwithstanding any other provision of law, the Inspector General of each designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall, for pay and all other purposes, be classified at a grade, level, or rank designation, as the case may be, at or above those of a majority of the senior level executives of that designated Federal entity (such as a General Counsel, Chief Information Officer, Chief Financial Officer, Chief Human Capital Officer, or Chief Acquisition Officer). The pay of an Inspector General of a designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall be not less than the average total compensation (including bonuses) of the senior level executives of that designated Federal entity calculated on an annual basis.

(2) Limitation on adjustment.-

(A) In general.-In the case of an Inspector General of a designated Federal entity whose pay is adjusted under paragraph (1), the total increase in pay in any fiscal year resulting from that adjustment may not exceed 25 percent of the average total compensation (including bonuses) of the Inspector General of that entity for the preceding 3 fiscal years.

(B) Sunset of limitation.-The limitation under subparagraph (A) shall not apply to any adjustment made in fiscal year 2013 or each fiscal year thereafter.

(c) Savings Provision for Newly Appointed Inspectors General.-

(1) In general.-The provisions of *section 3392 of title 5, United States Code*, other than the terms "performance awards" and "awarding of ranks" in subsection (c)(1) of such section, shall apply to career appointees of the Senior Executive Service who are appointed to the position of Inspector General.

(2) Nonreduction in pay.-Notwithstanding any other provision of law, career Federal employees serving on an appointment made pursuant to statutory authority found other than in *section 3392 of title 5, United States Code*, shall not

suffer a reduction in pay, not including any bonus or performance award, as a result of being appointed to the position of Inspector General.

(d) Savings Provision.-Nothing in this section shall have the effect of reducing the rate of pay of any individual serving on the date of enactment of this section as an Inspector General of-

(1) an establishment as defined under section 12(2) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 7(a) of this Act);

(2) a designated Federal entity as defined under section 8G(2) of the Inspector General Act of 1978 (5 U.S.C. App.);

(3) a legislative agency for which the position of Inspector General is established by statute; or

(4) any other entity of the Government for which the position of Inspector General is established by statute.

#### SEC. 5. PROHIBITION OF CASH BONUS OR AWARDS.

Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 4 of this Act) is further amended by adding at the end the following:

"(f) An Inspector General (as defined under section 8G(a)(6) or 12(3)) may not receive any cash award or cash bonus, including any cash award under chapter 45 of title 5, United States Code."

#### SEC. 6. SEPARATE COUNSEL TO SUPPORT INSPECTORS GENERAL.

(a) Counsels to Inspectors General of Establishment.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by sections 4 and 5 of this Act) is further amended by adding at the end the following:

"(g) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service, obtain legal advice from a counsel either reporting directly to the Inspector General or another Inspector General."

(b) Counsels to Inspectors General of Designated Federal Entities.-Section 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(4) Each Inspector General shall-

"(A) in accordance with applicable laws and regulations governing appointments within the designated Federal entity, appoint a Counsel to the Inspector General who shall report to the Inspector General;

"(B) obtain the services of a counsel appointed by and directly reporting to another Inspector General on a reimbursable basis; or

"(C) obtain the services of appropriate staff of the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis."

(c) Rule of Construction.-Nothing in the amendments made by this section shall be construed to alter the duties and responsibilities of the counsel for any establishment or designated Federal entity, except for the availability of counsel as provided under sections 3(g) and 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by this section). The Counsel to the Inspector General shall perform such functions as the Inspector General may prescribe.

#### SEC. 7. ESTABLISHMENT OF COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

(a) Establishment.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by redesignating sections 11 and 12 as sections 12 and 13, respectively, and by inserting after section 10 the following:

##### "SEC. 11. ESTABLISHMENT OF THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

"(a) Establishment and Mission.-

"(1) Establishment.-There is established as an independent entity within the executive branch the Council of the Inspectors General on Integrity and Efficiency (in this section referred to as the 'Council')."

"(2) Mission.-The mission of the Council shall be to-

"(A) address integrity, economy, and effectiveness issues that transcend individual Government agencies; and

"(B) increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

"(b) Membership.-

"(1) In general.-The Council shall consist of the following members:

"(A) All Inspectors General whose offices are established under-

"(i) section 2; or

"(ii) section 8G.

"(B) The Inspectors General of the Office of the Director of National Intelligence and the Central Intelligence Agency.

"(C) The Controller of the Office of Federal Financial Management.

"(D) A senior level official of the Federal Bureau of Investigation designated by the Director of the Federal Bureau of Investigation.

"(E) The Director of the Office of Government Ethics. [\*9430]

Page 9430

"(F) The Special Counsel of the Office of Special Counsel.

"(G) The Deputy Director of the Office of Personnel Management.

"(H) The Deputy Director for Management of the Office of Management and Budget.

"(I) The Inspectors General of the Library of Congress, Capitol Police, Government Printing Office, Government Accountability Office, and the Architect of the Capitol.

"(2) Chairperson and executive chairperson.-

"(A) Executive chairperson.-The Deputy Director for Management of the Office of Management and Budget shall be the Executive Chairperson of the Council.

"(B) Chairperson.-The Council shall elect 1 of the Inspectors General referred to in paragraph (1)(A) or (B) to act as Chairperson of the Council. The term of office of the Chairperson shall be 2 years.

"(3) Functions of chairperson and executive chairperson.-

"(A) Executive chairperson.-The Executive Chairperson shall-

"(i) preside over meetings of the Council;

"(ii) provide to the heads of agencies and entities represented on the Council summary reports of the activities of the Council; and

"(iii) provide to the Council such information relating to the agencies and entities represented on the Council as assists the Council in performing its functions.

"(B) Chairperson.-The Chairperson shall-

"(i) convene meetings of the Council-

"(I) at least 6 times each year;

"(II) monthly to the extent possible; and

"(III) more frequently at the discretion of the Chairperson;

"(ii) carry out the functions and duties of the Council under subsection (c);

"(iii) appoint a Vice Chairperson to assist in carrying out the functions of the Council and act in the absence of the Chairperson, from a category of Inspectors General described in subparagraph (A)(i), (A)(ii), or (B) of paragraph (1), other than the category from which the Chairperson was elected;

"(iv) make such payments from funds otherwise available to the Council as may be necessary to carry out the functions of the Council;

"(v) select, appoint, and employ personnel as needed to carry out the functions of the Council subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates;

"(vi) to the extent and in such amounts as may be provided in advance by appropriations Acts, made available from the revolving fund established under subsection (c)(3)(B), or as otherwise provided by law, enter into contracts and other arrangements with public agencies and private persons to carry out the functions and duties of the Council;

"(vii) establish, in consultation with the members of the Council, such committees as determined by the Chairperson to be necessary and appropriate for the efficient conduct of Council functions; and

"(viii) prepare and transmit a report annually on behalf of the Council to the President on the activities of the Council.

"(c) Functions and Duties of Council.-

"(1) In general.-The Council shall-

"(A) continually identify, review, and discuss areas of weakness and vulnerability in Federal programs and operations with respect to fraud, waste, and abuse;

"(B) develop plans for coordinated, Governmentwide activities that address these problems and promote economy and efficiency in Federal programs and operations, including interagency and interentity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;

"(C) develop policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;

"(D) maintain an Internet website and other electronic systems for the benefit of all Inspectors General, as the Council determines are necessary or desirable;

"(E) maintain 1 or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General;

"(F) submit recommendations of individuals to the appropriate appointing authority for any appointment to an office of Inspector General described under subsection (b)(1)(A) or (B);

"(G) make such reports to Congress as the Chairperson determines are necessary or appropriate; and

"(H) perform other duties within the authority and jurisdiction of the Council, as appropriate.

"(2) Adherence and participation by members.-To the extent permitted under law, and to the extent not inconsistent with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions, each member of the Council, as appropriate, shall-

"(A) adhere to professional standards developed by the Council; and

"(B) participate in the plans, programs, and projects of the Council, except that in the case of a member described under subsection (b)(1)(I), the member shall participate only to the extent requested by the member and approved by the Executive Chairperson and Chairperson.

"(3) Additional administrative authorities.-

"(A) Interagency funding.-Notwithstanding *section 1532 of title 31, United States Code*, or any other provision of law prohibiting the interagency funding of activities described under subclause (I), (II), or (III) of clause (i), in the performance of the responsibilities, authorities, and duties of the Council-



"(i) the Executive Chairperson may authorize the use of interagency funding for-

"(I) Governmentwide training of employees of the Offices of the Inspectors General;

"(II) the functions of the Integrity Committee of the Council; and

"(III) any other authorized purpose determined by the Council; and

"(ii) upon the authorization of the Executive Chairperson, any department, agency, or entity of the executive branch which has a member on the Council shall fund or participate in the funding of such activities.

"(B) Revolving fund.-

"(i) In general.-The Council may-

"(I) establish in the Treasury of the United States a revolving fund to be called the Inspectors General Council Fund; or

"(II) enter into an arrangement with a department or agency to use an existing revolving fund.

"(ii) Amounts in revolving fund.-

"(I) In general.-Amounts transferred to the Council under this subsection shall be deposited in the revolving fund described under clause (i)(I) or (II).

"(II) Training.-Any remaining unexpended balances appropriated for or otherwise available to the Inspectors General Criminal Investigator Academy and the Inspectors General Auditor Training Institute shall be transferred to the revolving fund described under clause (i)(I) or (II).

"(iii) Use of revolving fund.-

"(I) In general.-Except as provided under subclause (II), amounts in the revolving fund described under clause (i)(I) or (II) may be used to carry out the functions and duties of the Council under this subsection.

"(II) Training.-Amounts transferred into the revolving fund described under clause (i)(I) or (II) may be used for the purpose of maintaining any training academy as determined by the Council.

"(iv) Availability of funds.-Amounts in the revolving fund described under clause (i)(I) or (II) shall remain available to the Council without fiscal year limitation.

"(C) Superseding provisions.-No provision of law enacted after the date of enactment of this subsection shall be construed to limit or supersede any authority under subparagraph (A) or (B), unless such provision makes specific reference to the authority in that paragraph.

"(4) Existing authorities and responsibilities.-The establishment and operation of the Council shall not affect-

"(A) the role of the Department of Justice in law enforcement and litigation;

"(B) the authority or responsibilities of any Government agency or entity; and

"(C) the authority or responsibilities of individual members of the Council.

"(d) Integrity Committee.-

"(1) Establishment.-The Council shall have an Integrity Committee, which shall receive, review, and refer for investigation allegations of wrongdoing that are made against Inspectors General and staff members of the various Offices of Inspector General described under paragraph (4)(C).

"(2) Membership.-The Integrity Committee shall consist of the following members:

"(A) The official of the Federal Bureau of Investigation serving on the Council, who shall serve as Chairperson of the Integrity Committee, and maintain the records of the Committee.

"(B) Four Inspectors General described in subparagraph (A) or (B) of subsection (b)(1) appointed by the Chairperson of the Council, representing both establishments and designated Federal entities (as that term is defined in section 8G(a)).

"(C) The Special Counsel of the Office of Special Counsel.

"(D) The Director of the Office of Government Ethics.

"(3) Legal advisor.-The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as a legal advisor to the Integrity Committee.

"(4) Referral of allegations.-

"(A) Requirement.-An Inspector General shall refer to the Integrity Committee any allegation of wrongdoing against a staff member of the office of that Inspector General, if-

"(i) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

"(ii) the Inspector General determines that-

"(I) an objective internal investigation of the allegation is not feasible; or

"(II) an internal investigation of the allegation may appear not to be objective.

"(B) Definition.-In this paragraph the term `staff member' means any employee of an Office of Inspector General who-

"(i) reports directly to an Inspector General; or

"(ii) is designated by an Inspector General under subparagraph (C). [\*9431]

Page 9431

"(C) Designation of staff members.-Each Inspector General shall annually submit to the Chairperson of the Integrity Committee a designation of positions whose holders are staff members for purposes of subparagraph (B).

