



Legislative Bulletin.....April 15, 2013

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H.R. 1162 - GAO Improvement Act, as amended (Issa, R-CA)

Order of Business: The legislation is scheduled to be considered on April 15, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: The legislation expands the authority of the Comptroller General, who is the head of the Government Accountability Office (GAO). Specifically, the legislation grants the Comptroller General the authority to obtain records that they determine are necessary in order to discharge their duties (including audits, evaluations, and investigative duties). Additionally, the legislation allows the Comptroller General the ability to administer oaths to witnesses when investigating fraud or attempts to defraud the United States.

H.R. 1162 clarifies that provisions of the Social Security Act, and provisions of the Federal Food, Drug, and Cosmetic Act, do not supersede the authority of the Comptroller General to obtain or inspect copies and records.

The GAO is required to establish policies and procedures to protect the proprietary or trade secret information they obtain.

Committee Action: H.R. 1162 was introduced on March 14, 2013, and was referred to the House Oversight and Government Reform Committee. The committee held a [markup on March 20, 2013](#), and reported the legislation by voice vote, as amended.

Administration Position: No Statement of Administration Policy (SAP) is available.

Cost to Taxpayers: CBO estimates that implementing the legislation would have no significant impact on the federal budget because it would not significantly add to GAO's administrative costs. CBO's full report can be [viewed here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: Yes. The legislation provides additional authorities to the GAO. However, this is not meant to be listed as a concern.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, H.R. 1162 would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by requiring the District of Columbia to report information to Congressional committees and GAO. H.R. 1162 contains no private-sector mandates as defined in UMRA

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The legislation contains no earmarks, limited tax benefits, or limited tariff benefits.

Constitutional Authority: According the sponsor, “Congress has the power to enact this legislation pursuant to the following: Article I, Sec. 8 To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.” Rep. Chaffetz’s statement in the Congressional Record can be [viewed here](#).

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H.R. 249 - Federal Employee Tax Accountability Act (Chaffetz, R-UT)

Order of Business: The legislation is scheduled to be considered on April 15, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: This legislation provides that persons having seriously delinquent tax debts would be ineligible to be appointed or continue serving as an employee with the following:

- An Executive agency;
- The United States Postal Service;
- The Postal Regulatory Commission; and
- An employing authority in the legislative branch.

The legislation defines seriously delinquent tax debt as outstanding tax debt for which a notice of lien has been filed to the federal government. However, this does not apply to tax debt that is being paid in a timely manner or as part of a collection process.

H.R. 249 directs agency heads to take appropriate measures to ensure that each person applying with the agency shall be required to certify (with the employment application) that they have no seriously delinquent tax debt.

The Office of Personnel Management (OPM) shall consult with the Internal Revenue Service and shall issue any regulations that they consider necessary. An exception may be granted to employees if their continued service is in the best interests of the United States. The Director of OPM shall report annually to Congress on any exceptions made.

The legislation prohibits agency heads, or other employees, from using information required from employee applicants for anything other than carrying out this legislation.

H.R. 249 will take effect nine months after the date of enactment.

Additional Information: Similar legislation, H.R. 828, passed the House of Representatives on July 31, 2013, by a [roll call vote of 263-144](#). The RSC Legislative Bulletin for H.R. 828 can be [found here](#).

Committee Action: H.R. 249 was introduced on January 15, 2013, and was referred to the House Oversight and Government Reform Committee. The committee held a [markup on March 20, 2013](#), and reported the legislation by voice vote, as amended.

Administration Position: No Statement of Administration Policy (SAP) is available.

Cost to Taxpayers: CBO estimates that, subject to the availability of appropriated funds, implementing H.R. 249 would cost \$1 million in 2014 and less than \$500,000 in subsequent years to create certification forms, develop new regulations, and review records of current and prospective employees. CBO's full report can be [viewed here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, H.R. 249 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The legislation contains no earmarks, limited tax benefits, or limited tariff benefits.

Constitutional Authority: According the sponsor, "Congress has the power to enact this legislation pursuant to the following: Clause 1 of Section 8 of Article I of the Constitution: The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States." Rep. Chaffetz's statement in the Congressional Record can be [viewed here](#).

