

## INSPECTOR GENERAL ACT OF 1978

Pub. L. 95-452, Oct. 12, 1978, 92 Stat. 1101, as amended by Pub. L. 96-88, title V, § 508(n), Oct. 17, 1979, 93 Stat. 694; Pub. L. 97-113, title VII, § 705(a)(1)-(3), Dec. 29, 1981, 95 Stat. 1544; Pub. L. 97-252, title XI, § 1117(a)-(c), Sept. 8, 1982, 96 Stat. 750-752; Pub. L. 99-93, title I, § 150(a), Aug. 16, 1985, 99 Stat. 427; Pub. L. 99-399, title IV, § 412(a), Aug. 27, 1986, 100 Stat. 867; Pub. L. 100-504, title I, §§ 102(a)-(d), (f), (g), 104(a), 105-107, 109, 110, Oct. 18, 1988, 102 Stat. 2515-2529; Pub. L. 100-527, § 13(h), Oct. 25, 1988, 102 Stat. 2643; Pub. L. 101-73, title V, § 501(b)(1), title VII, § 702(c), Aug. 9, 1989, 103 Stat. 393, 415; Pub. L. 102-233, title III, § 315(a), Dec. 12, 1991, 105 Stat. 1772; Pub. L. 103-82, title II, § 202(g)(1), (2)(A), (3)(A), (4), (5), Sept. 21, 1993, 107 Stat. 889, 890; Pub. L. 103-204, § 23(a), Dec. 17, 1993, 107 Stat. 2407; Pub. L. 103-296, title I, § 108(l), Aug. 15, 1994, 108 Stat. 1488; Pub. L. 103-325, title I, § 118(a), Sept. 23, 1994, 108 Stat. 2188; Pub. L. 104-88, title III, § 319, Dec. 29, 1995, 109 Stat. 949; Pub. L. 104-106, div. A, title XV, § 1502(f)(6), div. D, title XLIII, § 4322(b)(1), (3), Feb. 10, 1996, 110 Stat. 510, 677; Pub. L. 104-208, div. A, title I, § 101(f) [title VI, § 662(b), title VIII, § 805(c)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-379, 3009-393; Pub. L. 105-134, title IV, § 409(a)(1), Dec. 2, 1997, 111 Stat. 2586

### § 1. Short title

This Act be cited as the “Inspector General Act of 1978”.

(Pub. L. 95-452, § 1, Oct. 12, 1978, 92 Stat. 1101.)

#### SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100-504, title I, § 101, Oct. 18, 1988, 102 Stat. 2515, provided that: “This title [enacting sections 8B-8F of Pub. L. 95-452, set out in this Appendix, amending sections 2, 4-6, 8, 9, and 11 of Pub. L. 95-452, set out in this Appendix, sections 5315 and 5316 of this title, sections 405 and 1105 of Title 31, Money and Finance, and section 410 of Title 39, Postal Service, repealing sections 3521-3527 and 7138 of Title 42, The Public Health and Welfare, and section 231v of Title 45, Railroads, and enacting provisions set out as notes under sections 1, 5, 8D, 8E, and 9 of Pub. L. 95-452, set out in this Appendix] may be cited as the ‘Inspector General Act Amendments of 1988.’”

#### PAYMENT AUTHORITY SUBJECT TO APPROPRIATIONS

Pub. L. 100-504, title I, § 112, Oct. 18, 1988, 102 Stat. 2530, provided that: “Any authority to make payments under this title [see Short Title of 1988 Amendment note above] shall be effective only to such extent as provided in appropriations Acts.”

#### ACT REFERRED TO IN OTHER SECTIONS

The Inspector General Act of 1978 is referred to in title 2 section 1602; title 7 section 6911; title 10 sections 133, 141, 1034, 2409, 3020, 5020, 8020; title 20 sections 761, 1082, 3412, 3422; title 22 sections 2593, 3929, 4861, 6207; title 29 sections 49h, 1574, 1575; title 31 sections 902, 3521, 3801, 3808, 9105; title 38 sections 312, 7366; title 39 section 410; title 41 sections 265, 422; title 42 sections 1320a-7a, 1320a-7c, 9651, 12651e; title 48 sections 1422d, 1599, 1668, 1681b.

### § 2. Purpose and establishment of Offices of Inspector General; departments and agencies involved

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 section 11(2);

(2) to provide leadership and coordination and recommend policies for activities designed (A) to promote economy, efficiency, and effectiveness in the administration of, and (B) to prevent and detect fraud and abuse in, such programs and operations; and

(3) to provide a means for keeping the head of the establishment and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action;

there is hereby established in each of such establishments an office of Inspector General.

(Pub. L. 95-452, § 2, Oct. 12, 1978, 92 Stat. 1101; Pub. L. 96-88, title V, § 508(n)(1), Oct. 17, 1979, 93 Stat. 694; Pub. L. 97-113, title VII, § 705(a)(1), Dec. 29, 1981, 95 Stat. 1544; Pub. L. 97-252, title XI, § 1117(a)(1), Sept. 8, 1982, 96 Stat. 750; Pub. L. 99-93, title I, § 150(a)(1), Aug. 16, 1985, 99 Stat. 427; Pub. L. 99-399, title IV, § 412(a)(1), Aug. 27, 1986, 100 Stat. 867; Pub. L. 100-504, title I, § 102(a), (b), Oct. 18, 1988, 102 Stat. 2515; Pub. L. 100-527, § 13(h)(1), Oct. 25, 1988, 102 Stat. 2643.)

#### CODIFICATION

Amendment by Pub. L. 100-527 amended section as it existed prior to amendment by Pub. L. 100-504, see Effective Date of 1988 Amendments note below.

#### AMENDMENTS

1988—Pub. L. 100-504 substituted “there” for “thereby” in concluding provisions and amended par. (1) generally. Prior to amendment, par. (1), as amended by Pub. L. 100-527, read as follows: “to conduct and supervise audits and investigations relating to programs and operations of the Department of Agriculture, the Department of Commerce, the Department of Defense, the Department of Education, the Department of Housing and Urban Development, the Department of the Interior, the Department of Labor, the Department of Transportation, the Department of Veterans Affairs, the Agency for International Development, the Community Services Administration, the Environmental Protection Agency, the General Services Administration, the National Aeronautics and Space Administration, the Small Business Administration, the United

States Information Agency, and the Department of State.”

Par. (1). Pub. L. 100-527 inserted “the Department of Veterans Affairs,” and struck out “the Veterans’ Administration,” after “United States Information Agency.” See Codification note above.

1986—Par. (1). Pub. L. 99-399 inserted “the United States Information Agency.”

1985—Par. (1). Pub. L. 99-93 inserted reference to the Department of State.

1982—Par. (1). Pub. L. 97-252, § 1117(a)(1), inserted “the Department of Defense.”

1981—Par. (1). Pub. L. 97-113 inserted “the Agency for International Development.”

1979—Par. (1). Pub. L. 96-44 inserted “the Department of Education.”

#### EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100-527 effective Mar. 15, 1989, see section 18(a) of Pub. L. 100-527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans’ Benefits.

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

#### EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-88 effective May 4, 1980, with specified exceptions, see section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of Title 20, Education.

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 22 section 4861; title 42 section 8262f.

### § 3. Appointment of Inspector General; supervision; removal; political activities; appointment of Assistant Inspector General for Auditing and Assistant Inspector General for Investigations

(a) There shall be at the head of each Office an Inspector General who shall be appointed by the President, by and with the advice and consent of the Senate, 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. Each Inspector General shall report to and be under the general supervision of the head of the establishment involved or, to the extent such authority is delegated, the officer next in rank below such head, but shall not report to, or be subject to supervision by, any other officer of such establishment. Neither the head of the establishment nor the officer next in rank below such head shall prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation.

(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.

(c) For the purposes of section 7324 of title 5, United States Code, no Inspector General shall be considered to be an employee who determines policies to be pursued by the United States in the nationwide administration of Federal laws.

(d) Each Inspector General shall, in accordance with applicable laws and regulations governing the civil service—

(1) appoint an Assistant Inspector General for Auditing who shall have the responsibility for supervising the performance of auditing activities relating to programs and operations of the establishment, and

(2) appoint an Assistant Inspector General for Investigations who shall have the responsibility for supervising the performance of investigative activities relating to such programs and operations.