"(5) Review of allegations.-The Integrity Committee shall-

"(A) review all allegations of wrongdoing the Integrity Committee receives against an Inspector General, or against a staff member of an Office of Inspector General described under paragraph (4)(C);

"(B) refer any allegation of wrongdoing to the agency of the executive branch with appropriate jurisdiction over the matter; and

"(C) refer to the Chairperson of the Integrity Committee any allegation of wrongdoing determined by the Integrity Committee under subparagraph (A) to be potentially meritorious that cannot be referred to an agency under subparagraph (B).

"(6) Authority to investigate allegations.-

"(A) Requirement.-The Chairperson of the Integrity Committee shall cause a thorough and timely investigation of each allegation referred under paragraph (5)(C) to be conducted in accordance with this paragraph.

"(B) Resources.-At the request of the Chairperson of the Integrity Committee, the head of each agency or entity represented on the Council-

"(i) may provide resources necessary to the Integrity Committee; and

"(ii) may detail employees from that agency or entity to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation under this subsection.

"(7) Procedures for investigations.-

"(A) Standards applicable.-Investigations initiated under this subsection shall be conducted in accordance with the most current Quality Standards for Investigations issued by the Council or by its predecessors (the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency).

"(B) Additional policies and procedures.-

"(i) Establishment.-The Integrity Committee, in conjunction with the Chairperson of the Council, shall establish additional policies and procedures necessary to ensure fairness and consistency in-

"(I) determining whether to initiate an investigation;

"(II) conducting investigations;

"(III) reporting the results of an investigation; and

"(IV) providing the person who is the subject of an investigation with an opportunity to respond to any Integrity Committee report.

"(ii) Submission to congress.-The Council shall submit a copy of the policies and procedures established under clause (i) to the congressional committees of jurisdiction.

"(C) Reports.-

"(i) Potentially meritorious allegations.-For allegations described under paragraph (5)(C), the Chairperson of the Integrity Committee shall make a report containing the results of the investigation of the Chairperson and shall provide such report to members of the Integrity Committee.

"(ii) Allegations of wrongdoing.-For allegations referred to an agency under paragraph (5)(B), the head of that agency shall make a report containing the results of the investigation and shall provide such report to members of the Integrity Committee.

"(8) Assessment and final disposition.-

"(A) In general.-With respect to any report received under paragraph (7)(C), the Integrity Committee shall-

"(i) assess the report;

"(ii) forward the report, with the recommendations of the Integrity Committee, including those on disciplinary action, within 30 days (to the maximum extent practicable) after the completion of the investigation, to the Executive Chairperson of the Council and to the President (in the case of a report relating to an Inspector General of an establishment or any employee of that Inspector General) or the head of a designated Federal entity (in the case of a report relating to an Inspector General of such an entity or any employee of that Inspector General) for resolution; and

"(iii) submit to the Committee on Government Oversight and Reform of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and other congressional committees of jurisdiction an executive summary of such report and recommendations within 30 days after the submission of such report to the Executive Chairperson under clause (ii).

"(B) Disposition.-The Executive Chairperson of the Council shall report to the Integrity Committee the final disposition of the matter, including what action was taken by the President or agency head.

"(9) Annual report.-The Council shall submit to Congress and the President by December 31 of each year a report on the activities of the Integrity Committee during the preceding fiscal year, which shall include the following:

"(A) The number of allegations received.

"(B) The number of allegations referred to other agencies, including the number of allegations referred for criminal investigation.

"(C) The number of allegations referred to the Chairperson of the Integrity Committee for investigation.

"(D) The number of allegations closed without referral.

"(E) The date each allegation was received and the date each allegation was finally disposed of.

"(F) In the case of allegations referred to the Chairperson of the Integrity Committee, a summary of the status of the investigation of the allegations and, in the case of investigations completed during the preceding fiscal year, a summary of the findings of the investigations.

"(G) Other matters that the Council considers appropriate.

"(10) Requests for more information.-With respect to paragraphs (8) and (9), the Council shall provide more detailed information about specific allegations upon request from any of the following:

"(A) The chairperson or ranking member of the Committee on Homeland Security and Governmental Affairs of the Senate.

"(B) The chairperson or ranking member of the Committee on Oversight and Government Reform of the House of Representatives.

"(C) The chairperson or ranking member of the congressional committees of jurisdiction.

"(11) No right or benefit.-This subsection is not intended to create any right or benefit, substantive or procedural, enforceable at law by a person against the United States, its agencies, its officers, or any person."

(b) Allegations of Wrongdoing Against Special Counsel or Deputy Special Counsel.-

(1) Definitions.-In this section-

(A) the term "Integrity Committee" means the Integrity Committee established under section 11(d) of the Inspector General Act of 1978 (5 U.S.C. App), as amended by this Act; and

(B) the term "Special Counsel" refers to the Special Counsel appointed under *section 1211(b) of title 5, United States Code*.

(2) Authority of integrity committee.-

(A) In general.-An allegation of wrongdoing against the Special Counsel or the Deputy Special Counsel may be received, reviewed, and referred for investigation by the Integrity Committee to the same extent and in the same manner as in the case of an allegation against an Inspector General (or a member of the staff of an Office of Inspector General), subject to the requirement that the Special Counsel recuse himself or herself from the consideration of any allegation brought under this paragraph.

(B) Coordination with existing provisions of law.-This subsection does not eliminate access to the Merit Systems Protection Board for review under *section 7701 of title 5, United States Code*. To the extent that an allegation brought under this subsection involves section 2302(b)(8) of that title, a failure to obtain corrective action within 120 days after the date on which that allegation is received by the Integrity Committee shall, for purposes of section 1221 of such title, be considered to satisfy section 1214(a)(3)(B) of that title.

(3) Regulations.-The Integrity Committee may prescribe any rules or regulations necessary to carry out this subsection, subject to such consultation or other requirements as might otherwise apply.

(c) Effective Date and Existing Executive Orders.-

(1) Council.-Not later than 180 days after the date of the enactment of this Act, the Council of the Inspectors General on Integrity and Efficiency established under this section shall become effective and operational.

(2) Executive orders.-Executive Order No. 12805, dated May 11, 1992, and Executive Order No. 12933, dated March 21, 1996 (as in effect before the date of the enactment of this Act) shall have no force or effect on and after the earlier of-

(A) the date on which the Council of the Inspectors General on Integrity and Efficiency becomes effective and operational as determined by the Executive Chairperson of the Council; or

(B) the last day of the 180-day period beginning on the date of enactment of this Act.

(d) Technical and Conforming Amendments.-

(1) Inspector general act of 1978.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(A) in sections 2(1), 4(b)(2), and 8G(a)(1)(A) by striking "section 11(2)" each place it appears and inserting "section 12(2)"; and

(B) in section 8G(a), in the matter preceding paragraph (1), by striking "section 11" and inserting "section 12".

(2) Separate appropriations account.-*Section 1105(a) of title 31, United States Code*, is amended by striking the first paragraph (33) and inserting the following:

"(33) a separate appropriation account for appropriations for the Council of the Inspectors General on Integrity and Efficiency, and, included in that account, a separate statement of the aggregate amount of appropriations requested for each academy maintained by the Council of the Inspectors General on Integrity and Efficiency."

#### SEC. 8. SUBMISSION OF BUDGET REQUESTS TO CONGRESS.

Section 6 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(f)(1) For each fiscal year, an Inspector General shall transmit a budget estimate and request to the head of the establishment or designated Federal entity to which the Inspector General reports. The budget request [\*9432]

Page 9432

shall specify the aggregate amount of funds requested for such fiscal year for the operations of that Inspector General and shall specify the amount requested for all training needs, including a certification from the Inspector General that the amount requested satisfies all training requirements for the Inspector General's office for that fiscal year, and any resources necessary to support the Council of the Inspectors General on Integrity and Efficiency. Resources necessary to support the Council of the Inspectors General on Integrity and Efficiency shall be specifically identified and justified in the budget request.

"(2) In transmitting a proposed budget to the President for approval, the head of each establishment or designated Federal entity shall include-

"(A) an aggregate request for the Inspector General;

"(B) amounts for Inspector General training;

"(C) amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and

"(D) any comments of the affected Inspector General with respect to the proposal.

"(3) The President shall include in each budget of the United States Government submitted to Congress-

"(A) a separate statement of the budget estimate prepared in accordance with paragraph (1);

"(B) the amount requested by the President for each Inspector General;

"(C) the amount requested by the President for training of Inspectors General;

"(D) the amount requested by the President for support for the Council of the Inspectors General on Integrity and Efficiency; and

"(E) any comments of the affected Inspector General with respect to the proposal if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office."

#### SEC. 9. SUBPOENA POWER.

Section 6(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) by inserting "in any medium (including electronically stored information, as well as any tangible thing)" after "other data"; and

(2) by striking "subpena" and inserting "subpoena".

#### SEC. 10. PROGRAM FRAUD CIVIL REMEDIES ACT.

*Section 3801(a)(1) of title 31, United States Code*, is amended-

(1) in subparagraph (D), by striking "and" after the semicolon;

(2) in subparagraph (E), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(F) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978);".

#### SEC. 11. LAW ENFORCEMENT AUTHORITY FOR DESIGNATED FEDERAL ENTITIES.

Section 6(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in paragraph (1) by striking "appointed under section 3"; and

(2) by adding at the end the following:

"(9) In this subsection, the term 'Inspector General' means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G."

#### SEC. 12. APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO INSPECTION REPORTS AND EVALUATION REPORTS.

Section 5 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in each of subsections (a)(6), (a)(8), (a)(9), (b)(2), and (b)(3)-

(A) by inserting ", inspection reports, and evaluation reports" after "audit reports" the first place it appears; and

(B) by striking "audit" the second place it appears; and

(2) in subsection (a)(10) by inserting ", inspection reports, and evaluation reports" after "audit reports".

#### SEC. 13. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

(a) In General.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 8K the following:

##### "SEC. 8L. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

"(a) Direct Links to Inspectors General Offices.-

"(1) In general.-Each agency shall establish and maintain on the homepage of the website of that agency, a direct link to the website of the Office of the Inspector General of that agency.

"(2) Accessibility.-The direct link under paragraph (1) shall be obvious and facilitate accessibility to the website of the Office of the Inspector General.

"(b) Requirements for Inspectors General Websites.-

"(1) Posting of reports and audits.-The Inspector General of each agency shall-

"(A) not later than 3 days after any report or audit (or portion of any report or audit) is made publicly available, post that report or audit (or portion of that report or audit) on the website of the Office of Inspector General; and

"(B) ensure that any posted report or audit (or portion of that report or audit) described under subparagraph (A)-

"(i) is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;

"(ii) includes a summary of the findings of the Inspector General; and

"(iii) is in a format that-

"(I) is searchable and downloadable; and

"(II) facilitates printing by individuals of the public accessing the website.

"(2) Reporting of fraud, waste, and abuse.-

"(A) In general.-The Inspector General of each agency shall establish and maintain a direct link on the homepage of the website of the Office of the Inspector General for individuals to report fraud, waste, and abuse. Individuals reporting fraud, waste, or abuse using the direct link established under this paragraph shall not be required to provide personally identifying information relating to that individual.

"(B) Anonymity.-The Inspector General of each agency shall not disclose the identity of any individual making a report under this paragraph without the consent of the individual unless the Inspector General determines that such a disclosure is unavoidable during the course of the investigation."

(b) Repeal.-Section 746(b) of the Financial Services and General Government Appropriations Act, 2008 (5 U.S.C. App. note; *121 Stat. 2034*) is repealed.

(c) Implementation.-Not later than 180 days after the date of enactment of this Act, the head of each agency and the Inspector General of each agency shall implement the amendment made by this section.

#### SEC. 14. OTHER ADMINISTRATIVE AUTHORITIES.

(a) In General.-Section 6(d) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended to read as follows:

"(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)-

"(i) each Office of Inspector General shall be considered to be a separate agency; and

"(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

"(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

"(i) Subchapter II of chapter 35.

"(ii) Sections 8335(b), 8336, 8344, 8414, 8468, and 8425(b).

"(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

"(2) For purposes of applying *section 4507(b) of title 5, United States Code*, paragraph (1)(A)(ii) shall be applied by substituting 'the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the Inspector General Act) shall' for 'the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,'."

