

Union Calendar No. 53

114TH CONGRESS
1ST SESSION

H. R. 1563

[Report No. 114–73, Part I]

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

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 2015

Mr. CHAFFETZ introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

APRIL 14, 2015

Additional sponsor: Mr. CARTER of Texas

APRIL 14, 2015

Reported from the Committee on Oversight and Government Reform

APRIL 14, 2015

The Committee on House Administration discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Employee Tax
5 Accountability Act of 2015”.

6 **SEC. 2. INELIGIBILITY OF NONCOMPLIANT TAXPAYERS FOR**
7 **FEDERAL EMPLOYMENT.**

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

11 “SUBCHAPTER VIII—INELIGIBILITY OF NON-
12 COMPLIANT TAXPAYERS FOR FEDERAL EM-
13 PLOYMENT

14 **“§ 7381. Definitions**

15 “For purposes of this subchapter—

16 “(1) The term ‘seriously delinquent tax debt’
17 means a Federal tax liability that has been assessed
18 by the Secretary of the Treasury under the Internal
19 Revenue Code of 1986 and may be collected by the
20 Secretary by levy or by a proceeding in court, except
21 that such term does not include—

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

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

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

12 “(D) a debt with respect to which such a
13 levy is released under section 6343(a)(1)(D) of
14 such Code;

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

18 “(3) the term ‘agency’ means—

19 “(A) an Executive agency;

20 “(B) the United States Postal Service;

21 “(C) the Postal Regulatory Commission;

22 and

23 “(D) an employing authority in the legisla-
24 tive branch.

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

2 “(a) IN GENERAL.—Subject to subsection (c), any in-
3 dividual who has a seriously delinquent tax debt shall be
4 ineligible to be appointed or to continue serving as an em-
5 ployee.

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

12 “(c) REGULATIONS.—The Office of Personnel Man-
13 agement, in consultation with the Internal Revenue Serv-
14 ice, shall, for purposes of carrying out this section with
15 respect to the executive branch, promulgate any regula-
16 tions which the Office considers necessary, except that
17 such regulations shall provide for the following:

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

23 “(2) Before any such determination is given ef-
24 fect with respect to an individual, the individual
25 shall be afforded 180 days to demonstrate that such

1 individual's debt is one described in subparagraph
2 (A), (B), (C), or (D) of section 7381(a)(1).

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

8 “(d) REPORTS TO CONGRESS.—The Director of the
9 Office of Personnel Management shall report annually to
10 Congress on the number of exemptions requested and the
11 number of exemptions granted under subsection (c)(3).

12 **“§ 7383. Review of public records**

13 “(a) IN GENERAL.—Each agency shall provide for
14 such reviews of public records as the head of such agency
15 considers appropriate to determine if a notice of lien has
16 been filed pursuant to section 6323 of the Internal Rev-
17 enue Code of 1986 with respect to an employee of or an
18 applicant for employment with such agency.

19 “(b) ADDITIONAL REQUESTS.—If a notice of lien is
20 discovered under subsection (a) with respect to an em-
21 ployee or applicant for employment, the agency may—

22 “(1) request that the employee or applicant exe-
23 cute and submit a form authorizing the Secretary of
24 the Treasury to disclose to the head of the agency
25 information limited to describing whether—

1 “(A) the employee or applicant has a seri-
2 ously delinquent tax debt; or

3 “(B) there is a final administrative or judi-
4 cial determination that such employee or appli-
5 cant committed any act described under section
6 7385(b); and

7 “(2) request that the Secretary of the Treasury
8 disclose any information so authorized to be dis-
9 closed.

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

13 “(d) NEGATIVE CONSIDERATION.—The head of an
14 agency, in considering an individual’s application for em-
15 ployment or in making an employee appraisal or evalua-
16 tion, shall give negative consideration to a refusal or fail-
17 ure to comply with a request under subsection (b)(1).

18 **“§ 7384. Confidentiality**

19 “Neither the head nor any other employee of an agen-
20 cy may—

21 “(1) use any information furnished under the
22 provisions of this subchapter for any purpose other
23 than the administration of this subchapter;

24 “(2) make any publication whereby the infor-
25 mation furnished by or with respect to any par-

1 particular individual under this subchapter can be iden-
2 tified; or

3 “(3) permit anyone who is not an employee of
4 such agency to examine or otherwise have access to
5 any such information.

6 **“§ 7385. Adverse actions for employees who under-**
7 **state taxes or fail to file**

8 “(a) IN GENERAL.—

9 “(1) IN GENERAL.—Subject to subsection (c)
10 and paragraph (2) of this subsection, the head of an
11 agency may take any personnel action against an
12 employee of such agency if there is a final adminis-
13 trative or judicial determination that such employee
14 committed any act described under subsection (b).

15 “(2) PERSONNEL ACTIONS.—In paragraph (1),
16 the term ‘personnel action’ includes separation but
17 does not include administrative leave or any other
18 type of paid leave without duty or charge to leave.

19 “(b) ACTS.—The acts referred to under subsection
20 (a)(1) are—

21 “(1) willful failure to file any return of tax re-
22 quired under the Internal Revenue Code of 1986,
23 unless such failure is due to reasonable cause and
24 not to willful neglect; or

1 “(2) willful understatement of Federal tax li-
2 ability, unless such understatement is due to reason-
3 able cause and not to willful neglect.

4 “(c) PROCEDURE.—Under regulations prescribed by
5 the Office of Personnel Management, an employee subject
6 to a personnel action under this section shall be entitled
7 to the procedures provided under sections 7513 or 7543,
8 as applicable.”.

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

“SUBCHAPTER VIII—INELIGIBILITY OF NONCOMPLIANT
TAXPAYERS FOR FEDERAL EMPLOYMENT

“7381. Definitions.

“7382. Ineligibility for employment.

“7383. Review of public records.

“7384. Confidentiality.

“7385. Adverse actions for employees who fail to file or underreport taxes.”.

12 **SEC. 3. EFFECTIVE DATE.**

13 This Act and the amendments made by this Act shall
14 take effect 9 months after the date of enactment of this
15 Act.

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