(Pub. L. 95-452, § 3, Oct. 12, 1978, 92 Stat. 1101.)

#### TRANSITIONAL PROVISIONS RELATING TO APPOINTMENT OF INSPECTOR GENERAL OF FEDERAL DEPOSIT INSURANCE CORPORATION

Pub. L. 103-204, § 23(c), Dec. 17, 1993, 107 Stat. 2408, provided that:

“(1) CURRENT SERVICE.—Except as otherwise provided by law, the individual serving as the Inspector General of the Federal Deposit Insurance Corporation before the date of enactment of this Act [Dec. 17, 1993] may continue to serve in such position until the earlier of—

“(A) the date on which the President appoints a successor under section 3(a) of the Inspector General Act of 1978 [subsec. (a) of this section]; or

“(B) the date which is 6 months after the date of enactment of this Act.

“(2) DEFINITION.—For purposes of paragraph (1), the term ‘successor’ may include the individual holding the position of Inspector General of the Federal Deposit Insurance Corporation on or after the date of enactment of this Act.”

#### EX. ORD. NO. 12993. ADMINISTRATIVE ALLEGATIONS AGAINST INSPECTORS GENERAL

Ex. Ord. No. 12993, Mar. 21, 1996, 61 F.R. 13043, provided:

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 [31 U.S.C. 501 note].

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.

(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 [sic] 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 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.

WILLIAM J. CLINTON.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 10 section 141; title 12 section 1441a; title 41 section 254d; title 42 section 902.

**§ 4. Duties and responsibilities; report of criminal violations to Attorney General**

(a) It shall be the duty and responsibility of each Inspector General, with respect to the establishment within which his Office is established—

(1) to provide policy direction for and to conduct, supervise, and coordinate audits and investigations relating to the programs and operations of such establishment;

(2) to review existing and proposed legislation and regulations relating to programs and operations of such establishment and to make recommendations in the semiannual reports required by section 5(a) concerning the impact of such legislation or regulations on the economy and efficiency in the administration of programs and operations administered or financed by such establishment or the preven-

tion and detection of fraud and abuse in such programs and operations;

(3) to recommend policies for, and to conduct, supervise, or coordinate other activities carried out or financed by such establishment for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations;

(4) to recommend policies for, and to conduct, supervise, or coordinate relationships between such establishment and other Federal agencies, State and local governmental agencies, and nongovernmental entities with respect to (A) all matters relating to the promotion of economy and efficiency in the administration of, or the prevention and detection of fraud and abuse in, programs and operations administered or financed by such establishment, or (B) the identification and prosecution of participants in such fraud or abuse; and

(5) to keep the head of such establishment and the Congress fully and currently informed, by means of the reports required by section 5 and otherwise, concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations administered or financed by such establishment, to recommend corrective action concerning such problems, abuses, and deficiencies, and to report on the progress made in implementing such corrective action.

(b)(1) In carrying out the responsibilities specified in subsection (a)(1), each Inspector General shall—

(A) comply with standards established by the Comptroller General of the United States for audits of Federal establishments, organizations, programs, activities, and functions;

(B) establish guidelines for determining when it shall be appropriate to use non-Federal auditors; and

(C) take appropriate steps to assure that any work performed by non-Federal auditors complies with the standards established by the Comptroller General as described in paragraph (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 section 11(2), Offices of Inspector General of designated Federal entities defined under section 8F(a)(2),<sup>1</sup> and any audit office established within a Federal entity defined under section 8F(a)(1),<sup>1</sup> 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 section 11(2), or the Office of Inspector General of each designated Federal entity defined under section 8F(a)(2).<sup>1</sup>

(c) In carrying out the duties and responsibilities established under this Act, each Inspector General shall give particular regard to the ac-

tivities of the Comptroller General of the United States with a view toward avoiding duplication and insuring effective coordination and cooperation.

(d) In carrying out the duties and responsibilities established under this Act, each Inspector General shall report expeditiously to the Attorney General whenever the Inspector General has reasonable grounds to believe there has been a violation of Federal criminal law.

(Pub. L. 95-452, § 4, Oct. 12, 1978, 92 Stat. 1102; Pub. L. 100-504, title I, § 109, Oct. 18, 1988, 102 Stat. 2529; Pub. L. 103-82, title II, § 202(g)(5)(A), Sept. 21, 1993, 107 Stat. 890.)

#### REFERENCES IN TEXT

Section 8F, referred to in subsec. (b)(2), which related to requirements for Federal entities and designated Federal entities, was renumbered section 8G by Pub. L. 103-204, § 23(a)(3), Dec. 17, 1993, 107 Stat. 2408.

#### AMENDMENTS

1993—Subsec. (b)(2). Pub. L. 103-82 substituted “section 8F(a)(2), and any” for “section 8E(a)(2), and any”, “section 8F(a)(1)” for “section 8E(a)(1)”, and “section 8F(a)(2)” for “section 8E(a)(2).”

1988—Subsec. (b). Pub. L. 100-504 designated existing provisions as par. (1), redesignated pars. (1) to (3) as subpars. (A) to (C), respectively, and added par. (2).

#### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-82 effective Oct. 1, 1993, see section 202(i) of Pub. L. 103-82, set out as an Effective Date note under section 12651 of Title 42, The Public Health and Welfare.

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 38 section 7366; title 44 section 3903.

### § 5. Semiannual reports; transmittal to Congress; availability to public; immediate report on serious or flagrant problems; disclosure of information; definitions

(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) a description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of such establishment disclosed by such activities during the reporting period;

(2) a description of the recommendations for corrective action made by the Office during the reporting period with respect to significant problems, abuses, or deficiencies identified pursuant to paragraph (1);

(3) an identification of each significant recommendation described in previous semiannual reports on which corrective action has not been completed;

(4) a summary of matters referred to prosecutive authorities and the prosecutions and convictions which have resulted;

<sup>1</sup> See References in Text note below.

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

(6) a listing, subdivided according to subject matter, of each audit report issued by the Office during the reporting period and for each audit 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;

(7) a summary of each particularly significant report;

(8) statistical tables showing the total number of audit reports and the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs), for audit reports—

(A) for which no management decision had been made by the commencement of the reporting period;

(B) which were issued during the reporting period;

(C) for which a management decision was made during the reporting period, including—

(i) the dollar value of disallowed costs; and

(ii) the dollar value of costs not disallowed; and

(D) for which no management decision has been made by the end of the reporting period;

(9) statistical tables showing the total number of audit reports and the dollar value of recommendations that funds be put to better use by management, for audit reports—

(A) for which no management decision had been made by the commencement of the reporting period;

(B) which were issued during the reporting period;

(C) for which a management decision was made during the reporting period, including—

(i) the dollar value of recommendations that were agreed to by management; and

(ii) the dollar value of recommendations that were not agreed to by management; and

(D) for which no management decision has been made by the end of the reporting period;

(10) a summary of each audit 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;

(11) a description and explanation of the reasons for any significant revised management decision made during the reporting period;

(12) information concerning any significant management decision with which the Inspector General is in disagreement; and

(13) the information described under section 05(b)<sup>1</sup> of the Federal Financial Management Improvement Act of 1996.

(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 and the dollar value of disallowed costs, for audit reports—

(A) for which final action had not been taken by the commencement of the reporting period;

(B) on which management decisions were made during the reporting period;

(C) for which final action was taken during the reporting period, including—

(i) the dollar value of disallowed costs that were recovered by management through collection, offset, property in lieu of cash, or otherwise; and

(ii) the dollar value of disallowed costs that were written off by management; and

(D) for which no final action has been taken by the end of the reporting period;

(3) statistical tables showing the total number of audit reports and the dollar value of recommendations that funds be put to better use by management agreed to in a management decision, for audit reports—

(A) for which final action had not been taken by the commencement of the reporting period;

(B) on which management decisions were made during the reporting period;

(C) for which final action was taken during the reporting period, including—

(i) the dollar value of recommendations that were actually completed; and

(ii) the dollar value of recommendations that management has subsequently concluded should not or could not be implemented or completed; and

(D) for which no final action has been taken by the end of the reporting period; and

(4) a statement with respect to audit reports on which management decisions have been made but final action has not been taken, other than audit reports on which a management decision was made within the preceding year, containing—

(A) a list of such audit reports and the date each such report was issued;

(B) the dollar value of disallowed costs for each report;

(C) the dollar value of recommendations that funds be put to better use agreed to by management for each report; and

(D) an explanation of the reasons final action has not been taken with respect to each such audit report.

