

**Calendar No. 919**

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

**S. 870**

To amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspector General within Federal departments, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 22, 1999

Ms. COLLINS (for herself, Mr. ROTH, Mr. GRASSLEY, Mr. BOND, and Mr. STEVENS) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

OCTOBER 3 (legislative day, SEPTEMBER 22), 2000

Reported by Mr. THOMPSON, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

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**A BILL**

To amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspector General within Federal departments, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Inspector General Act  
3 Amendments of 1999”.

4 **SEC. 2. APPOINTMENT AND REMOVAL OF OFFICERS.**

5 (a) IN GENERAL.—Section 3(a) of the Inspector Gen-  
6 eral Act of 1978 (5 U.S.C. App.) is amended—

7 (1) by inserting “(1)” after “(a)”; and

8 (2) by adding at the end the following new  
9 paragraph:

10 “(2)(A) Each appointment under this subsection  
11 shall be for a term of 9 years. An individual may serve  
12 more than 1 term.

13 “(B) An individual may continue to serve as Inspec-  
14 tor General beyond the expiration of the term until a suc-  
15 cessor is appointed and has qualified, except that such in-  
16 dividual may not continue to serve for more than 1 year  
17 after the date on which the term would otherwise expire  
18 under this paragraph.”.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 this section shall take effect on the date of enactment of  
21 this Act and shall apply only to an appointment made on  
22 or after such date.

23 **SEC. 3. PROHIBITION OF CASH BONUS OR AWARDS.**

24 Section 3 of the Inspector General Act of 1978 (5  
25 U.S.C. App.) is amended by adding at the end the fol-  
26 lowing:

1       “(e) An Inspector General (as defined under section  
 2   8G(a)(2)(6) or 11(3)) may not receive any cash award or  
 3   cash bonus, including any cash award under chapter 45  
 4   of title 5, United States Code.”.

5   **SEC. 4. EXTERNAL REVIEWS.**

6       (a) IN GENERAL.—Section 4 of the Inspector General  
 7   Act of 1978 (5 U.S.C. App.) is amended by inserting at  
 8   the end the following:

9       “(e)(1)(A) Not less than every 3 years an external  
 10   review shall be conducted of each Office defined under sec-  
 11   tions 11(4) and 8G(5).

12       “(B) The Inspector General of each Office defined  
 13   under sections 11(4) and 8G(5) shall arrange with the  
 14   General Accounting Office or an appropriate private entity  
 15   for the conduct of the review.

16       “(C) If an Inspector General contracts with a private  
 17   entity for a review under this subsection, the private entity  
 18   shall be contracted in accordance with section 303 of the  
 19   Federal Property and Administrative Services Act of 1949  
 20   (41 U.S.C. 253).

21       “(2) At a minimum, an external review under this  
 22   subsection shall evaluate whether the Office of Inspector  
 23   General properly manages and controls—

24               “(A) contracts awarded by the Office of Inspee-  
 25   tor General, including a determination of whether—

1           “(i) procedures used to procure contracts  
2           are in accordance with applicable laws and reg-  
3           ulations; and

4           “(ii) costs incurred are reasonable and al-  
5           lowable under the terms of each contract;

6           “(B) appropriated funds, including a deter-  
7           mination of whether training and travel funds are  
8           expended in accordance with applicable laws and  
9           regulations; and

10          “(C) personnel actions, including a determina-  
11          tion of whether hiring and promotion practices used  
12          and performance awards issued are in accordance  
13          with applicable laws and regulations.

14          “(3) Not later than 30 calendar days after the com-  
15          pletion of an external review, a report of the results shall  
16          be submitted to the head of the establishment and simulta-  
17          neously to the appropriate committees or subcommittees  
18          of Congress.”.

19          (b) TECHNICAL AND CONFORMING AMENDMENT.—  
20          The section heading for section 4 of the Inspector General  
21          Act of 1978 (5 U.S.C. App.) is amended to read as follows:

1 “DUTIES AND RESPONSIBILITIES; REPORT OF CRIMINAL  
 2 VIOLATIONS TO ATTORNEY GENERAL; EXTERNAL RE-  
 3 VIEWS”.

4 **SEC. 5. ANNUAL REPORTS.**

5 (a) IN GENERAL.—Section 5(a) of the Inspector Gen-  
 6 eral Act of 1978 (5 U.S.C. App.) is amended—

7 (1) by striking the first sentence and inserting  
 8 “Each Inspector General shall, not later than Octo-  
 9 ber 31 of each year, prepare annual reports summa-  
 10 rizing the activities and accomplishments of the Of-  
 11 fice during the immediately preceding 12-month pe-  
 12 riod ending September 30.”;

13 (2) by striking paragraphs (1) through (12)  
 14 and inserting the following:

15 “(1) a summary of the program areas within  
 16 the establishment identified by the Inspector General  
 17 as high risk because of vulnerabilities to waste,  
 18 fraud, abuse, and mismanagement;

19 “(2) a description of the most significant au-  
 20 dits, investigations (administrative, civil, and crimi-  
 21 nal), and evaluations and inspections completed dur-  
 22 ing the reporting period;