(b) Authority of Treasury Inspector General for Tax Administration To Protect Internal Revenue Service Employees.-Section 8D(k)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "physical security" and inserting "protection to the Commissioner of Internal Revenue".

**SUBJECT:** PUBLIC HEALTH ADMINISTRATION (79%); HEALTH CARE (79%); COMMUNITY HEALTH PROGRAMS (79%); EDUCATION (59%); VULNERABLE HEALTH POPULATIONS (59%); US FEDERAL GOVERNMENT (59%); HEALTH DEPARTMENTS (59%); CLINICS & OUTPATIENT SERVICES (59%); LEGISLATIVE BODIES (59%); HEALTH CARE POLICY (59%); APPROPRIATIONS (59%); EXPORT TRADE (59%); AUDITS (59%); ACCOUNTING (59%)

**LOAD-DATE:** September 25, 2008

LEXSEE 154 CONG REC S 10054

Copyright © 2008 LexisNexis Academic & Library Solutions, a division of Reed Elsevier  
Inc.

All Rights Reserved  
CONGRESSIONAL RECORD -- SENATE

110th Congress, 2nd Session

*154 Cong Rec S 10054*

INSPECTOR GENERAL REFORM ACT

September 29, 2008

**REFERENCE:** Vol. 154, No. 157

**SECTION:** Senate

**SPEAKER:** Mr. LIEBERMAN

**TEXT:** [\*10054]

Page 10054

Mr. LIEBERMAN. Madam President, I am proud to note that Congress, Saturday, voted to pass and send to the President the Inspector General Reform Act of 2008. This bipartisan bill reflects the broad congressional support for the outstanding work of our inspectors general and our desire to ensure that these important and unique Government officials are given the tools and the accountability to perform at their very best. I want to commend my colleagues, Senator McCaskill and Senator Collins, with whom I cosponsored this bill in the Senate, for their leadership and hard work on this issue. I also want to recognize the efforts of Congressman Cooper of Tennessee in the House, who has worked diligently on this legislation or some version of it through several Congresses.

It has been 30 years since Congress, as part of its post-Watergate reforms, passed the Inspectors General Act of 1978 that created an Office of Inspector General in 12 major departments and agencies to hold those agencies accountable and report back both to the agency heads and Congress on their findings. The law was amended in 1988 to add an inspector general to almost all executive agencies and departments.

The experiment has been a great success, hailed as a sort of consumer protector for the taxpayer deep within each agency. IG audits generate billions of dollars in potential savings each year. They also safeguard something even more valuable public trust [\*10055]

Page 10055

in our Government by exposing shortcomings in Government practices and official conduct. Some of these efforts generate front page headlines, but most of it unfolds quietly but critically behind the scenes as the IGs help their respective agencies establish effective and efficient programs and practices that make the most of the taxpayers' hard-earned dollars.

It is not an easy job to undertake and, over the years, we have become aware of several instances where the independence of inspectors general appears to be under siege. It is vital that Congress reiterate its strong support for the internal oversight IGs can provide and ensure they have the independence they need to carry out this vital, but often unpopular work.



Unfortunately, we are also aware of instances in which the watchdog needs watching—that is, situations where the inspector general has behaved improperly or failed to provide vigorous oversight.

This legislation attempts to address both problems.

It includes an array of measures designed to strengthen the independence of the inspectors general, such as requiring the administration to notify Congress 30 days before attempting to remove or transfer an IG. This would give us time to consider whether the administration was improperly seeking to displace an inspector general for political reasons because the IG was, in effect, doing his or her job too well. It requires that all IGs be chosen on the basis of qualifications, without regard to political affiliation.

The legislation would codify and strengthen the existing IG councils, creating a unitary council that can provide greater support for IGs throughout the Government.

The bill would provide greater transparency of IG budget needs, including funds for training and council activities, to help ensure the IG offices have the resources they need for their investigations.

The legislation also adjusts IG pay. It prohibits bonuses for IGs to remove a potential avenue for improper influence by the agency head. To compensate for this ban and to reflect the importance of the work they do, most IGs would receive an increase in their regular pay. Currently, some IGs earn less than other senior officials in their agency and sometimes even less than some of their subordinates.

Our bill also enhances IG accountability by strengthening the Integrity Committee that handles allegations against inspectors general and their senior staff, and facilitating greater oversight of the Integrity Committee by Congress.

Both the House and Senate versions of this bill received overwhelming bipartisan support, and since Senate passage last spring we have worked with the House to craft the consensus language that has now won congressional approval. We have also worked with the administration to address many of their initial concerns, and it is my great hope that the President will promptly sign this bill into law.

**SUBJECT:** LEGISLATIVE BODIES (90%); LEGISLATION (90%)

**LOAD-DATE:** September 30, 2008

LEXSEE 154 CONG REC H 9877

Copyright © 2008 LexisNexis Academic & Library Solutions, a division of Reed Elsevier  
Inc.

All Rights Reserved  
CONGRESSIONAL RECORD -- HOUSE

110th Congress, 2nd Session

*154 Cong Rec H 9877*

INSPECTOR GENERAL REFORM ACT OF 2008

September 25, 2008

**REFERENCE:** Vol. 154, No. 153

**SECTION:** House

**SPEAKER:** Mr. TOWNS; Mr. SHAYS; Mr. COOPER; Mrs. MALONEY of New York; Mr. DAVIS of Virginia;  
Mr. WAXMAN

**TEXT:** [\*9877]

Page 9877

Mr. TOWNS. Madam Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (*H.R. 928*) to amend the Inspector General Act of 1978 to enhance the independence of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Inspector General Reform Act of 2008".

#### SEC. 2. APPOINTMENT AND QUALIFICATIONS OF INSPECTORS GENERAL.

Section 8G(c) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end "Each Inspector General shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrable ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations."

#### SEC. 3. REMOVAL OF INSPECTORS GENERAL.

(a) Establishments.-Section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking the second sentence and inserting "If an Inspector General is removed from office or is transferred to another position or location within an establishment, the President shall communicate in writing the reasons for any such removal or trans-

fer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

(b) Designated Federal Entities.-Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "shall promptly communicate in writing the reasons for any such removal or transfer to both Houses of the Congress." and inserting "shall communicate in writing the reasons for any such removal or transfer to both Houses of Congress, not later than 30 days before the removal or transfer. Nothing in this subsection shall prohibit a personnel action otherwise authorized by law, other than transfer or removal."

#### SEC. 4. PAY OF INSPECTORS GENERAL.

(a) Inspectors General at Level III of Executive Schedule.-

(1) In general.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.), is amended by adding at the end the following:

"(e) The annual rate of basic pay for an Inspector General (as defined under section 12(3)) shall be the rate payable for level III of the Executive Schedule under *section 5314 of title 5, United States Code*, plus 3 percent."

(2) Technical and conforming amendments.-*Section 5315 of title 5, United States Code*, is amended by striking the item relating to each of the following positions:

- (A) Inspector General, Department of Education.
- (B) Inspector General, Department of Energy.
- (C) Inspector General, Department of Health and Human Services.
- (D) Inspector General, Department of Agriculture.
- (E) Inspector General, Department of Housing and Urban Development.
- (F) Inspector General, Department of Labor.
- (G) Inspector General, Department of Transportation.
- (H) Inspector General, Department of Veterans Affairs.
- (I) Inspector General, Department of Homeland Security.
- (J) Inspector General, Department of Defense.
- (K) Inspector General, Department of State.
- (L) Inspector General, Department of Commerce.
- (M) Inspector General, Department of the Interior.
- (N) Inspector General, Department of Justice.
- (O) Inspector General, Department of the Treasury.
- (P) Inspector General, Agency for International Development.
- (Q) Inspector General, Environmental Protection Agency.
- (R) Inspector General, Export-Import Bank.
- (S) Inspector General, Federal Emergency Management Agency.
- (T) Inspector General, General Services Administration.
- (U) Inspector General, National Aeronautics and Space Administration.
- (V) Inspector General, Nuclear Regulatory Commission.
- (W) Inspector General, Office of Personnel Management.
- (X) Inspector General, Railroad Retirement Board.

- (Y) Inspector General, Small Business Administration.
- (Z) Inspector General, Tennessee Valley Authority.
- (AA) Inspector General, Federal Deposit Insurance Corporation.
- (BB) Inspector General, Resolution Trust Corporation.
- (CC) Inspector General, Central Intelligence Agency.
- (DD) Inspector General, Social Security Administration.
- (EE) Inspector General, United States Postal Service.
- (3) Applicability to other inspectors general.-

(A) In general.-Notwithstanding any other provision of law, the annual rate of basic pay of the Inspector General of the Central Intelligence Agency, the Special Inspector General for Iraq Reconstruction, and the Special Inspector General for Afghanistan Reconstruction shall be that of an Inspector General as defined under section 12(3) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 7(a) of this Act).

(B) Prohibition of cash bonus or awards.-Section 3(f) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 5 of this Act) shall apply to the Inspectors General described under subparagraph (A).

(4) Additional technical and conforming amendment.-Section 194(b) of the National and Community Service Act of 1990 (42 U.S.C. 12651e(b)) is amended by striking paragraph (3).

(b) Inspectors General of Designated Federal Entities.-

(1) In general.-Notwithstanding any other provision of law, the Inspector General of each designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall, for pay and all other purposes, be classified at a grade, level, or rank designation, as the case may be, at or above those of a majority of the senior level executives of that designated Federal entity (such as a General Counsel, Chief Information Officer, Chief Financial Officer, Chief Human Capital Officer, or Chief Acquisition Officer). The pay of an Inspector General of a designated Federal entity (as those terms are defined under section 8G of the Inspector General Act of 1978 (5 U.S.C. App.)) shall be not less than the average total compensation (including bonuses) of the senior level executives of that designated Federal entity calculated on an annual basis.

(2) Limitation on adjustment.-

(A) In general.-In the case of an Inspector General of a designated Federal entity whose pay is adjusted under paragraph (1), the total increase in pay in any fiscal year resulting from that adjustment may not exceed 25 percent of the average total compensation (including bonuses) of the Inspector General of that entity for the preceding 3 fiscal years.

(B) Sunset of limitation.-The limitation under subparagraph (A) shall not apply to any adjustment made in fiscal year 2013 or each fiscal year thereafter.

(c) Savings Provision for Newly Appointed Inspectors General.-

(1) In general.-The provisions of *section 3392 of title 5, United States Code*, other than the terms "performance awards" and "awarding of ranks" in subsection (c)(1) of such section, shall apply to career appointees of the Senior Executive Service who are appointed to the position of Inspector General.

(2) Nonreduction in pay.-Notwithstanding any other provision of law, career Federal employees serving on an appointment made pursuant to statutory authority found other than in *section 3392 of title 5, United States Code*, shall not suffer a reduction in pay, not including any bonus or performance award, as a result of being appointed to the position of Inspector General.

(d) Savings Provision.-Nothing in this section shall have the effect of reducing the rate of pay of any individual serving on the date of enactment of this section as an Inspector General of-

(1) an establishment as defined under section 12(2) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 7(a) of this Act);

- (2) a designated Federal entity as defined under section 8G(2) of the Inspector General Act of 1978 (5 U.S.C. App.);
- (3) a legislative agency for which the position of Inspector General is established by statute; or
- (4) any other entity of the Government for which the position of Inspector General is established by statute.

#### SEC. 5. PROHIBITION OF CASH BONUS OR AWARDS.

Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by section 4 of this Act) is further amended by adding at the end the following:

"(f) An Inspector General (as defined under section 8G(a)(6) or 12(3)) may not receive any cash award or cash bonus, including any cash award under chapter 45 of title 5, United States Code." [\*9878]

Page 9878

#### SEC. 6. SEPARATE COUNSEL TO SUPPORT INSPECTORS GENERAL.

(a) Counsels to Inspectors General of Establishment.-Section 3 of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by sections 4 and 5 of this Act) is further amended by adding at the end the following:

"(g) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service, obtain legal advice from a counsel either reporting directly to the Inspector General or another Inspector General."