<sup>1</sup> See References in Text note below.

except that such statement may exclude such audit reports that are under formal administrative or judicial appeal or upon which management of an establishment has agreed to pursue a legislative solution, but shall identify the number of reports in each category so excluded.

(c) Within sixty days of the transmission of the semiannual reports of each Inspector General to the Congress, the head of each establishment shall make copies of such report available to the public upon request and at a reasonable cost. Within 60 days after the transmission of the semiannual reports of each establishment head to the Congress, the head of each establishment shall make copies of such report available to the public upon request and at a reasonable cost.

(d) Each Inspector General shall report immediately to the head of the establishment involved whenever the Inspector General becomes aware of particularly serious or flagrant problems, abuses, or deficiencies relating to the administration of programs and operations of such establishment. The head of the establishment shall transmit any such report to the appropriate committees or subcommittees of Congress within seven calendar days, together with a report by the head of the establishment containing any comments such head deems appropriate.

(e)(1) Nothing in this section shall be construed to authorize the public disclosure of information which is—

(A) specifically prohibited from disclosure by any other provision of law;

(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

(C) a part of an ongoing criminal investigation.

(2) Notwithstanding paragraph (1)(C), any report under this section may be disclosed to the public in a form which includes information with respect to a part of an ongoing criminal investigation if such information has been included in a public record.

(3) Except to the extent and in the manner provided under section 6103(f) of the Internal Revenue Code of 1986 [26 U.S.C. 6103(f)], nothing in this section or in any other provision of this Act shall be construed to authorize or permit the withholding of information from the Congress, or from any committee or subcommittee thereof.

(f) As used in this section—

(1) the term “questioned cost” means a cost that is questioned by the Office because of—

(A) an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds;

(B) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or

(C) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable;

(2) the term “unsupported cost” means a cost that is questioned by the Office because

the Office found that, at the time of the audit, such cost is not supported by adequate documentation;

(3) the term “disallowed cost” means a questioned cost that management, in a management decision, has sustained or agreed should not be charged to the Government;

(4) the term “recommendation that funds be put to better use” means a recommendation by the Office that funds could be used more efficiently if management of an establishment took actions to implement and complete the recommendation, including—

(A) reductions in outlays;

(B) deobligation of funds from programs or operations;

(C) withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds;

(D) costs not incurred by implementing recommended improvements related to the operations of the establishment, a contractor or grantee;

(E) avoidance of unnecessary expenditures noted in preaward reviews of contract or grant agreements; or

(F) any other savings which are specifically identified;

(5) the term “management decision” means the evaluation by the management of an establishment of the findings and recommendations included in an audit report and the issuance of a final decision by management concerning its response to such findings and recommendations, including actions concluded to be necessary; and

(6) the term “final action” means—

(A) the completion of all actions that the management of an establishment has concluded, in its management decision, are necessary with respect to the findings and recommendations included in an audit report; and

(B) in the event that the management of an establishment concludes no action is necessary, final action occurs when a management decision has been made.

(Pub. L. 95-452, § 5, Oct. 12, 1978, 92 Stat. 1103; Pub. L. 97-252, title XI, § 1117(c), Sept. 8, 1982, 96 Stat. 752; Pub. L. 100-504, title I, §§ 102(g), 106, Oct. 18, 1988, 102 Stat. 2521, 2525; Pub. L. 104-208, div. A, title I, § 101(f) [title VIII, § 805(c)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-393.)

#### REFERENCES IN TEXT

Section 05(b) of the Federal Financial Management Improvement Act of 1996, referred to in subsec. (a)(13), probably means section 101(f) [title VIII, § 804(b)] of title I of Pub. L. 104-208, Sept. 30, 1996, 110 Stat. 3009-314, 3009-392, which relates to reports by the Inspector General, and is set out in a note under section 3512 of Title 31, Money and Finance.

#### AMENDMENTS

1996—Subsec. (a)(13). Pub. L. 104-208 added par. (13).

1988—Subsec. (a)(6) to (12). Pub. L. 100-504, § 106(a), added pars. (6) to (12), and struck out former par. (6) which read as follows: “a listing of each audit report completed by the Office during the reporting period.”

Subsec. (b). Pub. L. 100-504, § 106(b), substituted “head of the establishment containing—” and pars. (1) to (4) for “head of the establishment containing any comments such head deems appropriate.”

Subsec. (c). Pub. L. 100-504, §106(c), inserted at end “Within 60 days after the transmission of the semi-annual reports of each establishment head to the Congress, the head of each establishment shall make copies of such report available to the public upon request and at a reasonable cost.”

Subsec. (e)(3). Pub. L. 100-504, §102(g), substituted “Except to the extent and in the manner provided under section 6103(f) of the Internal Revenue Code of 1986, nothing” for “Nothing”.

Subsec. (f). Pub. L. 100-504, §106(d), added subsec. (f). 1982—Subsec. (e). Pub. L. 97-252 added subsec. (e).

#### EFFECTIVE DATE OF 1988 AMENDMENT

Section 113 of title I of Pub. L. 100-504 provided that: “This title and the amendments made by this title [enacting sections 8B-8F of Pub. L. 95-452, set out in this Appendix, amending sections 2, 4-6, 8, 9, and 11 of Pub. L. 95-452, set out in this Appendix, sections 5315 and 5316 of this title, sections 405 and 1105 of Title 31, Money and Finance, and section 410 of Title 39, Postal Service, repealing sections 3521-3527 and 7138 of Title 42, The Public Health and Welfare, and section 231v of Title 45, Railroads, and enacting provisions set out as notes under sections 1, 8D, 8E, and 9 of Pub. L. 95-452, set out in this Appendix] shall take effect 180 days after the date of the enactment of this title [Oct. 18, 1988], except that section 5(a)(6) through (12) of the Inspector General Act of 1978 (as amended by section 106(a) of this title) and section 5(b)(1) through (4) of the Inspector General Act of 1978 (as amended by section 106(b) of this title) shall take effect 1 year after the date of the enactment of this title.”

#### PROMPT MANAGEMENT DECISIONS AND IMPLEMENTATION OF AUDIT RECOMMENDATIONS

Pub. L. 103-355, title VI, §6009, Oct. 13, 1994, 108 Stat. 3367, as amended by Pub. L. 104-106, div. A, title VIII, §810, Feb. 10, 1996, 110 Stat. 394, provided that:

“(a) MANAGEMENT DECISIONS.—(1) The head of a Federal agency shall make management decisions on all findings and recommendations set forth in an audit report of the inspector general of the agency within a maximum of six months after the issuance of the report.

“(2) The head of a Federal agency shall make management decisions on all findings and recommendations set forth in an audit report of any auditor from outside the Federal Government within a maximum of six months after the date on which the head of the agency receives the report.

“(b) COMPLETION OF FINAL ACTION.—The head of a Federal agency shall complete final action on each management decision required with regard to a recommendation in an inspector general’s report under subsection (a)(1) within 12 months after the date of the inspector general’s report. If the head of the agency fails to complete final action with regard to a management decision within the 12-month period, the inspector general concerned shall identify the matter in each of the inspector general’s semiannual reports pursuant to section 5(a)(3) of the Inspector General Act of 1978 (5 U.S.C. App.) until final action on the management decision is completed.”

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 39 section 3013; title 42 section 1320a-7d; title 44 section 3903.

