

## Union Calendar No. 66

112<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 828

[Report No. 112-115]

To amend title 5, United States Code, to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 28, 2011

Mr. CHAFFETZ introduced the following bill; which was referred to the Committee on Oversight and Government Reform

JUNE 23, 2011

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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

# **A BILL**

To amend title 5, United States Code, to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Employee Tax  
5 Accountability Act of 2011”.

6 **SEC. 2. INELIGIBILITY OF PERSONS HAVING SERIOUSLY**  
7 **DELINQUENT TAX DEBTS FOR FEDERAL EM-**  
8 **PLOYMENT.**

9 (a) IN GENERAL.—Chapter 73 of title 5, United  
10 States Code, is amended by adding at the end the fol-  
11 lowing:

12 “SUBCHAPTER VII—INELIGIBILITY OF PER-  
13 SONS HAVING SERIOUSLY DELINQUENT  
14 TAX DEBTS FOR FEDERAL EMPLOYMENT

15 “§ 7381. **Ineligibility of persons having seriously de-**  
16 **linquent tax debts for Federal employ-**  
17 **ment**

18 “(a) DEFINITIONS.—For purposes of this section—

19 “(1) the term ‘seriously delinquent tax debt’  
20 means an outstanding debt under the Internal Rev-  
21 enue Code of 1986 for which a notice of lien has  
22 been filed in public records pursuant to section 6323  
23 of such Code, except that such term does not in-  
24 elude—

1           “(A) a debt that is being paid in a timely  
2 manner pursuant to an agreement under sec-  
3 tion 6159 or section 7122 of such Code; and

4           “(B) a debt with respect to which a collec-  
5 tion due process hearing under section 6330 of  
6 such Code, or relief under subsection (a), (b),  
7 or (f) of section 6015 of such Code, is re-  
8 quested or pending; and

9           “(2) the term ‘Federal employee’ means—

10           “(A) an employee, as defined by section  
11 2105; and

12           “(B) an employee of the United States  
13 Postal Service or of the Postal Regulatory Com-  
14 mission.

15           “(b) INELIGIBILITY FOR FEDERAL EMPLOYMENT.—

16 An individual who has a seriously delinquent tax debt shall  
17 be ineligible to be appointed, or to continue serving, as  
18 a Federal employee.

19           “(c) REGULATIONS.—The Office of Personnel Man-  
20 agement shall, for purposes of carrying out this section  
21 with respect to the executive branch, prescribe any regula-  
22 tions which the Office considers necessary.”.

23           “(b) CLERICAL AMENDMENT.—The analysis for chap-  
24 ter 73 of title 5, United States Code, is amended by add-  
25 ing at the end the following:

“SUBCHAPTER VIII—INELIGIBILITY OF PERSONS HAVING SERIOUSLY  
DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT

“7381. Ineligibility of persons having seriously delinquent tax debts for Federal  
employment.”.

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “Federal Employee Tax*  
3 *Accountability Act of 2011”.*

4 **SEC. 2. INELIGIBILITY OF PERSONS HAVING SERIOUSLY DE-**  
5                                   **LINQUENT TAX DEBTS FOR FEDERAL EM-**  
6                                   **PLOYMENT.**

7       *(a) IN GENERAL.—Chapter 73 of title 5, United States*  
8 *Code, is amended by adding at the end the following:*

9       “SUBCHAPTER VIII—INELIGIBILITY OF PERSONS  
10       *HAVING SERIOUSLY DELINQUENT TAX*  
11       *DEBTS FOR FEDERAL EMPLOYMENT*

12 **“§ 7381. Definitions**

13       *“For purposes of this subchapter—*

14               *“(1) the term ‘seriously delinquent tax debt’*  
15       *means an outstanding debt under the Internal Rev-*  
16       *enue Code of 1986 for which a notice of lien has been*  
17       *filed in public records pursuant to section 6323 of*  
18       *such Code, except that such term does not include—*

19                       *“(A) a debt that is being paid in a timely*  
20       *manner pursuant to an agreement under section*  
21       *6159 or section 7122 of such Code;*

22                       *“(B) a debt with respect to which a collec-*  
23       *tion due process hearing under section 6330 of*

1           *such Code, or relief under subsection (a), (b), or*  
2           *(f) of section 6015 of such Code, is requested or*  
3           *pending;*

4           “(C) *a debt with respect to which a levy has*  
5           *been issued under section 6331 of such Code (or,*  
6           *in the case of an applicant for employment, a*  
7           *debt with respect to which the applicant agrees*  
8           *to be subject to a levy issued under such section);*  
9           *and*

10           “(D) *a debt with respect to which relief*  
11           *under section 6343(a)(1)(D) of such Code is*  
12           *granted;*

13           “(2) *the term ‘employee’ means an employee in*  
14           *or under an agency, including an individual de-*  
15           *scribed in sections 2104(b) and 2105(e); and*

16           “(3) *the term ‘agency’ means—*

17                   “(A) *an Executive agency;*

18                   “(B) *the United States Postal Service;*

19                   “(C) *the Postal Regulatory Commission;*

20                   *and*

21                   “(D) *an employing authority in the legisla-*  
22                   *tive branch.*

1 **“§ 7382. Ineligibility for employment**

2       “(a) *IN GENERAL.*—Subject to subsection (c), any per-  
3 son who has a seriously delinquent tax debt shall be ineli-  
4 gible to be appointed or to continue serving as an employee.