(b) Counsels to Inspectors General of Designated Federal Entities.-Section 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(4) Each Inspector General shall-

"(A) in accordance with applicable laws and regulations governing appointments within the designated Federal entity, appoint a Counsel to the Inspector General who shall report to the Inspector General;

"(B) obtain the services of a counsel appointed by and directly reporting to another Inspector General on a reimbursable basis; or

"(C) obtain the services of appropriate staff of the Council of the Inspectors General on Integrity and Efficiency on a reimbursable basis."

(c) Rule of Construction.-Nothing in the amendments made by this section shall be construed to alter the duties and responsibilities of the counsel for any establishment or designated Federal entity, except for the availability of counsel as provided under sections 3(g) and 8G(g) of the Inspector General Act of 1978 (5 U.S.C. App.) (as amended by this section). The Counsel to the Inspector General shall perform such functions as the Inspector General may prescribe.

#### SEC. 7. ESTABLISHMENT OF COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

(a) Establishment.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by redesignating sections 11 and 12 as sections 12 and 13, respectively, and by inserting after section 10 the following:

#### "SEC. 11. ESTABLISHMENT OF THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.

"(a) Establishment and Mission.-

"(1) Establishment.-There is established as an independent entity within the executive branch the Council of the Inspectors General on Integrity and Efficiency (in this section referred to as the 'Council').

"(2) Mission.-The mission of the Council shall be to-

"(A) address integrity, economy, and effectiveness issues that transcend individual Government agencies; and

"(B) increase the professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the offices of the Inspectors General.

"(b) Membership.-

"(1) In general.-The Council shall consist of the following members:

"(A) All Inspectors General whose offices are established under-

"(i) section 2; or

"(ii) section 8G.

"(B) The Inspectors General of the Office of the Director of National Intelligence and the Central Intelligence Agency.

"(C) The Controller of the Office of Federal Financial Management.

"(D) A senior level official of the Federal Bureau of Investigation designated by the Director of the Federal Bureau of Investigation.

"(E) The Director of the Office of Government Ethics.

"(F) The Special Counsel of the Office of Special Counsel.

"(G) The Deputy Director of the Office of Personnel Management.

"(H) The Deputy Director for Management of the Office of Management and Budget.

"(I) The Inspectors General of the Library of Congress, Capitol Police, Government Printing Office, Government Accountability Office, and the Architect of the Capitol.

"(2) Chairperson and executive chairperson.-

"(A) Executive chairperson.-The Deputy Director for Management of the Office of Management and Budget shall be the Executive Chairperson of the Council.

"(B) Chairperson.-The Council shall elect 1 of the Inspectors General referred to in paragraph (1)(A) or (B) to act as Chairperson of the Council. The term of office of the Chairperson shall be 2 years.

"(3) Functions of chairperson and executive chairperson.-

"(A) Executive chairperson.-The Executive Chairperson shall-

"(i) preside over meetings of the Council;

"(ii) provide to the heads of agencies and entities represented on the Council summary reports of the activities of the Council; and

"(iii) provide to the Council such information relating to the agencies and entities represented on the Council as assists the Council in performing its functions.

"(B) Chairperson.-The Chairperson shall-

"(i) convene meetings of the Council-

"(I) at least 6 times each year;

"(II) monthly to the extent possible; and

"(III) more frequently at the discretion of the Chairperson;

"(ii) carry out the functions and duties of the Council under subsection (c);

"(iii) appoint a Vice Chairperson to assist in carrying out the functions of the Council and act in the absence of the Chairperson, from a category of Inspectors General described in subparagraph (A)(i), (A)(ii), or (B) of paragraph (1), other than the category from which the Chairperson was elected;

"(iv) make such payments from funds otherwise available to the Council as may be necessary to carry out the functions of the Council;

"(v) select, appoint, and employ personnel as needed to carry out the functions of the Council subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates;

"(vi) to the extent and in such amounts as may be provided in advance by appropriations Acts, made available from the revolving fund established under subsection (c)(3)(B), or as otherwise provided by law, enter into contracts and other arrangements with public agencies and private persons to carry out the functions and duties of the Council;

"(vii) establish, in consultation with the members of the Council, such committees as determined by the Chairperson to be necessary and appropriate for the efficient conduct of Council functions; and

"(viii) prepare and transmit a report annually on behalf of the Council to the President on the activities of the Council.

"(c) Functions and Duties of Council.-

"(1) In general.-The Council shall-

"(A) continually identify, review, and discuss areas of weakness and vulnerability in Federal programs and operations with respect to fraud, waste, and abuse;

"(B) develop plans for coordinated, Governmentwide activities that address these problems and promote economy and efficiency in Federal programs and operations, including interagency and interentity audit, investigation, inspection, and evaluation programs and projects to deal efficiently and effectively with those problems concerning fraud and waste that exceed the capability or jurisdiction of an individual agency or entity;

"(C) develop policies that will aid in the maintenance of a corps of well-trained and highly skilled Office of Inspector General personnel;

"(D) maintain an Internet website and other electronic systems for the benefit of all Inspectors General, as the Council determines are necessary or desirable;

"(E) maintain 1 or more academies as the Council considers desirable for the professional training of auditors, investigators, inspectors, evaluators, and other personnel of the various offices of Inspector General;

"(F) submit recommendations of individuals to the appropriate appointing authority for any appointment to an office of Inspector General described under subsection (b)(1)(A) or (B);

"(G) make such reports to Congress as the Chairperson determines are necessary or appropriate; and

"(H) perform other duties within the authority and jurisdiction of the Council, as appropriate.

"(2) Adherence and participation by members.-To the extent permitted under law, and to the extent not inconsistent with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions, each member of the Council, as appropriate, shall-

"(A) adhere to professional standards developed by the Council; and

"(B) participate in the plans, programs, and projects of the Council, except that in the case of a member described under subsection (b)(1)(I), the member shall participate only to the extent requested by the member and approved by the Executive Chairperson and Chairperson.

"(3) Additional administrative authorities.-

"(A) Interagency funding.-Notwithstanding *section 1532 of title 31, United States Code*, or any other provision of law prohibiting the interagency funding of activities described under subclause (I), (II), or (III) of clause (i), in the performance of the responsibilities, authorities, and duties of the Council-

"(i) the Executive Chairperson may authorize the use of interagency funding for-

"(I) Governmentwide training of employees of the Offices of the Inspectors General;

"(II) the functions of the Integrity Committee of the Council; and

"(III) any other authorized purpose determined by the Council; and

"(ii) upon the authorization of the Executive Chairperson, any department, agency, or entity of the executive branch which has a member on the Council shall fund or participate in the funding of such activities.

"(B) Revolving fund.-

"(i) In general.-The Council may-

"(I) establish in the Treasury of the United States a revolving fund to be called the Inspectors General Council Fund; or

"(II) enter into an arrangement with a department or agency to use an existing revolving fund.

"(ii) Amounts in revolving fund.-

"(I) In general.-Amounts transferred to the Council under this subsection shall be deposited in the revolving fund described under clause (i)(I) or (II).

"(II) Training.-Any remaining unexpended balances appropriated for or otherwise available to the Inspectors General Criminal Investigator Academy and the Inspectors General Auditor Training Institute shall be transferred to the revolving fund described under clause (i)(I) or (II).

"(iii) Use of revolving fund.-

"(I) In general.-Except as provided under subclause (II), amounts in the revolving fund described under clause (i)(I) or (II) may be used to carry out the functions and duties of the Council under this subsection.

"(II) Training.-Amounts transferred into the revolving fund described under clause (i)(I) or (II) may be used for the purpose of maintaining any training academy as determined by the Council. [\*9879]

Page 9879

"(iv) Availability of funds.-Amounts in the revolving fund described under clause (i)(I) or (II) shall remain available to the Council without fiscal year limitation.

"(C) Superseding provisions.-No provision of law enacted after the date of enactment of this subsection shall be construed to limit or supersede any authority under subparagraph (A) or (B), unless such provision makes specific reference to the authority in that paragraph.

"(4) Existing authorities and responsibilities.-The establishment and operation of the Council shall not affect-

"(A) the role of the Department of Justice in law enforcement and litigation;

"(B) the authority or responsibilities of any Government agency or entity; and

"(C) the authority or responsibilities of individual members of the Council.

"(d) Integrity Committee.-

"(1) Establishment.-The Council shall have an Integrity Committee, which shall receive, review, and refer for investigation allegations of wrongdoing that are made against Inspectors General and staff members of the various Offices of Inspector General described under paragraph (4)(C).

"(2) Membership.-The Integrity Committee shall consist of the following members:

"(A) The official of the Federal Bureau of Investigation serving on the Council, who shall serve as Chairperson of the Integrity Committee, and maintain the records of the Committee.

"(B) Four Inspectors General described in subparagraph (A) or (B) of subsection (b)(1) appointed by the Chairperson of the Council, representing both establishments and designated Federal entities (as that term is defined in section 8G(a)).

"(C) The Special Counsel of the Office of Special Counsel.

"(D) The Director of the Office of Government Ethics.



"(3) Legal advisor.-The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as a legal advisor to the Integrity Committee.

"(4) Referral of allegations.-

"(A) Requirement.-An Inspector General shall refer to the Integrity Committee any allegation of wrongdoing against a staff member of the office of that Inspector General, if-

"(i) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

"(ii) the Inspector General determines that-

"(I) an objective internal investigation of the allegation is not feasible; or

"(II) an internal investigation of the allegation may appear not to be objective.

"(B) Definition.-In this paragraph the term `staff member' means any employee of an Office of Inspector General who-

"(i) reports directly to an Inspector General; or

"(ii) is designated by an Inspector General under subparagraph (C).

"(C) Designation of staff members.-Each Inspector General shall annually submit to the Chairperson of the Integrity Committee a designation of positions whose holders are staff members for purposes of subparagraph (B).

"(5) Review of allegations.-The Integrity Committee shall-

"(A) review all allegations of wrongdoing the Integrity Committee receives against an Inspector General, or against a staff member of an Office of Inspector General described under paragraph (4)(C);

"(B) refer any allegation of wrongdoing to the agency of the executive branch with appropriate jurisdiction over the matter; and

"(C) refer to the Chairperson of the Integrity Committee any allegation of wrongdoing determined by the Integrity Committee under subparagraph (A) to be potentially meritorious that cannot be referred to an agency under subparagraph (B).

"(6) Authority to investigate allegations.-

"(A) Requirement.-The Chairperson of the Integrity Committee shall cause a thorough and timely investigation of each allegation referred under paragraph (5)(C) to be conducted in accordance with this paragraph.

"(B) Resources.-At the request of the Chairperson of the Integrity Committee, the head of each agency or entity represented on the Council-

"(i) may provide resources necessary to the Integrity Committee; and

"(ii) may detail employees from that agency or entity to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation under this subsection.

"(7) Procedures for investigations.-

"(A) Standards applicable.-Investigations initiated under this subsection shall be conducted in accordance with the most current Quality Standards for Investigations issued by the Council or by its predecessors (the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency).

"(B) Additional policies and procedures.-

"(i) Establishment.-The Integrity Committee, in conjunction with the Chairperson of the Council, shall establish additional policies and procedures necessary to ensure fairness and consistency in-

"(I) determining whether to initiate an investigation;

"(II) conducting investigations;

"(III) reporting the results of an investigation; and

"(IV) providing the person who is the subject of an investigation with an opportunity to respond to any Integrity Committee report.

"(ii) Submission to congress.-The Council shall submit a copy of the policies and procedures established under clause (i) to the congressional committees of jurisdiction.

"(C) Reports.-

"(i) Potentially meritorious allegations.-For allegations described under paragraph (5)(C), the Chairperson of the Integrity Committee shall make a report containing the results of the investigation of the Chairperson and shall provide such report to members of the Integrity Committee.

"(ii) Allegations of wrongdoing.-For allegations referred to an agency under paragraph (5)(B), the head of that agency shall make a report containing the results of the investigation and shall provide such report to members of the Integrity Committee.

"(8) Assessment and final disposition.-

"(A) In general.-With respect to any report received under paragraph (7)(C), the Integrity Committee shall-

"(i) assess the report;

"(ii) forward the report, with the recommendations of the Integrity Committee, including those on disciplinary action, within 30 days (to the maximum extent practicable) after the completion of the investigation, to the Executive Chairperson of the Council and to the President (in the case of a report relating to an Inspector General of an establishment or any employee of that Inspector General) or the head of a designated Federal entity (in the case of a report relating to an Inspector General of such an entity or any employee of that Inspector General) for resolution; and

"(iii) submit to the Committee on Government Oversight and Reform of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and other congressional committees of jurisdiction an executive summary of such report and recommendations within 30 days after the submission of such report to the Executive Chairperson under clause (ii).