### § 6. Authority of Inspector General; information and assistance from Federal agencies; unreasonable refusal; office space and equipment

(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) to have access to all records, reports, audits, reviews, documents, papers, recommenda-

tions, or other material available to the applicable establishment which relate to programs and operations with respect to which that Inspector General has responsibilities under this Act;

(2) to make such investigations and reports relating to the administration of the programs and operations of the applicable establishment as are, in the judgment of the Inspector General, necessary or desirable;

(3) to request such information or assistance as may be necessary for carrying out the duties and responsibilities provided by this Act from any Federal, State, or local governmental agency or unit thereof;

(4) to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data 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;

(5) to administer to or take from any person an oath, affirmation, or affidavit, whenever necessary in the performance of the functions assigned by this Act, which oath, affirmation, or affidavit when administered or taken by or before an employee of an Office of Inspector General designated by the Inspector General shall have the same force and effect as if administered or taken by or before an officer having a seal;

(6) to have direct and prompt access to the head of the establishment involved when necessary for any purpose pertaining to the performance of functions and responsibilities under this Act;

(7) to select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office 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;

(8) to obtain services as authorized by section 3109 of title 5, United States Code, at daily rates not to exceed the equivalent rate prescribed for grade GS-18 of the General Schedule by section 5332 of title 5, United States Code; and

(9) to the extent and in such amounts as may be provided in advance by appropriations Acts, to enter into contracts and other arrangements for audits, studies, analyses, and other services with public agencies and with private persons, and to make such payments as may be necessary to carry out the provisions of this Act.

(b)(1) Upon request of an Inspector General for information or assistance under subsection (a)(3), the head of any Federal agency involved shall, insofar as is practicable and not in contravention of any existing statutory restriction or regulation of the Federal agency from which

the information is requested, furnish to such Inspector General, or to an authorized designee, such information or assistance.

(2) Whenever information or assistance requested under subsection (a)(1) or (a)(3) is, in the judgment of an Inspector General, unreasonably refused or not provided, the Inspector General shall report the circumstances to the head of the establishment involved without delay.

(c) Each head of an establishment shall provide the Office within such establishment with appropriate and adequate office space at central and field office locations of such establishment, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of such offices, and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.

(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.

(Pub. L. 95-452, § 6, Oct. 12, 1978, 92 Stat. 1104; Pub. L. 100-504, title I, §§ 107, 110(a), Oct. 18, 1988, 102 Stat. 2528, 2529.)

#### AMENDMENTS

1988—Subsec. (a)(5) to (9). Pub. L. 100-504, § 107, added par. (5) and redesignated former pars. (5) to (8) as (6) to (9), respectively.

Subsec. (d). Pub. L. 100-504, § 110(a), added subsec. (d).

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

#### REFERENCES IN OTHER LAWS TO GS-16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS-16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of this title, see section 529 [title I, § 101(c)(1)] of Pub. L. 101-509, set out in a note under section 5376 of this title.

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 7 section 2270; title 20 section 1082; title 22 section 3929; title 38 section 7366; title 42 section 1320a-7c; title 44 section 3903.

### § 7. Complaints by employees; disclosure of identity; reprisals

(a) The Inspector General may receive and investigate complaints or information from an employee of the establishment concerning the possible existence of an activity constituting a violation of law, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority or a substantial and specific danger to the public health and safety.

(b) The Inspector General shall not, after receipt of a complaint or information from an employee, disclose the identity of the employee without the consent of the employee, unless the

Inspector General determines such disclosure is unavoidable during the course of the investigation.

(c) Any employee who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority, take or threaten to take any action against any employee as a reprisal for making a complaint or disclosing information to an Inspector General, unless the complaint was made or the information disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

(Pub. L. 95-452, § 7, Oct. 12, 1978, 92 Stat. 1105.)

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 657; title 44 section 3903.

### § 8. Additional provisions with respect to the Inspector General of the Department of Defense

(a) No member of the Armed Forces, active or reserve, shall be appointed Inspector General of the Department of Defense.

(b)(1) Notwithstanding the last two sentences of section 3(a), the Inspector General shall be under the authority, direction, and control of the Secretary of Defense with respect to audits or investigations, or the issuance of subpoenas, which require access to information concerning—

(A) sensitive operational plans;

(B) intelligence matters;

(C) counterintelligence matters;

(D) ongoing criminal investigations by other administrative units of the Department of Defense related to national security; or

(E) other matters the disclosure of which would constitute a serious threat to national security.

(2) With respect to the information described in paragraph (1) the Secretary of Defense may prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena, after the Inspector General has decided to initiate, carry out or complete such audit or investigation or to issue such subpoena, if the Secretary determines that such prohibition is necessary to preserve the national security interests of the United States.

(3) If the Secretary of Defense exercises any power under paragraph (1) or (2), the Inspector General shall submit a statement concerning such exercise within thirty days to the Committees on Armed Services and Governmental Affairs of the Senate and the Committee on National Security and the Committee on Government Reform and Oversight of the House of Representatives and to other appropriate committees or subcommittees of the Congress.

(4) The Secretary shall, within thirty days after submission of a statement under paragraph (3), transmit a statement of the reasons for the exercise of power under paragraph (1) or (2) to the congressional committees specified in paragraph (3) and to other appropriate committees or subcommittees.

(c) In addition to the other duties and responsibilities specified in this Act, the Inspector General of the Department of Defense shall—

(1) be the principal adviser to the Secretary of Defense for matters relating to the prevention and detection of fraud, waste, and abuse in the programs and operations of the Department;

(2) initiate, conduct, and supervise such audits and investigations in the Department of Defense (including the military departments) as the Inspector General considers appropriate;

(3) provide policy direction for audits and investigations relating to fraud, waste, and abuse and program effectiveness;

(4) investigate fraud, waste, and abuse uncovered as a result of other contract and internal audits, as the Inspector General considers appropriate;

(5) develop policy, monitor and evaluate program performance, and provide guidance with respect to all Department activities relating to criminal investigation programs;

(6) monitor and evaluate the adherence of Department auditors to internal audit, contract audit, and internal review principles, policies, and procedures;

(7) develop policy, evaluate program performance, and monitor actions taken by all components of the Department in response to contract audits, internal audits, internal review reports, and audits conducted by the Comptroller General of the United States;

(8) request assistance as needed from other audit, inspection, and investigative units of the Department of Defense (including military departments); and

(9) give particular regard to the activities of the internal audit, inspection, and investigative units of the military departments with a view toward avoiding duplication and insuring effective coordination and cooperation.

(d) Notwithstanding section 4(d), the Inspector General of the Department of Defense shall expeditiously report suspected or alleged violations of chapter 47 of title 10, United States Code (Uniform Code of Military Justice), to the Secretary of the military department concerned or the Secretary of Defense.

(e) For the purposes of section 7, a member of the Armed Forces shall be deemed to be an employee of the Department of Defense, except that, when the Coast Guard operates as a service of another department or agency of the Federal Government, a member of the Coast Guard shall be deemed to be an employee of such department or agency.

(f)(1) Each semiannual report prepared by the Inspector General of the Department of Defense under section 5(a) shall include information concerning the numbers and types of contract audits conducted by the Department during the reporting period. Each such report shall be transmitted by the Secretary of Defense to the Committees on Armed Services and Governmental Affairs of the Senate and the Committee on National Security and the Committee on Government Reform and Oversight of the House of Representatives and to other appropriate committees or subcommittees of the Congress.

(2) Any report required to be transmitted by the Secretary of Defense to the appropriate committees or subcommittees of the Congress

under section 5(d) shall also be transmitted, within the seven-day period specified in such section, to the congressional committees specified in paragraph (1).

(g) The provisions of section 1385 of title 18, United States Code, shall not apply to audits and investigations conducted by, under the direction of, or at the request of the Inspector General of the Department of Defense to carry out the purposes of this Act.

(Pub. L. 95-452, § 8, Oct. 12, 1978, 92 Stat. 1105; Pub. L. 97-252, title XI, § 1117(b), Sept. 8, 1982, 96 Stat. 751; Pub. L. 100-504, title I, § 110(b), Oct. 18, 1988, 102 Stat. 2529; Pub. L. 104-106, div. A, title XV, § 1502(f)(6), Feb. 10, 1996, 110 Stat. 510.)

#### AMENDMENTS

1996—Subsec. (b)(3). Pub. L. 104-106, § 1502(f)(6)(A), substituted “Committee on National Security and the Committee on Government Reform and Oversight” for “Committees on Armed Services and Government Operations”.

Subsec. (b)(4). Pub. L. 104-106, § 1502(f)(6)(B), substituted “congressional committees specified in paragraph (3)” for “Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives”.