23 “(3) a summary of each report made to the  
 24 head of the establishment under section 6(b)(2) dur-  
 25 ing the reporting period;

1 “(4) a table showing—

2 “(A)(i) the total number of final audit re-  
3 ports issued by the Office of Inspector General;  
4 and

5 “(ii) the financial benefits associated with  
6 the reports segregated by category, such as  
7 budget reductions, costs avoided, questioned  
8 costs, and revenue enhancements; and

9 “(B) corrective actions taken and program  
10 improvements made during the reporting period  
11 in response to either an Office of Inspector  
12 General audit finding or recommendation (ex-  
13 cluding any recommendation included under  
14 subparagraph (A) with respect to such correc-  
15 tive actions);

16 “(5) a table showing—

17 “(A) the judicial and administrative ac-  
18 tions associated with investigations conducted  
19 by the Office of Inspector General;

20 “(B) the number of—

21 “(i) cases referred for criminal pros-  
22 ecution, civil remedies, or administrative  
23 actions;

1           “(ii) cases presented but declined for  
2           prosecution; segregated by criminal and  
3           civil;

4           “(iii) cases accepted for prosecution  
5           (both Federal and State); segregated by  
6           criminal and civil;

7           “(iv) defendants indicted;

8           “(v) defendants convicted;

9           “(vi) defendants acquitted or charges  
10          dismissed after indictment;

11          “(vii) defendants sentenced to terms  
12          of imprisonment;

13          “(viii) defendants sentenced to terms  
14          of probation; and

15          “(ix) suspensions, disbarments, exclu-  
16          sions, sanctions, or some other similar ad-  
17          ministrative action; and

18          “(C) the total amount of fines, restitu-  
19          tions, and recoveries;

20          “(6) a description of the organization and man-  
21          agement structure of the Office of Inspector Gen-  
22          eral; including—

23               “(A) an organization chart showing the  
24               major components of the Office;

1           “(B) a statistical table showing the num-  
 2           ber of authorized full-time equivalent positions  
 3           segregated by component and by headquarters  
 4           and field office; and

5           “(C) the amount of funding received in  
 6           prior and current fiscal years;

7           “(7) a table showing—

8           “(A) the number of contracts, and associ-  
 9           ated dollar value, awarded on a noncompetitive  
 10          basis by the Office of Inspector General; and

11          “(B) with respect to any individual con-  
 12          tract valued over \$100,000, awarded on a non-  
 13          competitive basis—

14               “(i) the name of the contractor;

15               “(ii) statement of work;

16               “(iii) the time period of the contract;

17               and

18               “(iv) the dollar amount of the con-  
 19          tract;

20          “(8)(A) a summary of each audit report issued  
 21          in previous reporting periods for which no manage-  
 22          ment decision has been made by the end of the re-  
 23          porting period (including the date and title of each  
 24          such report);



1           “(B) an explanation of the reasons such man-  
2           agement decision has not been made; and

3           ~~“(C) a statement concerning the desired time-~~  
4           ~~table for achieving a management decision on each~~  
5           ~~such report;”;~~

6           (3) by redesignating paragraph (13) as para-  
7           graph (9);

8           (4) in paragraph (9) (as redesignated by para-  
9           graph (3) of this subsection)—

10           (A) by striking “section 05(b)” and insert-  
11           ing “section 804(b)”; and

12           (B) by striking the period and inserting a  
13           semicolon and “and”; and

14           (5) by adding at the end the following new  
15           paragraph:

16           “(10) any other information that the Inspector  
17           General determines appropriate to include in the an-  
18           nual report.”.

19           (b) SEMIANNUAL REPORTS.—Section 5 of the Inspec-  
20           tor General Act of 1978 (5 U.S.C. App.) is amended—

21           (1) by redesignating subsection (f) as sub-  
22           section (g); and

23           (2) by inserting after subsection (e) the fol-  
24           lowing:

1       “(f)(1) Subject to paragraph (4), in addition to any  
2 annual report required to be furnished and transmitted  
3 under subsection (b), an Inspector General shall prepare  
4 and submit a report described under paragraph (2) to—

5           “(A) the applicable congressional committee, if  
6 the chairman or ranking member of a congressional  
7 committee with appropriate jurisdiction submits a  
8 written request to such Inspector General; or

9           “(B) to the Comptroller General of the United  
10 States if the Comptroller General submits a written  
11 request to such Inspector General.

12       “(2) A report referred to under paragraph (1) shall—

13           “(A) contain the information required for an  
14 annual report under subsection (a); and

15           “(B) summarize the activities of the Office dur-  
16 ing the 6-month period ending on March 31 of the  
17 calendar year following the date on which the re-  
18 quest is made.

19       “(3) A report under this subsection shall be sub-  
20 mitted on April 30 of the calendar year following the date  
21 on which the request is made.

22       “(4) An Inspector General shall not be required to  
23 submit a report under this subsection if the written re-  
24 quest for such report is submitted to the Inspector General  
25 after November 30 of the calendar year preceding the date

1 on which the report is otherwise required to be submitted  
 2 to a congressional committee or the Comptroller Gen-  
 3 eral.”.