"(B) Disposition.-The Executive Chairperson of the Council shall report to the Integrity Committee the final disposition of the matter, including what action was taken by the President or agency head.

"(9) Annual report.-The Council shall submit to Congress and the President by December 31 of each year a report on the activities of the Integrity Committee during the preceding fiscal year, which shall include the following:

"(A) The number of allegations received.

"(B) The number of allegations referred to other agencies, including the number of allegations referred for criminal investigation.

"(C) The number of allegations referred to the Chairperson of the Integrity Committee for investigation.

"(D) The number of allegations closed without referral.

"(E) The date each allegation was received and the date each allegation was finally disposed of.

"(F) In the case of allegations referred to the Chairperson of the Integrity Committee, a summary of the status of the investigation of the allegations and, in the case of investigations completed during the preceding fiscal year, a summary of the findings of the investigations.

"(G) Other matters that the Council considers appropriate.

"(10) Requests for more information.-With respect to paragraphs (8) and (9), the Council shall provide more detailed information about specific allegations upon request from any of the following:

"(A) The chairperson or ranking member of the Committee on Homeland Security and Governmental Affairs of the Senate.

"(B) The chairperson or ranking member of the Committee on Oversight and Government Reform of the House of Representatives.

"(C) The chairperson or ranking member of the congressional committees of jurisdiction.

"(11) No right or benefit.-This subsection is not intended to create any right or benefit, substantive or procedural, enforceable at law by a person against the United States, its agencies, its officers, or any person."

(b) Allegations of Wrongdoing Against Special Counsel or Deputy Special Counsel.-

(1) Definitions.-In this section-

(A) the term "Integrity Committee" means the Integrity Committee established under section 11(d) of the Inspector General Act of 1978 (5 U.S.C. App), as amended by this Act; and

(B) the term "Special Counsel" refers to the Special Counsel appointed under *section 1211(b) of title 5, United States Code*.

(2) Authority of integrity committee.-

(A) In general.-An allegation of wrongdoing against the Special Counsel or the Deputy Special Counsel may be received, reviewed, and referred for investigation by the Integrity Committee to the same extent and in the same manner as in the case of an allegation against an Inspector General (or a member of the staff of an Office of Inspector General), subject to the requirement that the Special Counsel recuse himself or herself from the consideration of any allegation brought under this paragraph.

(B) Coordination with existing provisions of law.-This subsection does not eliminate access to the Merit Systems Protection Board for review under *section 7701 of title 5, United States Code*. To the extent that an allegation brought under this subsection involves section 2302(b)(8) of that title, a failure to obtain corrective action within 120 days after the date on which that allegation is received by the Integrity Committee shall, for purposes of section 1221 of such title, be considered to satisfy section 1214(a)(3)(B) of that title.

(3) Regulations.-The Integrity Committee may prescribe any rules or regulations necessary to carry out this subsection, subject to such consultation or other requirements as might otherwise apply.

(c) Effective Date and Existing Executive Orders.- [\*9880]

Page 9880

(1) Council.-Not later than 180 days after the date of the enactment of this Act, the Council of the Inspectors General on Integrity and Efficiency established under this section shall become effective and operational.

(2) Executive orders.-Executive Order No. 12805, dated May 11, 1992, and Executive Order No. 12933, dated March 21, 1996 (as in effect before the date of the enactment of this Act) shall have no force or effect on and after the earlier of-

(A) the date on which the Council of the Inspectors General on Integrity and Efficiency becomes effective and operational as determined by the Executive Chairperson of the Council; or

(B) the last day of the 180-day period beginning on the date of enactment of this Act.

(d) Technical and Conforming Amendments.-

(1) Inspector general act of 1978.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(A) in sections 2(1), 4(b)(2), and 8G(a)(1)(A) by striking "section 11(2)" each place it appears and inserting "section 12(2)"; and

(B) in section 8G(a), in the matter preceding paragraph (1), by striking "section 11" and inserting "section 12".

(2) Separate appropriations account.-*Section 1105(a) of title 31, United States Code*, is amended by striking the first paragraph (33) and inserting the following:

"(33) a separate appropriation account for appropriations for the Council of the Inspectors General on Integrity and Efficiency, and, included in that account, a separate statement of the aggregate amount of appropriations requested for each academy maintained by the Council of the Inspectors General on Integrity and Efficiency."

## SEC. 8. SUBMISSION OF BUDGET REQUESTS TO CONGRESS.

Section 6 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(f)(1) For each fiscal year, an Inspector General shall transmit a budget estimate and request to the head of the establishment or designated Federal entity to which the Inspector General reports. The budget request shall specify the aggregate amount of funds requested for such fiscal year for the operations of that Inspector General and shall specify the amount requested for all training needs, including a certification from the Inspector General that the amount requested satisfies all training requirements for the Inspector General's office for that fiscal year, and any resources necessary to support the Council of the Inspectors General on Integrity and Efficiency. Resources necessary to support the Council of the Inspectors General on Integrity and Efficiency shall be specifically identified and justified in the budget request.

"(2) In transmitting a proposed budget to the President for approval, the head of each establishment or designated Federal entity shall include-

"(A) an aggregate request for the Inspector General;

"(B) amounts for Inspector General training;

"(C) amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and

"(D) any comments of the affected Inspector General with respect to the proposal.

"(3) The President shall include in each budget of the United States Government submitted to Congress-

"(A) a separate statement of the budget estimate prepared in accordance with paragraph (1);

"(B) the amount requested by the President for each Inspector General;

"(C) the amount requested by the President for training of Inspectors General;

"(D) the amount requested by the President for support for the Council of the Inspectors General on Integrity and Efficiency; and

"(E) any comments of the affected Inspector General with respect to the proposal if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office."

#### SEC. 9. SUBPOENA POWER.

Section 6(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) by inserting "in any medium (including electronically stored information, as well as any tangible thing)" after "other data"; and

(2) by striking "subpena" and inserting "subpoena".

#### SEC. 10. PROGRAM FRAUD CIVIL REMEDIES ACT.

*Section 3801(a)(1) of title 31, United States Code*, is amended-

(1) in subparagraph (D), by striking "and" after the semicolon;

(2) in subparagraph (E), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(F) a designated Federal entity (as such term is defined under section 8G(a)(2) of the Inspector General Act of 1978);".

#### SEC. 11. LAW ENFORCEMENT AUTHORITY FOR DESIGNATED FEDERAL ENTITIES.

Section 6(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in paragraph (1) by striking "appointed under section 3"; and

(2) by adding at the end the following:

"(9) In this subsection, the term 'Inspector General' means an Inspector General appointed under section 3 or an Inspector General appointed under section 8G."

SEC. 12. APPLICATION OF SEMIANNUAL REPORTING REQUIREMENTS WITH RESPECT TO INSPECTION REPORTS AND EVALUATION REPORTS.

Section 5 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended-

(1) in each of subsections (a)(6), (a)(8), (a)(9), (b)(2), and (b)(3)-

(A) by inserting ", inspection reports, and evaluation reports" after "audit reports" the first place it appears; and

(B) by striking "audit" the second place it appears; and

(2) in subsection (a)(10) by inserting ", inspection reports, and evaluation reports" after "audit reports".

SEC. 13. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

(a) In General.-The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 8K the following:

"SEC. 8L. INFORMATION ON WEBSITES OF OFFICES OF INSPECTORS GENERAL.

"(a) Direct Links to Inspectors General Offices.-

"(1) In general.-Each agency shall establish and maintain on the homepage of the website of that agency, a direct link to the website of the Office of the Inspector General of that agency.

"(2) Accessibility.-The direct link under paragraph (1) shall be obvious and facilitate accessibility to the website of the Office of the Inspector General.

"(b) Requirements for Inspectors General Websites.-

"(1) Posting of reports and audits.-The Inspector General of each agency shall-

"(A) not later than 3 days after any report or audit (or portion of any report or audit) is made publicly available, post that report or audit (or portion of that report or audit) on the website of the Office of Inspector General; and

"(B) ensure that any posted report or audit (or portion of that report or audit) described under subparagraph (A)-

"(i) is easily accessible from a direct link on the homepage of the website of the Office of the Inspector General;

"(ii) includes a summary of the findings of the Inspector General; and

"(iii) is in a format that-

"(I) is searchable and downloadable; and

"(II) facilitates printing by individuals of the public accessing the website.

"(2) Reporting of fraud, waste, and abuse.-

"(A) In general.-The Inspector General of each agency shall establish and maintain a direct link on the homepage of the website of the Office of the Inspector General for individuals to report fraud, waste, and abuse. Individuals reporting fraud, waste, or abuse using the direct link established under this paragraph shall not be required to provide personally identifying information relating to that individual.

"(B) Anonymity.-The Inspector General of each agency shall not disclose the identity of any individual making a report under this paragraph without the consent of the individual unless the Inspector General determines that such a disclosure is unavoidable during the course of the investigation."

(b) Repeal.-Section 746(b) of the Financial Services and General Government Appropriations Act, 2008 (5 U.S.C. App. note; *121 Stat. 2034*) is repealed.

(c) Implementation.-Not later than 180 days after the date of enactment of this Act, the head of each agency and the Inspector General of each agency shall implement the amendment made by this section.

## SEC. 14. OTHER ADMINISTRATIVE AUTHORITIES.

(a) In General.-Section 6(d) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended to read as follows:

"(d)(1)(A) For purposes of applying the provisions of law identified in subparagraph (B)-

"(i) each Office of Inspector General shall be considered to be a separate agency; and

"(ii) the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office, have the functions, powers, and duties of an agency head or appointing authority under such provisions.

"(B) This paragraph applies with respect to the following provisions of title 5, United States Code:

"(i) Subchapter II of chapter 35.

"(ii) Sections 8335(b), 8336, 8344, 8414, 8468, and 8425(b).

"(iii) All provisions relating to the Senior Executive Service (as determined by the Office of Personnel Management), subject to paragraph (2).

"(2) For purposes of applying *section 4507(b) of title 5, United States Code*, paragraph (1)(A)(ii) shall be applied by substituting 'the Council of the Inspectors General on Integrity and Efficiency (established by section 11 of the Inspector General Act) shall' for 'the Inspector General who is the head of an office referred to in clause (i) shall, with respect to such office,'."

(b) Authority of Treasury Inspector General for Tax Administration To Protect Internal Revenue Service Employees.-Section 8D(k)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "physical security" and inserting "protection to the Commissioner of Internal Revenue".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. Towns) and the gentleman from Connecticut (Mr. Shays) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

## General Leave

Mr. TOWNS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection. [\*9881]

Page 9881

Mr. TOWNS. I yield myself such time as I may consume.

*H.R. 928*, the Inspector General Reform Act of 2008, focuses on the important role of the Inspectors General in providing independent oversight within Federal agencies. By investigating and reporting waste, fraud and abuse to both agency leaders and to the Congress, Inspectors General play a critical role in maintaining checks and balances in the Federal Government.

This bill strengthens and reforms the Inspector General system by providing greater independence and accountability for IG offices. *H.R. 928* first passed this House last October with more than 400 votes. The other body passed a similar bill sponsored by Senator McCaskill earlier this year. We have worked with the Senate to resolve the differences between the two bills and produce the amended bill now under consideration. It passed the Senate by unanimous consent last night.

*H.R. 928* enhances the rank and pay of IGs within their agencies, and requires that Congress be promptly informed if an IG is transferred or removed from office. It provides a mechanism for IGs to report to Congress if their budgets are inadequate to perform their responsibilities and sets aside funding for training. And the bill establishes an Inspectors General Council, and sets procedures for investigating potential IG misconduct.

I would like to commend the sponsor of this bill, my good friend Mr. Cooper from the great State of Tennessee, for his work in crafting this legislation. He has worked on it for several years as part of his work on improving government accountability.