Subsec. (f)(1). Pub. L. 104-106, § 1502(f)(6)(C), substituted “Committee on National Security and the Committee on Government Reform and Oversight” for “Committees on Armed Services and Government Operations”.

Subsec. (f)(2). Pub. L. 104-106, § 1502(f)(6)(D), substituted “congressional committees specified in paragraph (1)” for “Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives”.

1988—Subsec. (e). Pub. L. 100-504 inserted provision at end that when Coast Guard operates as service of another department or agency of Federal Government, member of Coast Guard shall be deemed employee of such department or agency.

1982—Pub. L. 97-252 amended section generally, substituting additional provisions relating to the Inspector General of the Department of Defense for provisions relating to semiannual reports of Secretary of Defense on audit, investigative, and inspection units of Defense Department, availability of such reports to the public, exclusion of national security material, delegation of the Secretary's duties, submittal of proposed legislation, the establishment of a task force to study operation of audit, investigative and inspection units, membership in the task force, and the submission of a comprehensive report by the task force to the Secretary of Defense and Director of Office of Management and Budget, who were to submit a final report to Congress not later than April 1, 1980.

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

### § 8A. Special provisions relating to the Agency for International Development

(a) In addition to the other duties and responsibilities specified in this Act, the Inspector General of the Agency for International Development—

(1) shall supervise, direct, and control all security activities relating to the programs and operations of that Agency, subject to the su-

pervision of the Administrator of that Agency; and

(2) to the extent requested by the Director of the United States International Development Cooperation Agency (after consultation with the Administrator of the Agency for International Development), shall supervise, direct, and control all audit, investigative, and security activities relating to programs and operations within the United States International Development Cooperation Agency.

(b) In addition to the Assistant Inspector Generals provided for in section 3(d) of this Act, the Inspector General of the Agency for International Development shall, in accordance with applicable laws and regulations governing the civil service, appoint an Assistant Inspector General for Security who shall have the responsibility for supervising the performance of security activities relating to programs and operations of the Agency for International Development.

(c) The semiannual reports required to be submitted to the Administrator of the Agency for International Development pursuant to section 5(b) of this Act shall also be submitted to the Director of the United States International Development Cooperation Agency.

(d) In addition to the officers and employees provided for in section 6(a)(6) of this Act, members of the Foreign Service may, at the request of the Inspector General of the Agency for International Development, be assigned as employees of the Inspector General. Members of the Foreign Service so assigned shall be responsible solely to the Inspector General, and the Inspector General (or his or her designee) shall prepare the performance evaluation reports for such members.

(e) In establishing and staffing field offices pursuant to section 6(c) of this Act, the Administrator of the Agency for International Development shall not be bound by overseas personnel ceilings established under the Monitoring Overseas Direct Employment policy.

(f) The reference in section 7(a) of this Act to an employee of the establishment shall, with respect to the Inspector General of the Agency for International Development, be construed to include an employee of or under the United States International Development Cooperation Agency.

(g) The Inspector General of the Agency for International Development shall be in addition to the officers provided for in section 624(a) of the Foreign Assistance Act of 1961 [22 U.S.C. 2384(a)].

(h) As used in this Act, the term “Agency for International Development” includes any successor agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 [22 U.S.C. 2151 et seq.].

(Pub. L. 95-452, § 8A, as added Pub. L. 97-113, title VII, § 705(a)(3), Dec. 29, 1981, 95 Stat. 1544.)

#### REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (h), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Part I of the Foreign Assistance Act of 1961 is classified generally to subchapter I (§ 2151 et seq.) of chapter 32 of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the

Code, see Short Title note set out under section 2151 of Title 22 and Tables.

### § 8B. Special provisions concerning the Nuclear Regulatory Commission

(a) The Chairman of the Commission may delegate the authority specified in the second sentence of section 3(a) to another member of the Nuclear Regulatory Commission, but shall not delegate such authority to any other officer or employee of the Commission.

(b) Notwithstanding sections 6(a)(7) and (8), the Inspector General of the Nuclear Regulatory Commission is authorized to select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers and duties of the Office of Inspector General and to obtain the temporary or intermittent services of experts or consultants or an organization thereof, subject to the applicable laws and regulations that govern such selections, appointments and employment, and the obtaining of such services, within the Nuclear Regulatory Commission.

(Pub. L. 95-452, § 8B, as added Pub. L. 100-504, title I, § 102(f), Oct. 18, 1988, 102 Stat. 2517.)

#### EFFECTIVE DATE

Section effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as an Effective Date of 1988 Amendment note under section 5 of Pub. L. 95-452 in this Appendix.

### § 8C. Special provisions concerning the Federal Deposit Insurance Corporation

(a) DELEGATION.—The Chairperson of the Federal Deposit Insurance Corporation may delegate the authority specified in the second sentence of section 3(a) to the Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation, but may not delegate such authority to any other officer or employee of the Corporation.

(b) PERSONNEL.—Notwithstanding paragraphs (7) and (8) of section 6(a), the Inspector General of the Federal Deposit Insurance Corporation may select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General and to obtain the temporary or intermittent services of experts or consultants or an organization of experts or consultants, subject to the applicable laws and regulations that govern such selections, appointments, and employment, and the obtaining of such services, within the Federal Deposit Insurance Corporation.

(Pub. L. 95-452, § 8C, as added Pub. L. 103-204, § 23(a)(2), Dec. 17, 1993, 107 Stat. 2407.)

#### PRIOR PROVISIONS

A prior section 8C of the Inspector General Act of 1978 was renumbered section 8D by Pub. L. 103-204.

### § 8D. Special provisions concerning the Department of the Treasury

(a)(1) Notwithstanding the last two sentences of section 3(a), the Inspector General shall be under the authority, direction, and control of the Secretary of the Treasury with respect to

audits or investigations, or the issuance of subpoenas, which require access to sensitive information concerning—

(A) ongoing criminal investigations or proceedings;

(B) undercover operations;

(C) the identity of confidential sources, including protected witnesses;

(D) deliberations and decisions on policy matters, including documented information used as a basis for making policy decisions, the disclosure of which could reasonably be expected to have a significant influence on the economy or market behavior;

(E) intelligence or counterintelligence matters; or

(F) other matters the disclosure of which would constitute a serious threat to national security or to the protection of any person or property authorized protection by section 3056 of title 18, United States Code, section 202 of title 3, United States Code, or any provision of the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note; Public Law 94-524).

(2) With respect to the information described under paragraph (1), the Secretary of the Treasury may prohibit the Inspector General from carrying out or completing any audit or investigation, or from issuing any subpoena, after such Inspector General has decided to initiate, carry out, or complete such audit or investigation or to issue such subpoena, if the Secretary determines that such prohibition is necessary to prevent the disclosure of any information described under paragraph (1) or to prevent significant impairment to the national interests of the United States.

(3) If the Secretary of the Treasury exercises any power under paragraph (1) or (2), the Secretary of the Treasury shall notify the Inspector General in writing stating the reasons for such exercise. Within 30 days after receipt of any such notice, the Inspector General shall transmit a copy of such notice to the Committees on Governmental Affairs and Finance of the Senate and the Committees on Government Operations and Ways and Means of the House of Representatives, and to other appropriate committees or subcommittees of the Congress.

(b) In carrying out the duties and responsibilities specified in this Act, the Inspector General of the Department of the Treasury shall have oversight responsibility for the internal investigations performed by the Office of Internal Affairs of the Bureau of Alcohol, Tobacco and Firearms, the Office of Internal Affairs of the United States Customs Service, and the Office of Inspections of the United States Secret Service, and the internal audits and internal investigations performed by the Office of Assistant Commissioner (Inspection) of the Internal Revenue Service. The head of each such office shall promptly report to the Inspector General the significant activities being carried out by such office.

(c) Notwithstanding subsection (b), the Inspector General may initiate, conduct and supervise such audits and investigations in the Department of the Treasury (including the bureaus and services referred to in subsection (b)) as the Inspector General considers appropriate.

(d) If the Inspector General initiates an audit or investigation under subsection (c) concerning a bureau or service referred to in subsection (b), the Inspector General may provide the head of the office of such bureau or service referred to in subsection (b) with written notice that the Inspector General has initiated such an audit or investigation. If the Inspector General issues a notice under the preceding sentence, no other audit or investigation shall be initiated into the matter under audit or investigation by the Inspector General and any other audit or investigation of such matter shall cease.