4 (c) SUBMISSION OF OTHER REPORTS.—Nothing in  
 5 the amendments made by this section shall be construed  
 6 to limit an Inspector General from submitting any report  
 7 containing in whole or part information required in an an-  
 8 nual or semiannual report furnished and transmitted  
 9 under section 5 of the Inspector General Act of 1978 (5  
 10 U.S.C. App.) to Congress more frequently than on an an-  
 11 nual or semiannual basis.

12 (d) TECHNICAL AND CONFORMING AMENDMENTS.—

13 (1) Section 4(a)(2) of the Inspector General Act  
 14 of 1978 (5 U.S.C. App.) is amended by striking  
 15 “semiannual” and inserting “annual”.

16 (2) Section 5 of the Inspector General Act of  
 17 1978 (5 U.S.C. App.) is amended—

18 (A) in subsection (b)—

19 (i) by striking “Semiannual” and in-  
 20 serting “Annual”; and

21 (ii) by striking “April 30 and”; and

22 (B) in subsection (c)—

23 (i) in the first sentence by striking  
 24 “semiannual” and inserting “annual”; and

1 (ii) in the second sentence by striking  
2 “semiannual” and inserting “annual”.

3 (3) Section 8(f) of the Inspector General Act of  
4 1978 (5 U.S.C. App.) is amended by striking “semi-  
5 annual” and inserting “annual”.

6 (4) Section 8A(e) of the Inspector General Act  
7 of 1978 (5 U.S.C. App.) is amended by striking  
8 “semiannual” and inserting “annual”.

9 **SEC. 6. INSPECTORS GENERAL AT LEVEL III OF EXECUTIVE**  
10 **SCHEDULE.**

11 (a) LEVEL IV POSITIONS.—Section 5315 of title 5,  
12 United States Code, is amended by striking each item re-  
13 lating to the following positions:

14 (1) Inspector General, Department of Edu-  
15 cation.

16 (2) Inspector General, Department of Energy.

17 (3) Inspector General, Department of Health  
18 and Human Services.

19 (4) Inspector General, Department of Agri-  
20 culture.

21 (5) Inspector General, Department of Housing  
22 and Urban Development.

23 (6) Inspector General, Department of Labor.

24 (7) Inspector General, Department of Trans-  
25 portation.

1           (8) Inspector General, Department of Veterans  
2   Affairs.

3           (9) Inspector General, Department of Defense.

4           (10) Inspector General, United States Informa-  
5   tion Agency.

6           (11) Inspector General, Department of State.

7           (12) Inspector General, Department of Com-  
8   merce.

9           (13) Inspector General, Department of the In-  
10   terior.

11          (14) Inspector General, Department of Justice.

12          (15) Inspector General, Department of the  
13   Treasury.

14          (16) Inspector General, Agency for Inter-  
15   national Development.

16          (17) Inspector General, Environmental Protec-  
17   tion Agency.

18          (18) Inspector General, Federal Emergency  
19   Management Agency.

20          (19) Inspector General, General Services Ad-  
21   ministration.

22          (20) Inspector General, National Aeronautics  
23   and Space Administration.

24          (21) Inspector General, Nuclear Regulatory  
25   Commission.

1           (22) Inspector General, Office of Personnel  
2           Management.

3           (23) Inspector General, Railroad Retirement  
4           Board.

5           (24) Inspector General, Small Business Admin-  
6           istration.

7           (25) Inspector General, Federal Deposit Insur-  
8           ance Corporation.

9           (26) Inspector General, Resolution Trust Cor-  
10          poration.

11          (27) Inspector General, Central Intelligence  
12          Agency.

13          (28) Inspector General, Social Security Admin-  
14          istration.

15          (29) Inspector General, United States Postal  
16          Service.

17          (b) LEVEL III POSITIONS.—Section 5314 of title 5,  
18          United States Code, is amended by adding at the end the  
19          following:

20                 “Inspector General, Department of Education.

21                 “Inspector General, Department of Energy.

22                 “Inspector General, Department of Health and  
23          Human Services.

24                 “Inspector General, Department of Agriculture.

1           “Inspector General, Department of Housing  
2           and Urban Development.

3           “Inspector General, Department of Labor.

4           “Inspector General, Department of Transpor-  
5           tation.

6           “Inspector General, Department of Veterans  
7           Affairs.

8           “Inspector General, Department of Defense.

9           “Inspector General, Department of State.

10          “Inspector General, Department of Commerce.

11          “Inspector General, Department of the Interior.

12          “Inspector General, Department of Justice.

13          “Inspector General, Department of the Treas-  
14          ury.

15          “Inspector General, Agency for International  
16          Development.

17          “Inspector General, Corporation for Community  
18          and National Service.

19          “Inspector General, Environmental Protection  
20          Agency.

21          “Inspector General, Federal Emergency Man-  
22          agement Agency.

23          “Inspector General, General Services Adminis-  
24          tration.