I also thank Chairman Waxman and Ranking Member Davis as well as the subcommittee Ranking Member Bilbray for their work in moving this bill forward.

*H.R. 928* will make sure that the IGs have the legal authority and tools necessary to continue their role as nonpartisan, professional, honest brokers on behalf of the people.

I reserve the balance of my time.

Mr. SHAYS. I yield myself such time as I may consume.

I'm rising in support of this legislation. The Government Oversight and Reform Committee works very closely with both the general accountability office and the Inspector General's office. The Inspector Generals play a major role in our ability to weed out waste, abuse and fraud. We need to strengthen this office.

And we appreciate the work that Mr. Cooper has been involved in to bring this legislation forward.

I will insert my full statement into the Record.

Madam Speaker, today, we take up *H.R. 928*, the Improving Government Accountability Act. This legislation is intended to enhance the independence of inspectors general throughout government to improve their ability to monitor and oversee executive branch operations.

Since the enactment of the Inspector General Act of 1978, inspectors general throughout government have played an integral role in identifying waste and mismanagement in government. IGs have also been instrumental in aiding Congress and the executive branch to make government more efficient and effective.

We all agree IGs should operate independently, free from political interference. After all, both agency heads and Congress often rely on IG reports to provide frank assessments of the effectiveness of Federal programs.

However, inspectors general should also be part of an agency's management structure-albeit with some independence-rather than a "fourth branch" of the Federal Government. We must be careful not to separate the IGs from the day-to-day operations of the agencies they oversee so they may continue to perform a constructive, integrated role and not just "second-guess" the decisions made by agencies.

I believe the compromise legislation we are taking up today strikes the right balance between IG independence and the appropriate management role of inspectors general.

I reserve the balance of my time.

Mr. TOWNS. I would like to yield 5 minutes to the gentleman from Tennessee, who is a person who came to us early on with this idea which, I think, is an excellent one, so I am delighted to yield 5 minutes to the gentleman from Tennessee (Mr. Cooper).

Mr. COOPER. Thanks to my friend and colleague Mr. Towns of New York and my friend from Connecticut, Mr. Shays.

This is a very important bill for cleaning up the mess in government. Inspectors General are the watchdogs on behalf of the U.S. taxpayer to make sure that the waste, fraud and abuse that can occur in any Federal agency is cleaned up.

This bill is long overdue. We've been working on it for a long time. Sadly, it took many years for it to be brought up for a vote. But now with the Democratic majority, it passed, as my friend from New York noted, overwhelmingly. It has been passed in the Senate, and now will soon be enacted into law.

The key points are these: We needed to professionalize the IGs. These are wonderful public servants, but due to historical accident, some of them are appointed by the President, some are appointed by the agency heads, some of them are more independent than others. There's been a lot of confusion there, and they simply haven't had the independence and the accountability that they need to have to serve the U.S. taxpayer.

I want to thank, in particular, previous legislative directors that I've had who've worked on this bill for literally many years. Anne Kim deserves great credit. Cicely Simpson deserves great credit. And my current Legislative Director, James Leuschen, deserves great credit because these are the folks who really carried the ball during the years in which we were, literally, unable to get a vote.

Believe it or not, this bill even faced, this year, a Presidential veto threat; they were so worried about reducing the patronage that they had had in past appointments.

But now, finally, the IGs of America will be professionalized. That is good news, not only for every Federal agency, but also, most importantly, for the Federal taxpayer.

No matter how much oversight we conduct in this Congress, and I'm proud to see the Oversight and Government Reform Committee revitalized under Henry Waxman's leadership, because we are conducting the hearings that really should have been held over many years.

But no matter how watchful Congress is in looking over Federal agencies, we can't be on the ground in the agency every day the way Inspectors General can be.

So I want to congratulate my friends from New York and Connecticut because these two gentlemen are true public servants. Their hearts are in the right place when it comes to protecting the taxpayer, and now we've even persuaded the majority of the House and the Senate and the White House to do the right thing.

I hope we can have a substantial vote on the suspension for professionalizing Inspectors General of the United States of America.

Mr. SHAYS. Madam Speaker, this legislation is essential if the United States Congress is going to do its job. Our job is not just writing legislation; our job is to do proper oversight of all of the various departments and agencies.

We have Inspectors General that are assigned for each of our departments. We have some who do a really outstanding job, and we have some who do a good job, and some who, frankly, need to do a better job.

I think this legislation will help professionalize this agency in a way that's important for our people, for our country, and for the majority and the minority in this Congress. We want a more efficient government. We want a better-run government. Inspectors General help us do that.

I yield back my time.

Mr. TOWNS. Madam Speaker, I really feel that this legislation is so timely, because when you talk to people, when we had hearings that Inspectors General would come in and talk about the fact that sometimes they would be in the middle of an investigation of some type and that the budget would be cut, or in some instances they were actually fired.

So I think this kind of brings about the independence that they need regardless in terms of the fact that if there is an investigation, if there's problems, it gives them the freedom to be able to move and get the things they need to get done.

I would like to commend all of my colleagues that have been involved in this issue. I would like to commend the staff for bringing us where we are today.

Mrs. MALONEY of New York. Madam Speaker, I rise today in strong support of *H.R.* [\*9882]

*Page 9882*

928, the "Inspector General Reform Act" This legislation includes provisions of a bill that I introduced last year, along with Ranking Member Tom Davis, which will provide for the enhanced protection of the Internal Revenue Service and its employees.

In 1998, Congress passed the Internal Revenue Service Restructuring and Reform Act, which created the Treasury Inspector General for Tax Administration (TIGTA). The legislation gave TIGTA the responsibility for protecting the Internal Revenue Service (IRS) against external attempts to corrupt or threaten IRS employees. At the same time, it excluded the provision of providing "physical security" from TIGTA's responsibilities

Prior to the enactment of this law, the former IRS Inspection Service had been responsible for protecting the IRS against external attempts to corrupt or threaten IRS employees. The IRS Inspection Service was responsible for providing armed escorts for IRS employees who were specifically threatened or who were contacting individuals designated as



"Potentially Dangerous Taxpayers." The law transferred most of those duties to the new Treasury Inspector General for Tax Administration. Inexplicably, "physical security" was excluded from TIGTA's statutory responsibilities.

In its current statutory mission, TIGTA investigates all allegations of threats or assaults involving IRS employees and assists U.S. Attorneys' offices with appropriate prosecutions. However, if TIGTA determines that any of the threats or assaults it investigates call for the provision of physical security, the language of the 1998 law precludes TIGTA from taking action.

Authorizing TIGTA to have armed escort authority would be both more efficient and more effective in advancing tax administration and ensuring the safety of IRS employees.

I am pleased that upon passage of *H.R. 928* today, this bill will be sent to the president for his signature. I want to thank Chairman Waxman and Ranking Member Davis for their support of this provision, and I urge my colleagues to support *H.R. 928*.

Mr. DAVIS of Virginia. Madam Speaker, today, we take up *H.R. 928*, the Improving Government Accountability Act. This legislation is intended to enhance the independence of inspectors general throughout government to improve their ability to monitor and oversee executive branch operations.

Since the enactment of the Inspector General Act of 1978, inspectors general throughout government have played an integral role in identifying waste and mismanagement in government. IGs have also been instrumental in aiding Congress and the executive branch to make government more efficient and effective.

We all agree IGs should operate independently, free from political interference. After all, both agency heads and Congress often rely on IG reports to provide frank assessments of the effectiveness of federal programs.

However, inspectors general should also be part of an agency's management structure-albeit with some independence-rather than a "fourth branch" of the Federal Government. If we separate the IGs from the day-to-day operations of the agencies they oversee, IGs will cease to perform a constructive, integrated role and instead would become a "Monday morning quarterback" with their function solely second-guessing decisions made by agencies.

The House passed its version of this bill last October. At the time, while I supported the bill, I remained concerned that several of the provisions went too far in isolating inspectors general, removing them from the agency decision-making process.

After the Senate passed its bill in April, we began discussions with the Senate Homeland Security and Governmental Affairs Committee and developed a compromise to both bills-which we are taking up today.

I will support the compromise bill as I believe it adequately addresses my remaining concerns by striking the right balance between IG independence and the appropriate management role of inspectors general.

Mr. WAXMAN. Madam Speaker, I rise in support of the Senate amendments to *H.R. 928*, the Improving Government Accountability Act. This bill, introduced by Representative Cooper, was favorably reported by the Oversight Committee on August 2, 2007, with strong support from members across the political spectrum.

There is a simple reason why this bill has so much support: it strengthens the Inspectors General, who are the first line of defense against waste, fraud, and abuse in federal programs.

The last six years have given us examples of Inspectors General at their best and at their worst.

Stuart Bowen, the Special Inspector General for Iraq Reconstruction, has uncovered fraud and saved American taxpayers hundreds of millions of dollars. Clark Kent Erving and Richard Skinner, the former and current IGs for the Department of Homeland Security, have identified billions in wasteful spending in the new Department. Glenn Fine at the Department of Justice; Earl Delvaney at Interior; and Brian Miller at the General Services Administration have all reported courageously on abuses within the agencies they oversee.

These and other IGs have fought waste, fraud, and abuse and saved the taxpayers billions of dollars.

Yet there are also IGs who seem more intent on protecting their departments from political embarrassment than on doing their job. The Oversight Committee is investigating allegations that the State Department IG has blocked investigations into contract fraud in Iraq and Afghanistan. The Energy and Commerce Committee documented serious abuses by the former IG in the Commerce Department. And the Science Committee has identified serious questions raised about the close relationship of the NASA IG to agency management.

This bill strengthens the good IGs by giving them greater independence. Under this legislation, they will have new budgetary independence, and the President or agency head will have to inform Congress 30 days before any IG is removed.

At the same time, the legislation enacts in statute new mechanisms for holding bad IGs to account. The legislation establishes an "Integrity Committee" that will investigate allegations that IGs have abused the public trust.

There have been several key champions of the legislation. Representative Cooper has worked tirelessly on this issue for years and deserves our thanks for his efforts. I would also like to acknowledge Subcommittee Chairman Towns for his tremendous leadership in moving this legislation forward and Ranking Member Tom Davis for his commitment to strong IGs and his many helpful contributions.

*H.R. 928* would make needed improvements to the IG Act and I urge members to support it.

Mr. TOWNS. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Towns) that the House suspend the rules and concur in the Senate amendment to the bill, *H.R. 928*.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SHAYS. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

**SUBJECT:** INVESTIGATIONS (89%); LEGISLATIVE BODIES (59%); EXECUTIVE ORDERS (59%); US FEDERAL GOVERNMENT (59%); POSTWAR RECONSTRUCTION (59%); LEGISLATION (59%); APPOINTMENTS (59%)

**LOAD-DATE:** September 26, 2008

LEXSEE 154 CONG REC H 10222

Copyright © 2008 LexisNexis Academic & Library Solutions, a division of Reed Elsevier  
Inc.