(e)(1) The Inspector General shall have access to returns and return information, as defined in section 6103(b) of the Internal Revenue Code of 1986 [26 U.S.C. 6103(b)], only in accordance with the provisions of section 6103 of such Code [26 U.S.C. 6103] and this Act.

(2) Access by the Inspector General to returns and return information under section 6103(h)(1) of such Code [26 U.S.C. 6103(h)(1)] shall be subject to the following additional requirements:

(A) In order to maintain internal controls over access to returns and return information, the Inspector General, or in the absence of the Inspector General, the Acting Inspector General, the Deputy Inspector General, the Assistant Inspector General for Audits, or the Assistant Inspector General for Investigations, shall provide to the Assistant Commissioner (Inspection) of the Internal Revenue Service written notice of the Inspector General's intent to access returns and return information. If the Inspector General determines that the Inspection Service of the Internal Revenue Service should not be made aware of a notice of access to returns and return information, such notice shall be provided to the Senior Deputy Commissioner of Internal Revenue.

(B) Such notice shall clearly indicate the specific returns or return information being accessed, contain a certification by the Inspector General, or in the absence of the Inspector General, the Acting Inspector General, the Deputy Inspector General, the Assistant Inspector General for Audits, or the Assistant Inspector General for Investigations, that the returns or return information being accessed are needed for a purpose described under section 6103(h)(1) of the Internal Revenue Code of 1986 [26 U.S.C. 6103(h)(1)], and identify those employees of the Office of Inspector General of the Department of the Treasury who may receive such returns or return information.

(C) The Internal Revenue Service shall maintain the same system of standardized records or accountings of all requests from the Inspector General for inspection or disclosure of returns and return information (including the reasons for and dates of such requests), and of returns and return information inspected or disclosed pursuant to such requests, as described under section 6103(p)(3)(A) of the Internal Revenue Code of 1986 [26 U.S.C. 6103(p)(3)(A)]. Such system of standardized records or accountings shall also be available for examination in the same manner as provided under section 6103(p)(3) of the Internal Revenue Code of 1986.

(D) The Inspector General shall be subject to the same safeguards and conditions for receipt

ing returns and return information as are described under section 6103(p)(4) of the Internal Revenue Code of 1986 [26 U.S.C. 6103(p)(4)].

(f) An audit or investigation conducted by the Inspector General shall not affect a final decision of the Secretary of the Treasury or his delegate under section 6406 of the Internal Revenue Code of 1986 [26 U.S.C. 6406].

(g) Notwithstanding section 4(d), in matters involving chapter 75 of the Internal Revenue Code of 1986 [26 U.S.C. 7201 et seq.], the Inspector General shall report expeditiously to the Attorney General only offenses under section 7214 of such Code [26 U.S.C. 7214], unless the Inspector General obtains the consent of the Commissioner of Internal Revenue to exercise additional reporting authority with respect to such chapter.

(h) Any report required to be transmitted by the Secretary of the Treasury to the appropriate committees or subcommittees of the Congress under section 5(d) shall also be transmitted, within the seven-day period specified under such section, to the Committees on Governmental Affairs and Finance of the Senate and the Committees on Government Operations and Ways and Means of the House of Representatives.

(Pub. L. 95-452, § 8D, formerly § 8C, as added Pub. L. 100-504, title I, § 102(f), Oct. 18, 1988, 102 Stat. 2518; renumbered § 8D, Pub. L. 103-204, § 23(a)(3), Dec. 17, 1993, 107 Stat. 2408.)

#### REFERENCES IN TEXT

The Presidential Protection Assistance Act of 1976, referred to in subsec. (a)(1)(F), is Pub. L. 94-524, Oct. 17, 1976, 90 Stat. 2475, which enacted and amended notes set out under section 3056 of Title 18, Crimes and Criminal Procedure. For complete classification of this Act to the Code, see Tables.

#### PRIOR PROVISIONS

A prior section 8D of the Inspector General Act of 1978 was renumbered section 8E by Pub. L. 103-204.

#### CHANGE OF NAME

Committee on Government Operations of House of Representatives treated as referring to Committee on Government Reform and Oversight of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note under section 21 of Title 2, The Congress.

#### EFFECTIVE DATE

Section effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as an Effective Date of 1988 Amendment note under section 5 of Pub. L. 95-452 in this Appendix.

### § 8E. Special provisions concerning the Department of Justice

(a)(1) Notwithstanding the last two sentences of section 3(a), the Inspector General shall be under the authority, direction, and control of the Attorney General with respect to audits or investigations, or the issuance of subpoenas, which require access to sensitive information concerning—

- (A) ongoing civil or criminal investigations or proceedings;
- (B) undercover operations;
- (C) the identity of confidential sources, including protected witnesses;
- (D) intelligence or counterintelligence matters; or

(E) other matters the disclosure of which would constitute a serious threat to national security.

(2) With respect to the information described under paragraph (1), the Attorney General may prohibit the Inspector General from carrying out or completing any audit or investigation, or from issuing any subpoena, after such Inspector General has decided to initiate, carry out, or complete such audit or investigation or to issue such subpoena, if the Attorney General determines that such prohibition is necessary to prevent the disclosure of any information described under paragraph (1) or to prevent the significant impairment to the national interests of the United States.

(3) If the Attorney General exercises any power under paragraph (1) or (2), the Attorney General shall notify the Inspector General in writing stating the reasons for such exercise. Within 30 days after receipt of any such notice, the Inspector General shall transmit a copy of such notice to the Committees on Governmental Affairs and Judiciary of the Senate and the Committees on Government Operations and Judiciary of the House of Representatives, and to other appropriate committees or subcommittees of the Congress.

(b) In carrying out the duties and responsibilities specified in this Act, the Inspector General of the Department of Justice—

(1) may initiate, conduct and supervise such audits and investigations in the Department of Justice as the Inspector General considers appropriate;

(2) shall give particular regard to the activities of the Counsel, Office of Professional Responsibility of the Department and the audit, internal investigative, and inspection units outside the Office of Inspector General with a view toward avoiding duplication and insuring effective coordination and cooperation; and

(3) shall refer to the Counsel, Office of Professional Responsibility of the Department for investigation, information or allegations relating to the conduct of an officer or employee of the Department of Justice employed in an attorney, criminal investigative, or law enforcement position that is or may be a violation of law, regulation, or order of the Department or any other applicable standard of conduct, except that no such referral shall be made if the officer or employee is employed in the Office of Professional Responsibility of the Department.

(c) Any report required to be transmitted by the Attorney General to the appropriate committees or subcommittees of the Congress under section 5(d) shall also be transmitted, within the seven-day period specified under such section, to the Committees on the Judiciary and Governmental Affairs of the Senate and the Committees on the Judiciary and Government Operations of the House of Representatives.

(Pub. L. 95-452, § 8E, formerly § 8D, as added Pub. L. 100-504, title I, § 102(f), Oct. 18, 1988, 102 Stat. 2520; renumbered § 8E, Pub. L. 103-204, § 23(a)(3), Dec. 17, 1993, 107 Stat. 2408.)

## PRIOR PROVISIONS

A prior section 8E of the Inspector General Act of 1978, relating to special provisions concerning the Corporation for National and Community Service, was renumbered section 8F by Pub. L. 103-204.

Another prior section 8E of the Inspector General Act of 1978, relating to requirements for Federal entities and designated Federal entities, was successively renumbered section 8F by Pub. L. 103-82, and section 8G by Pub. L. 103-204.

## CHANGE OF NAME

Committee on Government Operations of House of Representatives treated as referring to Committee on Government Reform and Oversight of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note under section 21 of Title 2, The Congress.

## EFFECTIVE DATE

Section effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as an Effective Date of 1988 Amendment note under section 5 of Pub. L. 95-452 in this Appendix.