1           ~~“Inspector General, National Aeronautics and~~  
 2           ~~Space Administration.~~

3           ~~“Inspector General, Nuclear Regulatory Com-~~  
 4           ~~mission.~~

5           ~~“Inspector General, Office of Personnel Man-~~  
 6           ~~agement.~~

7           ~~“Inspector General, Railroad Retirement~~  
 8           ~~Board.~~

9           ~~“Inspector General, Small Business Administra-~~  
 10          ~~tion.~~

11          ~~“Inspector General, Federal Deposit Insurance~~  
 12          ~~Corporation.~~

13          ~~“Inspector General, Central Intelligence Agen-~~  
 14          ~~cy.~~

15          ~~“Inspector General, Social Security Administra-~~  
 16          ~~tion.~~

17          ~~“Inspector General, United States Postal Serv-~~  
 18          ~~ice.”.~~

19          ~~(c) SAVINGS PROVISION.—Nothing in this section~~  
 20          ~~shall have the effect of reducing the rate of pay of any~~  
 21          ~~individual serving as an Inspector General on the effective~~  
 22          ~~date of this section.~~



1 **SEC. 7. OFFICES OF INSPECTOR GENERAL IN CERTAIN DES-**  
 2 **IGNATED FEDERAL ENTITIES.**

3 (a) **TRANSFER OF FUNCTIONS.**—Section 9(a)(1) of  
 4 the Inspector General Act of 1978 is amended—

5 (1) in subparagraph (J)—

6 (A) by inserting “(i)” after “(J)”;

7 (B) by inserting “and” after the semicolon;

8 and

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

10 “(ii) of the Department of Labor, the  
 11 Office of Inspector General of the Pensions  
 12 Benefit Guaranty Corporation, effective 30  
 13 days after the date of enactment of the In-  
 14 spector General Act Amendments of  
 15 1999,”;

16 (2) in subparagraph (K)—

17 (A) by inserting “(i)” after “(K)”;

18 (B) by inserting “and” after the semicolon;

19 and

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

21 “(ii) of the Department of Transpor-  
 22 tation, the Office of Inspector General of  
 23 the Federal Maritime Commission, effec-  
 24 tive 30 days after the date of enactment of  
 25 the Inspector General Act Amendments of  
 26 1999,”; and

1           ~~(3)~~ in subparagraph ~~(R)~~—

2                   ~~(A)~~ by inserting “(i)” after “(R)”;

3                   ~~(B)~~ by inserting “and” after the semicolon;

4           and

5                   ~~(C)~~ by adding at the end the following:

6                   “~~(ii)~~ of the Office of Personnel Man-  
7                   agement, the Office of Inspector General of  
8                   the Federal Labor Relations Authority, ef-  
9                   fective 30 days after the date of enactment  
10                  of the Inspector General Act Amendments  
11                  of 1999;”.

12       ~~(b)~~ ADMINISTRATIVE PROVISIONS.—

13           ~~(1)~~ TERMINATION OF OFFICES.—The Office of  
14       Inspector General of each designated Federal entity  
15       transferred under subsection ~~(a)~~ is terminated.

16           ~~(2)~~ INCUMBENTS.—The individual who is the  
17       Inspector General of a designated Federal entity  
18       transferred under subsection ~~(a)~~—

19                   ~~(A)~~ shall be transferred to the Office of In-  
20                   specter General of the applicable establishment;

21                   ~~(B)~~ shall be an employee of such Office  
22                   under the direction of the Inspector General of  
23                   the applicable establishment; and

24                   ~~(C)~~ shall continue to be compensated at  
25                   not less than the rate provided for before such

1 transfer, for at least 1 year after the date of  
 2 such transfer.

3 ~~(3) PERSONNEL AND ASSETS.—Section 9 (b)~~  
 4 ~~and (c) of the Inspector General Act of 1978 (5~~  
 5 ~~U.S.C. App.) shall apply to the transfers made by~~  
 6 ~~the amendments under subsection (a) of this section.~~

7 ~~(c) FORMER DESIGNATED FEDERAL ENTITY.—Sec-~~  
 8 ~~tion 8G(a)(2) of the Inspector General Act of 1978 (5~~  
 9 ~~U.S.C. App.) is amended by striking “the Corporation for~~  
 10 ~~Public Broadcasting, the Equal Employment Opportunity~~  
 11 ~~Commission, the Farm Credit Administration, the Federal~~  
 12 ~~Communications Commission, the Federal Election Com-~~  
 13 ~~mission, the Federal Housing Finance Board, the Federal~~  
 14 ~~Labor Relations Authority, the Federal Maritime Commis-~~  
 15 ~~sion, the Federal Trade Commission, the Legal Services~~  
 16 ~~Corporation, the National Archives and Records Adminis-~~  
 17 ~~tration, the National Credit Union Administration, the~~  
 18 ~~National Endowment for the Arts, the National Endow-~~  
 19 ~~ment for the Humanities, the National Labor Relations~~  
 20 ~~Board, the National Science Foundation, the Panama~~  
 21 ~~Canal Commission, the Peace Corps, the Pension Benefit~~  
 22 ~~Guaranty Corporation,” and inserting “the Corporation~~  
 23 ~~for Public Broadcasting, the Equal Employment Oppor-~~  
 24 ~~tunity Commission, the Farm Credit Administration, the~~  
 25 ~~Federal Communications Commission, the Federal Elec-~~

tion Commission, the Federal Housing Finance Board, the Federal Trade Commission, the Legal Services Corporation, the National Archives and Records Administration, the National Credit Union Administration, the National Endowment for the Arts and the National Endowment for the Humanities, the National Labor Relations Board, the National Science Foundation, the Panama Canal Commission, the Peace Corps.”.