All Rights Reserved  
CONGRESSIONAL RECORD -- HOUSE

110th Congress, 2nd Session

*154 Cong Rec H 10222*

INSPECTOR GENERAL REFORM ACT OF 2008

September 27, 2008

**REFERENCE:** Vol. 154, No. 155

**SECTION:** House

**SPEAKER:** Mr. BOREN

**TEXT:** [\*10222]

Page 10222

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and concurring in the Senate amendment to the bill, *H.R. 928*.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Towns) that the House suspend the rules and concur in the Senate amendment to the bill, *H.R. 928*.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Recorded Vote

Mr. BOREN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were-ayes 414, noes 0, not voting 19, as follows:

[Roll No. 661]

AYES-414

Abercrombie  
Ackerman  
Aderholt  
Akin  
Alexander

Allen  
Altmire  
Andrews  
Arcuri  
Baca  
Bachmann  
Bachus  
Baird  
Baldwin  
Barrett (SC)  
Barrow  
Bartlett (MD)  
Barton (TX)  
Bean  
Becerra  
Berkley  
Berman  
Berry  
Biggert  
Bilbray  
Bilirakis  
Bishop (GA)  
Bishop (NY)  
Bishop (UT)  
Blackburn  
Blumenauer  
Boehner  
Bonner  
Bono Mack  
Boozman  
Boren  
Boswell  
Boucher  
Boustany  
Boyd (FL)  
Boyda (KS)  
Brady (PA)  
Brady (TX)  
Braley (IA)  
Broun (GA)  
Brown (SC)  
Brown, Corrine  
Brown-Waite, Ginny  
Buchanan  
Burgess  
Burton (IN)  
Butterfield  
Buyer  
Calvert  
Camp (MI)  
Campbell (CA)  
Cannon  
Cantor  
Capito  
Capps

Capuano  
Cardoza  
Carnahan  
Carney  
Carson  
Carter  
Castle  
Castor  
Cazayoux  
Chabot  
Chandler  
Childers  
Clarke  
Clay  
Cleaver  
Clyburn  
Coble  
Cohen  
Cole (OK)  
Conaway  
Conyers  
Cooper  
Costa  
Costello  
Courtney  
Cramer  
Crenshaw  
Crowley  
Cuellar  
Culberson  
Cummings  
Davis (AL)  
Davis (CA)  
Davis (IL)  
Davis (KY)  
Davis, David  
Davis, Lincoln  
Davis, Tom  
Deal (GA)  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dent  
Diaz-Balart, L.  
Diaz-Balart, M.  
Dicks  
Dingell  
Doggett  
Donnelly  
Doyle  
Drake  
Dreier  
Duncan  
Edwards (MD)

Edwards (TX)  
Ehlers  
Ellison  
Ellsworth  
Emerson  
Engel  
English (PA)  
Eshoo  
Etheridge  
Everett  
Fallin  
Farr  
Fattah  
Feeney  
Ferguson  
Filner  
Flake  
Forbes  
Fortenberry  
Fossella  
Foster  
Foxy  
Franks (AZ)  
Frelinghuysen  
Gallegly  
Garrett (NJ)  
Gerlach  
Giffords  
Gilchrest  
Gillibrand  
Gingrey  
Gohmert  
Gonzalez  
Goode  
Goodlatte  
Gordon  
Granger  
Graves  
Green, Al  
Green, Gene  
Grijalva  
Gutierrez  
Hall (NY)  
Hall (TX)  
Hare  
Harman  
Hastings (FL)  
Hayes  
Heller  
Hensarling  
Herger  
Herseth Sandlin  
Higgins  
Hill  
Hinchey

Hinojosa  
Hirono  
Hobson  
Hodes  
Hoekstra  
Holden  
Holt  
Honda  
Hooley  
Hoyer  
Hulshof  
Hunter  
Inglis (SC)  
Inslee  
Israel  
Issa  
Jackson (IL)  
Jackson-Lee (TX)  
Johnson (GA)  
Johnson (IL)  
Johnson, E. B.  
Johnson, Sam  
Jones (NC)  
Jordan  
Kagen  
Kanjorski  
Keller  
Kennedy  
Kildee  
Kilpatrick  
Kind  
King (IA)  
King (NY)  
Kingston  
Kirk  
Klein (FL)  
Kline (MN)  
Knollenberg  
Kucinich  
Kuhl (NY)  
LaHood  
Lamborn  
Lampson  
Langevin  
Larsen (WA)  
Larson (CT)  
Latham  
LaTourette  
Latta  
Lee  
Levin  
Lewis (CA)  
Lewis (GA)  
Lewis (KY)  
Linder

Lipinski  
LoBiondo  
Loebsack  
Lofgren, Zoe  
Lowey  
Lucas  
Lungren, Daniel E.  
Mack  
Mahoney (FL)  
Maloney (NY)  
Manzullo  
Marchant  
Markey  
Marshall  
Matheson  
Matsui  
McCarthy (CA)  
McCarthy (NY)  
McCaul (TX)  
McCollum (MN)  
McCotter  
McCrary  
McDermott  
McGovern  
McHenry  
McHugh  
McIntyre  
McKeon  
McMorris Rodgers  
McNerney  
McNulty  
Meek (FL)  
Meeks (NY)  
Melancon  
Mica  
Michaud  
Miller (FL)  
Miller (MI)  
Miller (NC)  
Miller, Gary  
Miller, George  
Mitchell  
Mollohan  
Moore (KS)  
Moore (WI)  
Moran (KS)  
Moran (VA)  
Murphy (CT)  
Murphy, Patrick  
Murtha  
Musgrave  
Myrick  
Nadler  
Napolitano  
Neal (MA)



Neugebauer  
Nunes  
Oberstar  
Obey  
Olver  
Ortiz  
Pallone  
Pascrell  
Pastor  
Paul  
Payne  
Pearce  
Pence  
Perlmutter  
Peterson (MN)  
Petri  
Pitts  
Platts  
Poe  
Pomeroy  
Porter  
Price (GA)  
Price (NC)  
Putnam  
Radanovich  
Rahall  
Ramstad  
Regula  
Rehberg  
Reichert  
Renzi  
Reyes  
Reynolds  
Richardson  
Rodriguez  
Rogers (AL)  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Ros-Lehtinen  
Roskam  
Ross  
Rothman  
Roybal-Allard  
Royce  
Ruppersberger  
Rush  
Ryan (OH)  
Ryan (WI)  
Salazar  
Sali  
Sanchez, Linda T.  
Sanchez, Loretta  
Sarbanes  
Saxton

Scalise  
Schakowsky  
Schiff  
Schmidt  
Schwartz  
Scott (GA)  
Scott (VA)  
Sensenbrenner  
Serrano  
Sessions  
Sestak  
Shadegg  
Shays  
Shea-Porter  
Sherman  
Shimkus  
Shuler  
Shuster  
Simpson  
Sires  
Skelton  
Slaughter  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Snyder  
Solis  
Souder  
Space  
Speier  
Spratt  
Stark  
Stearns  
Stupak  
Sullivan  
Sutton  
Tancredo  
Tanner  
Tauscher  
Taylor  
Terry  
Thompson (CA)  
Thompson (MS)  
Thornberry  
Tiahrt  
Tiberi  
Towns  
Tsongas  
Turner  
Udall (CO)  
Udall (NM)  
Upton  
Van Hollen  
Velazquez

Visclosky  
Walberg  
Walden (OR)  
Walz (MN)  
Wamp  
Wasserman Schultz  
Waters  
Watson  
Watt  
Waxman  
Welch (VT)  
Weldon (FL)  
Westmoreland  
Whitfield (KY)  
Wilson (NM)  
Wilson (OH)  
Wilson (SC)  
Wittman (VA)  
Wolf  
Woolsey  
Wu  
Yarmuth  
Young (AK)  
Young (FL)

## NOT VOTING-19

Blunt  
Cubin  
Doolittle  
Emanuel  
Frank (MA)  
Hastings (WA)  
Jefferson  
Kaptur  
Lynch  
Murphy, Tim  
Peterson (PA)  
Pickering  
Pryce (OH)  
Rangel  
Tierney  
Walsh (NY)  
Weiner  
Weller  
Wexler

## Announcement by the Speaker Pro Tempore

The SPEAKER pro tempore (during the vote). Two minutes remain in the vote.

Ms. FALLIN changed her vote from "no" to "aye." [\*10223]

Page 10223

So (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

**LOAD-DATE:** September 28, 2008

*Establishment of CIGIE Inspectors General I*

<i>Year</i>	<i>Pub. L.#</i>	<i>Agency</i>
1976	94-505	Department of Health, Education, and Welfare <sup>2</sup>
1977	95-91	Department of Energy <sup>3</sup>
1978	95-452	Department of Agriculture Department of Commerce Department of Housing and Urban Development Department of Interior Department of Labor Department of Transportation Environmental Protection Agency General Services Administration National Aeronautics and Space Administration Small Business Administration Veteran& Administration <sup>4</sup>
1979	96-88	Department of Education
1980	96-465	Department of State
1981	97-113	Agency for International Development <sup>5</sup>
1982	97-252	Department of Defense
1983	98-76	Railroad Retirement Board <sup>6</sup>
1988	100-504	Amtrak Appalachian Regional Commission Commodity Futures Trading Commission Consumer Product Safety Commission Corporation for Public Broadcasting Department of the Treasury <sup>7</sup> Department of Justice Equal Employment Opportunity Commission Farm Credit Administration Federal Communications Commission Federal Deposit Insurance Corporation Federal Election Commission Federal Home Loan Bank Board <sup>8</sup> Federal Labor Relations Authority Federal Maritime Commission Federal Reserve Board Federal Trade Commission Government Printing Office Legal Services Corporation National Archives and Records Administration National Credit Union Administration National Endowment for the Arts National Endowment for the Humanities

National Labor Relations Board  
National Science Foundation  
Nuclear Regulatory Commission  
Office of Personnel Management  
Peace Corps  
Pension Benefit Guaranty Corporation  
Securities and Exchange Commission  
Smithsonian Institution  
Tennessee Valley Authority  
United States International Trade Commission  
United States Postal Service<sup>9</sup>

1989	101 -1 93	Central Intelligence Agency
1993	103-82	Corporation for National and Community Service
1994	103-296	Social Security Administration
1998	105-206	Treasury Inspector General for Tax Administration
1999	106-31	Denali Commission
2002	107-189	The Export-Import Bank
2002	107-252	Election Assistance Commission
2002	107-296	The Department of Homeland Security
2004	108 -375	Special Inspector General for Iraq Reconstruction <sup>10</sup>
2004	108-458	The Office of the Director of National Intelligence
2005	109-55	U.S. Capitol Police Library of Congress
2006	109-435	Postal Regulatory Commission
2008	110-161	Architect of the Capitol
2008	110-181	Special Inspector General for Afghanistan Reconstruction
2008	110-323	Government Accountability Office
2008	110-343	Special Inspector General for the Troubled Asset Relief Program
2010	111-259 <sup>11</sup>	National Reconnaissance Office Defense Intelligence Agency National Geospatial-Intelligence Agency National Security Agency

- 
1. Inspector General Reform Act of 2008, 110 P.L. 409, merged the "PCIE" (President's Council on Integrity and Efficiency) and the "ECIE" (Executive Council on Integrity and Efficiency) into one entity, the Council of the Inspectors General on Integrity and Efficiency (CIGIE).
  2. Year: 1988; Pub. L. # 100-504; Comments: Conformed OIG of Department of Health and Human Services to the IG Act of 1978.  
Year: 1981; Pub. L. # 97-65; Comments: Investment Corporation (22 USC § 2199(e))
  3. Year: 1988; Pub. L. # 100-504; Comments: Conformed OIG of Energy to the IG Act of 1978.
  4. Veterans' Administration re-designated Department of Veterans Affairs.
  5. Year: 1981; Pub. L. # 97-113; Comments: Originally directed also to supervise audit, investigative, and security activities relating to operations of US International Development Cooperative Agency; jurisdiction over Overseas Private.
  6. Year: 1988; Pub. L. # 100-504; Comments: Conformed OIG of RRB to the IG Act of 1978.
  7. Year: 1996; Pub. L. # 103-325; Comments: Department of the Treasury OIG assumed jurisdiction over the Community Development Financial Institutions Fund.
  8. Year: 1989; Pub. L. # 101-73; Comments: Abolished FHLBB; created Federal Housing Finance Agency.
  9. Year: 2001; Pub. L. # 106-422; Comments: Originally declared Chief Postal Inspector as the IG.  
Year: 1996; Pub. L. # 104-208; Comments: Postal Inspector General no longer IG, distinct position.
  10. Replaced "Office of the Inspector General of the Coalition Provisional Authority," which was created by 108 Pub L. 106
  11. Brought National Intelligence IG's under IG Act.

## Section 2

# Executive Orders



FEDERAL REGISTER

Vol. 61, No. 59

Presidential Documents

PRESIDENT OF THE UNITED STATES

**Executive Order 12993 of March 21, 1996**

**Title 3-**

**The President**

**Administrative Allegations Against Inspectors General**

*61 FR 13043*

**DATE:** Tuesday, March 26, 1996

-----  
To view the next page, type .np\* TRANSMIT.  
To view a specific page, transmit p\* and the page number, e.g. p\*1  
-----

[\*13043]

Certain executive branch agencies are authorized to conduct investigations of allegations of wrongdoing by employees of the Federal Government. For certain administrative allegations against Inspectors General ("IGs") and, as explained below, against certain staff members of the Offices of Inspectors General ("OIGs"), it is desirable to authorize an independent investigative mechanism.