## TRANSFER OF 20 INVESTIGATION POSITIONS WITHIN DEPARTMENT OF JUSTICE

Section 102(h) of Pub. L. 100-504 provided that: "No later than 90 days after the date of appointment of the Inspector General of the Department of Justice, the Inspector General shall designate 20 full-time investigation positions which the Attorney General may transfer from the Office of Inspector General of the Department of Justice to the Office of Professional Responsibility of the Department of Justice for the performance of functions described under section 8D(b)(3) [now 8E(b)(3)] of the Inspector General Act of 1978 [subsec. (b)(3) of this section]. Any personnel who are transferred pursuant to this subsection, and who, at the time of being so transferred, are protected from reduction in classification or compensation under section 9(c) of such Act [section 9(c) of Pub. L. 95-452, set out in this Appendix], shall continue to be so protected for 1 year after the date of transfer pursuant to this subsection."

**§ 8F. Special provisions concerning the Corporation for National and Community Service**

(a) Notwithstanding the provisions of paragraphs (7) and (8) of section 6(a), it is within the exclusive jurisdiction of the Inspector General of the Corporation for National and Community Service to—

- (1) appoint and determine the compensation of such officers and employees in accordance with section 195(b)<sup>1</sup> of the National and Community Service Trust Act of 1993; and
- (2) procure the temporary and intermittent services of and compensate such experts and consultants, in accordance with section 3109(b) of title 5, United States Code,

as may be necessary to carry out the functions, powers, and duties of the Inspector General.

(b) No later than the date on which the Chief Executive Officer of the Corporation for National and Community Service transmits any report to the Congress under subsection (a) or (b) of section 5, the Chief Executive Officer shall transmit such report to the Board of Directors of such Corporation.

(c) No later than the date on which the Chief Executive Officer of the Corporation for National and Community Service transmits a report described under section 5(b) to the Board of

Directors as provided under subsection (b) of this section, the Chief Executive Officer shall also transmit any audit report which is described in the statement required under section 5(b)(4) to the Board of Directors. All such audit reports shall be placed on the agenda for review at the next scheduled meeting of the Board of Directors following such transmittal. The Chief Executive Officer of the Corporation shall be present at such meeting to provide any information relating to such audit reports.

(d) No later than the date on which the Inspector General of the Corporation for National and Community Service reports a problem, abuse, or deficiency under section 5(d) to the Chief Executive Officer of the Corporation, the Chief Executive Officer shall report such problem, abuse, or deficiency to the Board of Directors.

(Pub. L. 95-452, § 8F, formerly § 8E, as added Pub. L. 103-82, title II, § 202(g)(1), Sept. 21, 1993, 107 Stat. 889; renumbered § 8F, Pub. L. 103-204, § 23(a)(3), Dec. 17, 1993, 107 Stat. 2408.)

## REFERENCES IN TEXT

Section 195(b) of the National and Community Service Trust Act of 1993, referred to in subsec. (a)(1), probably means section 195(b) of the National and Community Service Act of 1990, Pub. L. 101-610, which was enacted by section 202(a) of the National and Community Service Trust Act of 1993, Pub. L. 103-82, and is classified to section 12651f(b) of Title 42, The Public Health and Welfare.

## CODIFICATION

Pub. L. 103-204, § 23(a)(4), Dec. 17, 1993, 107 Stat. 2408, which directed the amendment of section 8F(a)(2) by striking out "the Federal Deposit Insurance Corporation," could not be executed to this section because the quoted language does not appear. However, the amendment was executed to section 8G(a)(2) of the Inspector General Act of 1978 relating to requirements for Federal entities and designated Federal entities, to reflect the probable intent of Congress and the successive renumbering of that section as section 8F by Pub. L. 103-82 and as section 8G by Pub. L. 103-204.

## PRIOR PROVISIONS

A prior section 8F of the Inspector General Act of 1978, relating to requirements for Federal entities and designated Federal entities, was renumbered section 8G by Pub. L. 103-204.

Another prior section 8F of the Inspector General Act of 1978, relating to rule of construction of special provisions, was renumbered section 8G by Pub. L. 103-82 and section 8H by Pub. L. 104-208.

## EFFECTIVE DATE

Section effective Oct. 1, 1993, see section 202(i) of Pub. L. 103-82, set out as a note under section 12651 of Title 42, The Public Health and Welfare.

## SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 42 sections 12651b, 12651d, 12651f.

**§ 8G. Requirements for Federal entities and designated Federal entities**

(a) Notwithstanding section 11 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),

<sup>1</sup> See References in Text note below.

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 section 11(2) of this Act) or part of an establishment;

(B) a designated Federal entity (as defined under paragraph (2) of this subsection) or part of a designated Federal entity;

(C) the Executive Office of the President;

(D) the Central Intelligence Agency;

(E) the General Accounting Office; or

(F) any entity in the judicial or legislative branches of the Government, including the Administrative Office of the United States Courts and the Architect of the Capitol and any activities under the direction of the Architect of the Capitol;

(2) the term “designated Federal entity” means Amtrak, the Appalachian Regional Commission, the Board of Governors of the Federal Reserve System, the Board for International Broadcasting, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Corporation for Public Broadcasting, the Equal Employment Opportunity Commission, the Farm Credit Administration, the Federal Communications Commission, the Federal Election Commission, the Federal Housing Finance Board, the Federal Labor Relations Authority, the Federal Maritime Commission, 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, the National Endowment for the Humanities, the National Labor Relations Board, the National Science Foundation, the Panama Canal Commission, the Peace Corps, the Pension Benefit Guaranty Corporation, the Securities and Exchange Commission, the Smithsonian Institution, the Tennessee Valley Authority, the United States International Trade Commission, and the United States Postal Service;

(3) the term “head of the Federal entity” means any person or persons designated by statute as the head of a Federal entity, and if no such designation exists, the chief policymaking officer or board of a Federal entity as identified in the list published pursuant to subsection (h)(1) of this section;

(4) the term “head of the designated Federal entity” means any person or persons designated by statute as the head of a designated Federal entity and if no such designation exists, the chief policymaking officer or board of a designated Federal entity as identified in the list published pursuant to subsection (h)(1) of this section, except that—

(A) with respect to the National Science Foundation, such term means the National Science Board; and

(B) with respect to the United States Postal Service, such term means the Governors (within the meaning of section 102(3) of title 39, United States Code);

(5) the term “Office of Inspector General” means an Office of Inspector General of a designated Federal entity; and

(6) the term “Inspector General” means an Inspector General of a designated Federal entity.

(b) No later than 180 days after the date of the enactment of this section [Oct. 18, 1988], there shall be established and maintained in each designated Federal entity an Office of Inspector General. The head of the designated Federal entity shall transfer to such office the offices, units, or other components, and the functions, powers, or duties thereof, that such head determines are properly related to the functions of the Office of Inspector General and would, if so transferred, further the purposes of this section. There shall not be transferred to such office any program operating responsibilities.

(c) 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.

(d) Each Inspector General shall report to and be under the general supervision of the head of the designated Federal entity, but shall not report to, or be subject to supervision by, any other officer or employee of such designated Federal entity. The head of the designated Federal entity shall not prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation.

(e) If 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.

(f)(1) For purposes of carrying out subsection (c) with respect to the United States Postal Service, the appointment provisions of section 202(e) of title 39, United States Code, shall be applied.

(2) In carrying out the duties and responsibilities specified in this Act, the Inspector General of the United States Postal Service (hereinafter in this subsection referred to as the “Inspector General”) shall have oversight responsibility for all activities of the Postal Inspection Service, including any internal investigation performed by the Postal Inspection Service. The Chief Postal Inspector shall promptly report the significant activities being carried out by the Postal Inspection Service to such Inspector General.

(3)(A)(i)<sup>1</sup> Notwithstanding subsection (d), the Inspector General shall be under the authority, direction, and control of the Governors with respect to audits or investigations, or the issuance of subpoenas, which require access to sensitive information concerning—

(I) ongoing civil or criminal investigations or proceedings;

(II) undercover operations;

(III) the identity of confidential sources, including protected witnesses;

(IV) intelligence or counterintelligence matters; or

<sup>1</sup> So in original. Two pars. (3) have been enacted.

(V) other matters the disclosure of which would constitute a serious threat to national security.