(d) AMENDMENTS RELATING TO SPECIAL PROVISIONS CONCERNING FORMER DESIGNATED FEDERAL ENTITIES.—

(1) RULE OF CONSTRUCTION OF SPECIAL PROVISIONS.—Section 8I of the Inspector General Act of 1978 (5 U.S.C. App.) (relating to rule of construction of special provisions) is amended—

(A) by striking “SEC. 8I” and inserting “SEC. 8K”; and

(B) by striking all beginning with “special provisions” through “of this Act” and inserting “special provisions under section 8, 8A, 8B, 8C, 8D, 8E, 8F, or 8H of this Act.”.

(2) SPECIAL PROVISIONS CONCERNING FORMER DESIGNATED FEDERAL ENTITIES.—The Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting after section 8H the following:

1           “SPECIAL PROVISIONS CONCERNING FORMER  
2                               DESIGNATED FEDERAL ENTITIES

3           “SEC. 8I. (a) For purposes of this section, the term—

4                       “(1) ‘establishment’ means any establishment  
5           to which an office is transferred under section  
6           9(a)(1) (J), (K), or (R); and

7                       “(2) ‘former designated Federal entity’ means a  
8           designated Federal entity from which any office is  
9           transferred under section 9(a)(1) (J), (K), or (R).

10          “(b) The Office of Inspector General of each estab-  
11   lishment shall perform all duties, responsibilities, and  
12   functions of an Office of Inspector General under this Act  
13   with respect to each applicable former designated Federal  
14   entity.

15          “(c) The Inspector General of an establishment shall  
16   prepare and submit an annual report under section 5 re-  
17   lating to each applicable former designated Federal entity  
18   to the head of such former designated Federal entity.

19          “(d) In the administration of section 5(d) with re-  
20   spect to a former designated Federal entity—

21                       “(1) the Inspector General shall make the re-  
22   quired report to the head of such former designated  
23   Federal entity instead of the head of the establish-  
24   ment; and

1           ~~“(2) the head of such former designated Fed-~~  
 2           ~~eral entity shall make the required transmittal to~~  
 3           ~~Congress.~~

4           ~~“(e) The head of each former designated Federal en-~~  
 5           ~~tity shall provide the Office of the Inspector General of~~  
 6           ~~the applicable establishment with such office space, equip-~~  
 7           ~~ment, supplies, facilities, and services as may be nec-~~  
 8           ~~essary, in the same manner as provided under section 6(e).~~

9           ~~“SPECIAL PROVISIONS CONCERNING THE NATIONAL EN-~~  
 10           ~~DOWMENT FOR THE ARTS AND THE NATIONAL EN-~~  
 11           ~~DOWMENT FOR THE HUMANITIES~~

12           ~~“SEC. 8J. For purposes of this Act—~~

13           ~~“(1) the National Endowment for the Arts and~~  
 14           ~~the National Endowment for the Humanities shall~~  
 15           ~~be treated as a single designated Federal entity;~~

16           ~~“(2) subject to paragraph (3), the heads of the~~  
 17           ~~designated Federal entities of the National Endow-~~  
 18           ~~ment for the Arts and the National Endowment for~~  
 19           ~~the Humanities (as determined under section 8H)~~  
 20           ~~shall jointly exercise all functions of the head of a~~  
 21           ~~designated Federal entity; and~~

22           ~~“(3) in the appointment of a single Inspector~~  
 23           ~~General for the National Endowment for the Arts~~  
 24           ~~and the National Endowment for the Humanities,~~  
 25           ~~the heads of such designated Federal entities shall~~

1       consult with the Deputy Director for Management  
2       of the Office of Management and Budget.”.

3       ~~(e) EFFECTIVE DATE.—The amendments made by~~  
4       ~~this section shall take effect 30 days after the date of en-~~  
5       ~~actment of this Act.~~

6       **SECTION 1. SHORT TITLE.**

7       *This Act may be cited as the “Inspector General Act*  
8       *Amendments of 2000”.*

9       **SEC. 2. PROHIBITION OF CASH BONUS OR AWARDS.**

10       *Section 3 of the Inspector General Act of 1978 (5*  
11       *U.S.C. App.) is amended by adding at the end the following:*

12       *“(e) An Inspector General (as defined under section*  
13       *8G(a)(6) or 11(3)) may not receive any cash award or cash*  
14       *bonus, including any cash award under chapter 45 of title*  
15       *5, United States Code.”.*

16       **SEC. 3. EXTERNAL REVIEWS.**

17       *(a) IN GENERAL.—Section 4 of the Inspector General*  
18       *Act of 1978 (5 U.S.C. App.) is amended by inserting at*  
19       *the end the following:*

20       *“(e)(1)(A) Not less than every 3 years an external re-*  
21       *view shall be conducted of each Office defined under sections*  
22       *11(4) and 8G(a)(5).*

23       *“(B) The Inspector General of each Office defined*  
24       *under sections 11(4) and 8G(5) shall arrange with the Gen-*

1 eral Accounting Office or an appropriate private entity for  
 2 the conduct of the review.