5       “(b) *DISCLOSURE REQUIREMENT.*—The head of each  
6 agency shall take appropriate measures to ensure that each  
7 person applying for employment with such agency shall be  
8 required to submit (as part of the application for employ-  
9 ment) certification that such person does not have any seri-  
10 ously delinquent tax debt.

11       “(c) *REGULATIONS.*—The Office of Personnel Manage-  
12 ment, in consultation with the Internal Revenue Service,  
13 shall, for purposes of carrying out this section with respect  
14 to the executive branch, promulgate any regulations which  
15 the Office considers necessary, except that such regulations  
16 shall provide for the following:

17               “(1) All due process rights, afforded by chapter  
18 75 and any other provision of law, shall apply with  
19 respect to a determination under this section that an  
20 applicant is ineligible to be appointed or that an em-  
21 ployee is ineligible to continue serving.

22               “(2) Before any such determination is given ef-  
23 fect with respect to an individual, the individual shall  
24 be afforded 60 days to demonstrate that such individ-  
25 ual’s debt is one described in subparagraph (A), (B),  
26 (C), or (D) of section 7381(a)(1).

1           “(3) *An employee may continue to serve, in a*  
2           *situation involving financial hardship, if the contin-*  
3           *ued service of such employee is in the best interests*  
4           *of the United States, as determined on a case-by-case*  
5           *basis.*

6           “(d) *REPORTS TO CONGRESS.—The Director of the Of-*  
7           *fice of Personnel Management shall report annually to Con-*  
8           *gress on the number of exemptions made pursuant to sub-*  
9           *section (c)(3).*

10       **“§ 7383. Review of public records**

11           “(a) *IN GENERAL.—Each agency shall provide for*  
12           *such reviews of public records as the head of such agency*  
13           *considers appropriate to determine if a notice of lien (as*  
14           *described in section 7381(1)) has been filed with respect to*  
15           *an employee of or an applicant for employment with such*  
16           *agency.*

17           “(b) *ADDITIONAL REQUESTS.—If a notice of lien is*  
18           *discovered under subsection (a) with respect to an employee*  
19           *or applicant for employment, the agency may—*

20                   “(1) *request that the employee or applicant exe-*  
21                   *cute and submit a form authorizing the Secretary of*  
22                   *the Treasury to disclose to the head of the agency in-*  
23                   *formation limited to describing whether the employee*  
24                   *or applicant has a seriously delinquent tax debt; and*



1           “(2) contact the Secretary of the Treasury to re-  
2           quest tax information limited to describing whether  
3           the employee or applicant has a seriously delinquent  
4           tax debt.

5           “(c) *AUTHORIZATION FORM.*—The Secretary of the  
6           Treasury shall make available to all agencies a standard  
7           form for the authorization described in subsection (b)(1).

8           “(d) *NEGATIVE CONSIDERATION.*—The head of an  
9           agency, in considering an individual’s application for em-  
10          ployment or in making an employee appraisal or evalua-  
11          tion, shall give negative consideration to a refusal or failure  
12          to comply with a request under subsection (b)(1).

13          **“§ 7384. Confidentiality**

14          “Neither the head nor any other employee of an agency  
15          may—

16                 “(1) use any information furnished under the  
17                 provisions of this subchapter for any purpose other  
18                 than the administration of this subchapter;

19                 “(2) make any publication whereby the informa-  
20                 tion furnished by or with respect to any particular  
21                 individual under this subchapter can be identified; or

22                 “(3) permit anyone who is not an employee of  
23                 such agency to examine or otherwise have access to  
24                 any such information.”.

1           **(b) CLERICAL AMENDMENT.**—*The analysis for chapter*  
2 *73 of title 5, United States Code, is amended by adding*  
3 *at the end the following:*

“SUBCHAPTER VIII—INELIGIBILITY OF PERSONS HAVING  
SERIOUSLY DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT

“7381. *Definitions.*

“7382. *Ineligibility for employment.*

“7383. *Review of public records.*

“7384. *Confidentiality.*”.

4 **SEC. 3. EFFECTIVE DATE.**

5           *This Act and the amendments made by this Act shall*  
6 *take effect 9 months after the date of enactment of this Act.*



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112<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

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