The Chairperson of the President's Council on Integrity and Efficiency ("PCIE") and the Executive Council on Integrity and Efficiency ("ECIE"), in consultation with members of the Councils, has established an Integrity Committee pursuant to the authority granted by Executive Order No. 12805.

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that administrative allegations against IGs and certain staff members of the OIGs are appropriately and expeditiously investigated and resolved, it is hereby ordered as follows:

Section 1. The Integrity Committee. (a) To the extent permitted by law, and in accordance with this order, the Integrity Committee shall receive, review, and refer for investigation allegations of wrongdoing against IGs and certain staff members of the OIGs.

(b) The Integrity Committee shall consist of at least the following members:

(1) The official of the Federal Bureau of Investigation ("FBI") serving on the PCIE, as designated by the Director of the FBI. The FBI member shall serve as Chair of the Integrity Committee.

(2) The Special Counsel of the Office of Special Counsel;

(3) The Director of the Office of Government Ethics;

(4) Three or more IGs, representing both the PCIE and the ECIE, appointed by the Chairperson of the PCIE/ECIE.

(c) The Chief of the Public Integrity Section of the Criminal Division of the Department of Justice, or his designee, shall serve as an advisor to the Integrity Committee with respect to its responsibilities and functions in accordance with this order.

Sec. 2. Referral of Allegations. (a) The Integrity Committee shall review all allegations of wrongdoing it receives against an IG who is a member of the PCIE or ECIE, or against a staff member of an OIG acting with the knowledge of the IG or when the allegation against the staff person is related to an allegation against the IG, except that where an allegation concerns a member of the Integrity Committee, that member shall recuse himself from consideration of the matter.

(b) An IG shall refer any administrative allegation against a senior staff member to the Integrity Committee when:

(1) review of the substance of the allegation cannot be assigned to an agency of the executive branch with appropriate jurisdiction over the matter; and

(2) the IG determines that an objective internal investigation of the allegation, or the appearance thereof, is not feasible. [\*13044]

(c) The Integrity Committee shall determine if there is a substantial likelihood that the allegation, referred to it under paragraphs (a) or (b) of this section, discloses a violation of any law, rule or regulation, or gross mismanagement, gross waste of funds or abuse of authority and shall refer the allegation to the agency of the executive branch with appropriate jurisdiction over the matter. However, if a potentially meritorious administrative allegation cannot be referred to an agency of the executive branch with appropriate jurisdiction over the matter, the Integrity Committee shall certify the matter to its Chair, who shall cause a thorough and timely investigation of the allegation to be conducted in accordance with this order.

(d) If the Integrity Committee determines that an allegation does not warrant further action, it shall close the matter without referral for investigation and notify the Chairperson of the PCIE/ECIE of its determination.

Sec. 3. Authority to Investigate. (a) The Director of the FBI, through his designee serving as Chairperson of the Integrity Committee, is authorized and directed to consider and, where appropriate, to investigate administrative allegations against the IGs and, in limited cases as described in sections 2(a) and 2(b) above, against other staff members of the OIGs, when such allegations cannot be assigned to another agency of the executive branch and are referred by the Integrity Committee pursuant to section 2(c) of this order.

(b) At the request of the Director of the FBI, through his designee serving as Chairperson, heads of agencies and entities represented in the PCIE and ECIE may, to the extent permitted by law, provide resources necessary to the Integrity Committee. Employees from those agencies and entities will be detailed to the Integrity Committee, subject to the control and direction of the Chairperson, to conduct an investigation pursuant to section 2(c): Provided, that such agencies or entities shall be reimbursed by the agency or entity employing the subject of the investigation. Reimbursement for any costs associated with the detail shall be consistent with applicable law, including but not limited to the Economy Act (31 U.S.C. 1535 and 1536), and subject to the availability of funds.

(c) Nothing in the above delegation shall augment, diminish, or otherwise modify any existing responsibilities and authorities of any other executive branch agency.

Sec. 4. Results of Investigation. (a) The report containing the results of the investigation conducted under the supervision of the Chair of the Integrity Committee shall be provided to the members of the Integrity Committee for consideration.

(b) With respect to those matters where the Integrity Committee has referred an administrative allegation to an agency of the executive branch with appropriate jurisdiction over the matter, the head of that agency shall provide a report to the Integrity Committee concerning the scope and results of the inquiry.

(c) The Integrity Committee shall assess the report received under (a) or (b) of this section and determine whether the results require forwarding of the report, with Integrity Committee recommendations, to the Chairperson of the PCIE/ECIE for resolution. If the Integrity Committee determines that the report requires no further referral or recommendations, it shall so notify the Chairperson of the PCIE/ECIE.

(d) Where the Chairperson of the PCIE/ECIE determines that dissemination of the report to the head of the subject's employing agency or entity is appropriate, the head of the agency or entity shall certify to the Chairperson of the PCIE/ECIE within sixty 60 days that he has personally reviewed the report, what action, if any, has been or is to be taken, and when any action taken will be completed. The PCIE/ECIE Chairperson may grant the head of the entity or agency a 30-day extension when circumstances necessitate such extension.

(e) The Chairperson of the PCIE/ECIE shall report to the Integrity Committee the final disposition of the matter, including what action, if any, has been [\*13045] or is to be taken by the head of the subject's employing agency or entity. When the Integrity Committee receives notice of the final disposition, it shall advise the subject of the investigation that the matter referred to the Integrity Committee for review has been closed.

Sec. 5. Procedures. (a) The Integrity Committee, in conjunction with the Chairperson of the PCIE/ECIE, shall establish the policies and procedures necessary to ensure consistency in conducting investigations and reporting activities under this order.

(b) Such policies and procedures shall specify the circumstances under which the Integrity Committee, upon review of a complaint containing allegations of wrongdoing, may determine that an allegation is without merit and therefore the investigation is unwarranted. A determination by the Integrity Committee that an investigation is unwarranted shall be considered the Integrity Committee's final disposition of the complaint.

(c) The policies and procedures may be expanded to encompass other issues related to the handling of allegations against IGs and others covered by this order.

Sec. 6. Records Maintenance. All records created and received pursuant to this order are records of the Integrity Committee and shall be maintained by the FBI.

Sec. 7. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

/S/ WILLIAM J. CLINTON

THE WHITE HOUSE,

March 21, 1996.

FEDERAL REGISTER

Vol. 74, No. 222

Presidential Documents

PRESIDENT OF THE UNITED STATES

**Executive Order 13519 of November 17, 2009**

**Title 3--**

**The President**

**Establishment of the Financial Fraud Enforcement Task Force**

Part III

[View PDF of Federal Register Print Version](#)

74 FR 60123

**DATE:** Thursday, November 19, 2009

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to strengthen the efforts of the Department of Justice, in conjunction with Federal, State, tribal, territorial, and local agencies, to investigate and prosecute significant financial crimes and other violations relating to the current financial crisis and economic recovery efforts, recover the proceeds of such crimes and violations, and ensure just and effective punishment of those who perpetrate financial crimes and violations, it is hereby ordered as follows:

**Section 1. *Establishment.*** There is hereby established an interagency Financial Fraud Enforcement Task Force (Task Force) led by the Department of Justice.

**Sec. 2. *Membership and Operation.*** The Task Force shall be chaired by the Attorney General and consist of senior-level officials from the following departments, agencies, and offices, selected by the heads of the respective departments, agencies, and offices in consultation with the Attorney General:

- (a) the Department of Justice;
- (b) the Department of the Treasury;
- (c) the Department of Commerce;
- (d) the Department of Labor;
- (e) the Department of Housing and Urban Development;
- (f) the Department of Education;
- (g) the Department of Homeland Security;
- (h) the Securities and Exchange Commission;
- (i) the Commodity Futures Trading Commission;

- (j) the Federal Trade Commission;
- (k) the Federal Deposit Insurance Corporation;
- (l) the Board of Governors of the Federal Reserve System;
- (m) the Federal Housing Finance Agency;
- (n) the Office of Thrift Supervision;
- (o) the Office of the Comptroller of the Currency;
- (p) the Small Business Administration;
- (q) the Federal Bureau of Investigation;
- (r) the Social Security Administration;
- (s) the Internal Revenue Service, Criminal Investigations;
- (t) the Financial Crimes Enforcement Network;
- (u) the United States Postal Inspection Service;
- (v) the United States Secret Service;
- (w) the United States Immigration and Customs Enforcement;
- (x) relevant Offices of Inspectors General and related Federal entities, including without limitation the Office of the Inspector General for the [\*60124] Department of Housing and Urban Development, the Recovery Accountability and Transparency Board, and the Office of the Special Inspector General for the Troubled Asset Relief Program; and
- (y) such other executive branch departments, agencies, or offices as the President may, from time to time, designate or that the Attorney General may invite.

The Attorney General shall convene and, through the Deputy Attorney General, direct the work of the Task Force in fulfilling all its functions under this order. The Attorney General shall convene the first meeting of the Task Force within 30 days of the date of this order and shall thereafter convene the Task Force at such times as he deems appropriate. At the direction of the Attorney General, the Task Force may establish subgroups consisting exclusively of Task Force members or their designees under this section, including but not limited to a Steering Committee chaired by the Deputy Attorney General, and subcommittees addressing enforcement efforts, training and information sharing, and victims' rights, as the Attorney General deems appropriate.

**Sec. 3. Mission and Functions.** Consistent with the authorities assigned to the Attorney General by law, and other applicable law, the Task Force shall:

- (a) provide advice to the Attorney General for the investigation and prosecution of cases of bank, mortgage, loan, and lending fraud; securities and commodities fraud; retirement plan fraud; mail and wire fraud; tax crimes; money laundering; False Claims Act violations; unfair competition; discrimination; and other financial crimes and violations (hereinafter financial crimes and violations), when such cases are determined by the Attorney General, for purposes of this order, to be significant;

(b) make recommendations to the Attorney General, from time to time, for action to enhance cooperation among Federal, State, local, tribal, and territorial authorities responsible for the investigation and prosecution of significant financial crimes and violations; and

(c) coordinate law enforcement operations with representatives of State, local, tribal, and territorial law enforcement.

**Sec. 4. *Coordination with State, Local, Tribal, and Territorial Law Enforcement.*** Consistent with the objectives set out in this order, and to the extent permitted by law, the Attorney General is encouraged to invite the following representatives of State, local, tribal, and territorial law enforcement to participate in the Task Force's subcommittee addressing enforcement efforts in the subcommittee's performance of the functions set forth in section 3(c) of this order relating to the coordination of Federal, State, local, tribal, and territorial law enforcement operations involving financial crimes and violations:

(a) the National Association of Attorneys General;

(b) the National District Attorneys Association; and

(c) such other representatives of State, local, tribal, and territorial law enforcement as the Attorney General deems appropriate.

**Sec. 5. *Outreach.*** Consistent with the law enforcement objectives set out in this order, the Task Force, in accordance with applicable law, in addition to regular meetings, shall conduct outreach with representatives of financial institutions, corporate entities, nonprofit organizations, State, local, tribal, and territorial governments and agencies, and other interested persons to foster greater coordination and participation in the detection and prosecution of financial fraud and financial crimes, and in the enforcement of antitrust and antidiscrimination laws.

**Sec. 6. *Administration.*** The Department of Justice, to the extent permitted by law and subject to the availability of appropriations, shall provide administrative support and funding for the Task Force. [\*60125]

**Sec. 7. *General Provisions.*** (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) authority granted by law to an executive department, agency, or the head thereof, or the status of that department or agency within the Federal Government; or

(ii) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This Task Force shall replace, and continue the work of, the Corporate Fraud Task Force created by Executive Order 13271 of July 9, 2002. Executive Order 13271 is hereby terminated pursuant to section 6 of that order.

(c) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, agents, or any other person.

**Sec. 8. *Termination.*** The Task Force shall terminate when directed by the President or, with the approval of the President, by the Attorney General.

/S/ Barack Obama

THE WHITE HOUSE,

November 17, 2009.