3 “(C) If an Inspector General contracts with a private  
 4 entity for a review under this subsection, the private entity  
 5 shall be contracted in accordance with section 303 of the  
 6 Federal Property and Administrative Services Act of 1949  
 7 (41 U.S.C. 253).

8 “(2) At a minimum, an external review under this  
 9 subsection shall evaluate whether the Office of Inspector  
 10 General properly manages and controls—

11 “(A) contracts awarded by the Office of Inspector  
 12 General, including a determination of whether—

13 “(i) procedures used to procure contracts  
 14 are in accordance with applicable laws and reg-  
 15 ulations; and

16 “(ii) costs incurred are reasonable and al-  
 17 lowable under the terms of each contract;

18 “(B) appropriated funds, including a determina-  
 19 tion of whether training and travel funds are ex-  
 20 pended in accordance with applicable laws and regu-  
 21 lations; and

22 “(C) personnel actions, including a determina-  
 23 tion of whether hiring and promotion practices used  
 24 and performance awards issued are in accordance  
 25 with applicable laws and regulations.



1       “(3) *Not later than 30 calendar days after the comple-*  
 2 *tion of an external review, a report of the results shall be*  
 3 *submitted to the head of the establishment and simulta-*  
 4 *neously to the appropriate committees or subcommittees of*  
 5 *Congress.*”.

6       (b) *TECHNICAL AND CONFORMING AMENDMENT.—The*  
 7 *section heading for section 4 of the Inspector General Act*  
 8 *of 1978 (5 U.S.C. App.) is amended to read as follows:*

9       “*DUTIES AND RESPONSIBILITIES; REPORT OF CRIMINAL*  
 10 *VIOLATIONS TO ATTORNEY GENERAL; EXTERNAL REVIEWS*”.

11   **SEC. 4. ANNUAL REPORTS.**

12       (a) *IN GENERAL.—Section 5(a) of the Inspector Gen-*  
 13 *eral Act of 1978 (5 U.S.C. App.) is amended—*

14           (1) *by striking the first sentence and inserting*  
 15       “*Each Inspector General shall, not later than October*  
 16       *31 of each year, prepare annual reports summarizing*  
 17       *the activities and accomplishments of the Office dur-*  
 18       *ing the immediately preceding 12-month period end-*  
 19       *ing September 30.*”;

20           (2) *by striking paragraphs (1) through (12) and*  
 21       *inserting the following:*

22           “*(1) a summary of the program areas within the*  
 23       *establishment identified by the Inspector General as*  
 24       *high risk because of vulnerabilities to waste, fraud,*  
 25       *abuse, and mismanagement;*

1           “(2) a description of the most significant audits,  
2           investigations (administrative, civil, and criminal),  
3           and evaluations and inspections completed during the  
4           reporting period;

5           “(3) a summary of each report made to the head  
6           of the establishment under section 6(b)(2) during the  
7           reporting period;

8           “(4) a table showing—

9                   “(A)(i) the total number of final audit re-  
10                  ports issued by the Office of Inspector General;  
11                  and

12                   “(ii) the financial benefits associated with  
13                  the reports segregated by category, such as budget  
14                  reductions, costs avoided, questioned costs, and  
15                  revenue enhancements; and

16                   “(B) corrective actions taken and program  
17                  improvements made during the reporting period  
18                  in response to either an Office of Inspector Gen-  
19                  eral audit finding or recommendation (excluding  
20                  any recommendation included under subpara-  
21                  graph (A) with respect to such corrective ac-  
22                  tions);

23           “(5) a table showing—

1           “(A) the judicial and administrative ac-  
2           tions associated with investigations conducted by  
3           the Office of Inspector General;

4           “(B) the number of—

5           “(i) cases referred for criminal pros-  
6           ecution, civil remedies, or administrative  
7           actions;

8           “(ii) cases presented but declined for  
9           prosecution, segregated by criminal and  
10          civil;

11          “(iii) cases accepted for prosecution  
12          (both Federal and State), segregated by  
13          criminal and civil;

14          “(iv) defendants indicted;

15          “(v) defendants convicted;

16          “(vi) defendants acquitted or charges  
17          dismissed after indictment;

18          “(vii) defendants sentenced to terms of  
19          imprisonment;

20          “(viii) defendants sentenced to terms of  
21          probation; and

22          “(ix) suspensions, disbarments, exclu-  
23          sions, sanctions, or some other similar ad-  
24          ministrative action; and

1           “(C) the total amount of fines, restitutions,  
2           and recoveries;

3           “(6) a description of the organization and man-  
4           agement structure of the Office of Inspector General,  
5           including—

6           “(A) an organization chart showing the  
7           major components of the Office;

8           “(B) a statistical table showing the number  
9           of authorized full-time equivalent positions seg-  
10          regated by component and by headquarters and  
11          field office; and

12          “(C) the amount of funding received in  
13          prior and current fiscal years;

14          “(7) a table showing—

15          “(A) the number of contracts, and associ-  
16          ated dollar value, awarded on a noncompetitive  
17          basis by the Office of Inspector General; and