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H.R. 882 - Contracting and Tax Accountability Act of 2013 (Chaffetz, R-UT)

Order of Business: The legislation is scheduled to be considered on April 15, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: H.R. 882 states it is the policy of the United States that no government contracts or grants should be awarded to individuals or companies with seriously delinquent federal tax debts. The legislation defines seriously delinquent tax debt as outstanding tax debt for which a notice of lien has been filed. However, this does not apply to tax debt that is being paid in a timely manner or as part of a collection process.

The legislation directs the heads of executive agencies that issue contracts, or grants, to require each person/partnership/corporation submitting a bid to also certify that they do not have a serious delinquent tax debt. Each contract applicant must also authorize the Secretary of the Treasury to disclose to the agency information as to whether the person has a seriously delinquent tax debt.

In cases when the contract applicant is found to have seriously delinquent federal tax debts, that applicant shall not be considered a responsible source, and shall be disqualified from receiving a contract. If agency head waives this requirement, they are required to submit a report to Congress within 30 of the waiver.

The legislation shall apply to contracts and grants that are awarded on or after 270 days after enactment.

Committee Action: H.R. 882 was introduced on February 28, 2013, and was referred to the House Oversight and Government Reform Committee. The committee held a [markup on March 20, 2013](#), and reported the legislation by voice vote.

Administration Position: No Statement of Administration Policy (SAP) is available.

Cost to Taxpayers: CBO estimates that implementing H.R. 882 would increase administrative costs government-wide by less than \$500,000 annually, assuming the availability of appropriated funds. CBO's full report can be [viewed here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, H.R. 882 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The legislation contains no earmarks, limited tax benefits, or limited tariff benefits.

Constitutional Authority: According the sponsor, "Congress has the power to enact this legislation pursuant to the following: Clause 1 of Section 8 of Article I, To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States; Clause 2 of Section 8 of Article I, To borrow Money on the credit of the United States; Clause 18 of Section 8 of Article I, To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution

in the Government of the United States or in any Department or Officer thereof.” Rep. Chaffetz’s statement in the Congressional Record can be [viewed here](#).

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H.R. 1246 - District of Columbia CFO Vacancy Act, as amended *(Del. Norton, D-DC)*

Order of Business: The legislation is scheduled to be considered on April 15, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: The legislation authorizes the Treasurer of the District of Columbia (DC) to serve as the Chief Financial Officer (CFO) of DC, in an acting capacity, when there is a vacancy because the CFO has died, resigned, or is otherwise unable to perform the duties of the office.

The legislation also authorizes the Mayor of DC to appoint one of the Deputy CFOs to the position of acting CFO. Acting CFOs may serve the position for 210 days, beginning on the date the vacancy occurs.

The legislation applies to vacancies occurring on or after the date of enactment.

Additional Information: The current CFO of DC, Natwar M. Gandhi, announced his resignation earlier this year. He has served as DC’s CFO for 13 years and his tenure is marked by scandals involving alleged [embezzlement by employees](#), a Securities and Exchange Commission inquiry, and an investigation by a federal grand jury.

DC Mayor Gray credits Mr. Gandhi for helping build DC’s current \$1.5 billion fund balance. Reportedly, DC finished FY 2012 with a [\\$417 million budget surplus](#). This occurs at the same that Congress subsidizes DC by more than \$200 million every fiscal year. The Congress has already relieved the District of the majority of the cost their budget. The federal government currently covers a significant portion of DC’s criminal justice, Medicaid, pension, and education expenses.

According to CBO, the proposed trade-off for assuming responsibility for those functions was ending other assistance, including the annual federal payment. Eliminating general assistance would be consistent with that policy. CBO suggested eliminating general fiscal assistance to DC as part of their [2009 Budget Options](#). With a \$1.5 billion balance, and with finishing FY 2012 with a \$417 million budget surplus, DC is clearly not in need of this special handout from Congress.

Committee Action: H.R. 1246 was introduced on March 19, 2013, and was referred to the House Oversight and Government Reform Committee. The committee held a [markup on March 20, 2013](#), and reported the legislation by voice vote, without amendment.

Administration Position: No Statement of Administration Policy (SAP) is available.

Cost to Taxpayers: CBO estimates that enacting H.R. 1246 would have no effect on the federal budget. CBO’s full report can be [viewed here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, H.R. 1246 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The legislation contains no earmarks, limited tax benefits, or limited tariff benefits.

Constitutional Authority: According the sponsor, “Congress has the power to enact this legislation pursuant to the following: clause 17 of section 8 of article I of the Constitution.” Del. Norton’s statement in the Congressional Record can be viewed here.

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