18          “(B) with respect to any individual con-  
19          tract valued over \$100,000, awarded on a non-  
20          competitive basis—

21                  “(i) the name of the contractor;

22                  “(ii) statement of work;

23                  “(iii) the time period of the contract;

24                  and

25                  “(iv) the dollar amount of the contract;

1           “(8)(A) a summary of each audit report issued  
 2           in previous reporting periods for which no manage-  
 3           ment decision has been made by the end of the report-  
 4           ing period (including the date and title of each such  
 5           report);

6           “(B) an explanation of the reasons such manage-  
 7           ment decision has not been made; and

8           “(C) a statement concerning the desired time-  
 9           table for achieving a management decision on each  
 10          such report;”;

11          (3) by redesignating paragraph (13) as para-  
 12          graph (9);

13          (4) in paragraph (9) (as redesignated by para-  
 14          graph (3) of this subsection)—

15                 (A) by striking “section 05(b)” and insert-  
 16                 ing “section 804(b)”; and

17                 (B) by striking the period and inserting a  
 18                 semicolon and “and”; and

19          (5) by adding at the end the following new para-  
 20          graph:

21                 “(10) any other information that the Inspector  
 22                 General determines appropriate to include in the an-  
 23                 nual report.”.

24          (b) SEMIANNUAL REPORTS.—Section 5 of the Inspec-  
 25          tor General Act of 1978 (5 U.S.C. App.) is amended—

1           (1) by redesignating subsection (f) as subsection  
2           (g); and

3           (2) by inserting after subsection (e) the following:

4           “(f)(1) Subject to paragraph (4), in addition to any  
5           annual report required to be furnished and transmitted  
6           under subsection (b), an Inspector General shall prepare  
7           and submit a report described under paragraph (2) to—

8           “(A) the applicable congressional committee, if  
9           the chairman or ranking member of a congressional  
10          committee with appropriate jurisdiction submits a  
11          written request to such Inspector General; or

12          “(B) to the Comptroller General of the United  
13          States if the Comptroller General submits a written  
14          request to such Inspector General.

15          “(2) A report referred to under paragraph (1) shall—

16          “(A) contain the information required for an an-  
17          nual report under subsection (a); and

18          “(B) summarize the activities of the Office dur-  
19          ing the 6-month period ending on March 31 of the  
20          calendar year following the date on which the request  
21          is made.

22          “(3) A report under this subsection shall be submitted  
23          on April 30 of the calendar year following the date on which  
24          the request is made.

1       “(4) *An Inspector General shall not be required to sub-*  
 2 *mit a report under this subsection if the written request*  
 3 *for such report is submitted to the Inspector General after*  
 4 *November 30 of the calendar year preceding the date on*  
 5 *which the report is otherwise required to be submitted to*  
 6 *a congressional committee or the Comptroller General.”.*

7       (c) *SUBMISSION OF OTHER REPORTS.—Nothing in the*  
 8 *amendments made by this section shall be construed to limit*  
 9 *an Inspector General from submitting any report con-*  
 10 *taining in whole or part information required in an annual*  
 11 *or semiannual report furnished and transmitted under sec-*  
 12 *tion 5 of the Inspector General Act of 1978 (5 U.S.C. App.)*  
 13 *to Congress more frequently than on an annual or semi-*  
 14 *annual basis.*

15       (d) *TECHNICAL AND CONFORMING AMENDMENTS.—*

16               (1) *Section 4(a)(2) of the Inspector General Act*  
 17 *of 1978 (5 U.S.C. App.) is amended by striking*  
 18 *“semiannual” and inserting “annual”.*

19               (2) *Section 5 of the Inspector General Act of*  
 20 *1978 (5 U.S.C. App.) is amended—*

21                       (A) *in subsection (b)—*

22                               (i) *by striking “Semiannual” and in-*  
 23 *serting “Annual”; and*

24                               (ii) *by striking “April 30 and”; and*

25                       (B) *in subsection (c)—*

- 1                   (i) in the first sentence by striking  
 2                   “semiannual” and inserting “annual”; and  
 3                   (ii) in the second sentence by striking  
 4                   “semiannual” and inserting “annual”.

5                   (3) Section 8(f) of the Inspector General Act of  
 6                   1978 (5 U.S.C. App.) is amended by striking “semi-  
 7                   annual” and inserting “annual”.

8                   (4) Section 8A(c) of the Inspector General Act of  
 9                   1978 (5 U.S.C. App.) is amended by striking “semi-  
 10                  annual” and inserting “annual”.

11 **SEC. 5. INSPECTORS GENERAL AT LEVEL III OF EXECUTIVE**  
 12 **SCHEDULE.**

13                  (a) *LEVEL IV POSITIONS.*—Section 5315 of title 5,  
 14 *United States Code*, is amended by striking each item relat-  
 15 *ing to the following positions:*

16                   (1) *Inspector General, Department of Education.*

17                   (2) *Inspector General, Department of Energy.*

18                   (3) *Inspector General, Department of Health and*  
 19 *Human Services.*

20                   (4) *Inspector General, Department of Agri-*  
 21 *culture.*

22                   (5) *Inspector General, Department of Housing*  
 23 *and Urban Development.*

24                   (6) *Inspector General, Department of Labor.*



1           (7) *Inspector General, Department of Transpor-*  
2           *tation.*

3           (8) *Inspector General, Department of Veterans*  
4           *Affairs.*

5           (9) *Inspector General, Department of Defense.*

6           (10) *Inspector General, United States Informa-*  
7           *tion Agency.*

8           (11) *Inspector General, Department of State.*

9           (12) *Inspector General, Department of Com-*  
10          *merce.*

11          (13) *Inspector General, Department of the Inte-*  
12          *rior.*

13          (14) *Inspector General, Department of Justice.*

14          (15) *Inspector General, Department of the Treas-*  
15          *ury.*

16          (16) *Inspector General, Agency for International*  
17          *Development.*

18          (17) *Inspector General, Environmental Protec-*  
19          *tion Agency.*

20          (18) *Inspector General, Federal Emergency Man-*  
21          *agement Agency.*

22          (19) *Inspector General, General Services Admin-*  
23          *istration.*

24          (20) *Inspector General, National Aeronautics*  
25          *and Space Administration.*

1           (21) *Inspector General, Nuclear Regulatory Com-*  
2           *mission.*

3           (22) *Inspector General, Office of Personnel Man-*  
4           *agement.*

5           (23) *Inspector General, Railroad Retirement*  
6           *Board.*

7           (24) *Inspector General, Small Business Adminis-*  
8           *tration.*

9           (25) *Inspector General, Federal Deposit Insur-*  
10          *ance Corporation.*

11          (26) *Inspector General, Resolution Trust Cor-*  
12          *poration.*

13          (27) *Inspector General, Central Intelligence*  
14          *Agency.*

15          (28) *Inspector General, Social Security Adminis-*  
16          *tration.*

17          (29) *Inspector General, United States Postal*  
18          *Service.*

19          (b) *LEVEL III POSITIONS.*—*Section 5314 of title 5,*  
20          *United States Code, is amended by adding at the end the*  
21          *following:*

22                 *“Inspector General, Department of Education.*

23                 *“Inspector General, Department of Energy.*

24                 *“Inspector General, Department of Health and*  
25                 *Human Services.*

1           *“Inspector General, Department of Agriculture.*

2           *“Inspector General, Department of Housing and*  
3           *Urban Development.*

4           *“Inspector General, Department of Labor.*

5           *“Inspector General, Department of Transpor-*  
6           *tation.*

7           *“Inspector General, Department of Veterans Af-*  
8           *airs.*

9           *“Inspector General, Department of Defense.*

10          *“Inspector General, Department of State.*

11          *“Inspector General, Department of Commerce.*

12          *“Inspector General, Department of the Interior.*

13          *“Inspector General, Department of Justice.*

14          *“Inspector General, Department of the Treasury.*

15          *“Inspector General, Agency for International De-*  
16          *velopment.*

17          *“Inspector General, Corporation for Community*  
18          *and National Service.*

19          *“Inspector General, Environmental Protection*  
20          *Agency.*

21          *“Inspector General, Federal Emergency Manage-*  
22          *ment Agency.*

23          *“Inspector General, General Services Adminis-*  
24          *tration.*

1           *“Inspector General, National Aeronautics and*  
 2           *Space Administration.*

3           *“Inspector General, Nuclear Regulatory Commis-*  
 4           *sion.*

5           *“Inspector General, Office of Personnel Manage-*  
 6           *ment.*

7           *“Inspector General, Railroad Retirement Board.*

8           *“Inspector General, Small Business Administra-*  
 9           *tion.*

10          *“Inspector General, Federal Deposit Insurance*  
 11          *Corporation.*

12          *“Inspector General, Central Intelligence Agency.*

13          *“Inspector General, Social Security Administra-*  
 14          *tion.*

15          *“Inspector General, United States Postal Serv-*  
 16          *ice.”.*

17          (c) *SAVINGS PROVISION.—Nothing in this section shall*  
 18          *have the effect of reducing the rate of pay of any individual*  
 19          *serving as an Inspector General on the effective date of this*  
 20          *section.*

21          **SEC. 6. STUDY AND REPORT ON CONSOLIDATION OF IN-**  
 22                               **SPECTOR GENERAL OFFICES.**

23          (a) *STUDY.—The Comptroller General shall—*

1           (1) *develop criteria for determining whether the*  
2           *consolidation of Federal Inspector General offices*  
3           *would be cost-efficient and in the public interest; and*

4           (2) *conduct a study of Federal Inspector General*  
5           *offices using the criteria developed under paragraph*  
6           *(1) to determine whether any such offices should be*  
7           *consolidated.*

8           (b) *REPORT TO CONGRESS.*—*Not later than 180 days*  
9           *after the date of enactment of this Act, the Comptroller Gen-*  
10          *eral shall submit a report to Congress containing rec-*  
11          *ommendations for any legislative action, based on the study*  
12          *conducted under paragraph (2).*

**Calendar No. 919**

106TH CONGRESS  
2D SESSION

**S. 870**

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**A BILL**

To amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspector General within Federal departments, and for other purposes.

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OCTOBER 3 (legislative day, SEPTEMBER 22), 2000

Reported with an amendment