(ii) With respect to the information described under clause (i), the Governors may prohibit the Inspector General from carrying out or completing any audit or investigation, or from issuing any subpoena, after such Inspector General has decided to initiate, carry out, or complete such audit or investigation or to issue such subpoena, if the Governors determine that such prohibition is necessary to prevent the disclosure of any information described under clause (i) or to prevent the significant impairment to the national interests of the United States.

(iii) If the Governors exercise any power under clause (i) or (ii), the Governors shall notify the Inspector General in writing stating the reasons for such exercise. Within 30 days after receipt of any such notice, the Inspector General shall transmit a copy of such notice to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives, and to other appropriate committees or subcommittees of the Congress.

(B) In carrying out the duties and responsibilities specified in this Act, the Inspector General—

(i) may initiate, conduct and supervise such audits and investigations in the United States Postal Service as the Inspector General considers appropriate; and

(ii) shall give particular regard to the activities of the Postal Inspection Service with a view toward avoiding duplication and insuring effective coordination and cooperation.

(C) Any report required to be transmitted by the Governors to the appropriate committees or subcommittees of the Congress under section 5(d) shall also be transmitted, within the seven-day period specified under such section, to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives.

(3)<sup>1</sup> Nothing in this Act shall restrict, eliminate, or otherwise adversely affect any of the rights, privileges, or benefits of either employees of the United States Postal Service, or labor organizations representing employees of the United States Postal Service, under chapter 12 of title 39, United States Code, the National Labor Relations Act, any handbook or manual affecting employee labor relations with the United States Postal Service, or any collective bargaining agreement.

(4) As used in this subsection, the term “Governors” has the meaning given such term by section 102(3) of title 39, United States Code.

(g)(1) Sections 4, 5, 6 (other than subsections (a)(7) and (a)(8) thereof), and 7 of this Act shall apply to each Inspector General and Office of Inspector General of a designated Federal entity and such sections shall be applied to each designated Federal entity and head of the designated Federal entity (as defined under subsection (a)) by substituting—

(A) “designated Federal entity” for “establishment”; and

(B) “head of the designated Federal entity” for “head of the establishment”.

(2) In addition to the other authorities specified in this Act, an Inspector General is authorized to select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General and to obtain the temporary or intermittent services of experts or consultants or an organization thereof, subject to the applicable laws and regulations that govern such selections, appointments, and employment, and the obtaining of such services, within the designated Federal entity.

(3) Notwithstanding the last sentence of subsection (d) of this section, the provisions of subsection (a) of section 8C (other than the provisions of subparagraphs (A), (B), (C), and (E) of subsection (a)(1)) shall apply to the Inspector General of the Board of Governors of the Federal Reserve System and the Chairman of the Board of Governors of the Federal Reserve System in the same manner as such provisions apply to the Inspector General of the Department of the Treasury and the Secretary of the Treasury, respectively.

(h)(1) No later than April 30, 1989, and annually thereafter, the Director of the Office of Management and Budget, after consultation with the Comptroller General of the United States, shall publish in the Federal Register a list of the Federal entities and designated Federal entities and the head of each such entity (as defined under subsection (a) of this section).

(2) Beginning on October 31, 1989, and on October 31 of each succeeding calendar year, the head of each Federal entity (as defined under subsection (a) of this section) shall prepare and transmit to the Director of the Office of Management and Budget and to each House of the Congress a report which—

(A) states whether there has been established in the Federal entity an office that meets the requirements of this section;

(B) specifies the actions taken by the Federal entity otherwise to ensure that audits are conducted of its programs and operations in accordance with the standards for audit of governmental organizations, programs, activities, and functions issued by the Comptroller General of the United States, and includes a list of each audit report completed by a Federal or non-Federal auditor during the reporting period and a summary of any particularly significant findings; and

(C) summarizes any matters relating to the personnel, programs, and operations of the Federal entity referred to prosecutive authorities, including a summary description of any preliminary investigation conducted by or at the request of the Federal entity concerning these matters, and the prosecutions and convictions which have resulted.

(Pub. L. 95-452, § 8G, formerly § 8E, as added Pub. L. 100-504, title I, § 104(a), Oct. 18, 1988, 102 Stat. 2522; amended Pub. L. 101-73, title VII, § 702(c), Aug. 9, 1989, 103 Stat. 415; renumbered § 8F and amended Pub. L. 103-82, title II, § 202(g)(1), (2)(A), Sept. 21, 1993, 107 Stat. 889, 890; renumbered § 8G and amended Pub. L. 103-204, § 23(a)(3), (4), Dec. 17, 1993, 107 Stat. 2408; Pub. L. 104-88, title III, § 319, Dec. 29, 1995, 109 Stat. 949; Pub. L. 104-208, div. A, title I, § 101(f) [title VI, § 662(b)(1), (2)],

Sept. 30, 1996, 110 Stat. 3009–314, 3009–379; Pub. L. 105–134, title IV, § 409(a)(1), Dec. 2, 1997, 111 Stat. 2586.)

#### AMENDMENT OF SUBSECTION (a)(2)

*Pub. L. 105–134, title IV, § 409(a), Dec. 2, 1997, 111 Stat. 2586, provided that effective at beginning of first fiscal year after fiscal year for which Amtrak receives no Federal subsidy, subsection (a)(2) of this section is amended by striking “Amtrak.”.*

#### REFERENCES IN TEXT

The National Labor Relations Act, referred to in subsec. (f)(3), is act July 5, 1935, ch. 372, 49 Stat. 449, as amended, which is classified generally to subchapter II (§151 et seq.) of chapter 7 of Title 29, Labor. For complete classification of this Act to the Code, see section 167 of Title 29 and Tables.

#### AMENDMENTS

1996—Subsec. (a)(4). Pub. L. 104–208, §101(f) [title VI, § 662(b)(1)], substituted “except that—” and subpars. (A) and (B) for “except that with respect to the National Science Foundation, such term means the National Science Board;”.

Subsec. (f). Pub. L. 104–208, §101(f) [title VI, § 662(b)(2)], amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows:

“(1) The Chief Postal Inspector of the United States Postal Service shall also hold the position of Inspector General of the United States Postal Service, and for purposes of this section, shall report to, and be under the general supervision of, the Postmaster General of the United States Postal Service. The Postmaster General, in consultation with the Governors of the United States Postal Service, shall appoint the Chief Postal Inspector. The Postmaster General, with the concurrence of the Governors of the United States Postal Service, shall have power to remove the Chief Postal Inspector or transfer the Chief Postal Inspector to another position or location within the United States Postal Service. If the Chief Postal Inspector is removed or transferred in accordance with this subsection, the Postmaster General shall promptly notify both Houses of the Congress in writing of the reasons for such removal or transfer.

“(2) For purposes of paragraph (1), the term ‘Governors’ has the same meaning as such term is defined under section 102(3) of title 39, United States Code.”

1995—Subsec. (a)(2). Pub. L. 104–88 struck out “the Interstate Commerce Commission,” after “Federal Trade Commission.”.

1993—Subsec. (a)(2). Pub. L. 103–204, §23(a)(4), which directed the amendment of section 8F(a)(2) by striking “the Federal Deposit Insurance Corporation,” was executed by striking the quoted language as it appeared after “Federal Communications Commission,” in subsec. (a)(2) of this section, to reflect the probable intent of Congress and the successive renumbering of this section as section 8F of the Inspector General Act of 1978 by Pub. L. 103–82 and as section 8G by Pub. L. 103–204. See Codification note set out under section 8F of the Inspector General Act of 1978 in this Appendix.

Pub. L. 103–82, §202(g)(2)(A), struck out “ACTION,” before “Amtrak.”.

1989—Subsec. (a)(2). Pub. L. 101–73 substituted “Federal Housing Finance Board” for “Federal Home Loan Bank Board”.

#### EFFECTIVE DATE OF 1997 AMENDMENT

Section 409(a)(2) of Pub. L. 105–134 provided that: “The amendment made by paragraph (1) [amending this section] shall take effect at the beginning of the first fiscal year after a fiscal year for which Amtrak receives no Federal subsidy.”

#### EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by Pub. L. 104–88 effective Jan. 1, 1996, see section 2 of Pub. L. 104–88, set out as an Effective Date note under section 701 of Title 49, Transportation.

#### EFFECTIVE DATE OF 1993 AMENDMENT

Section 202(g)(2)(B) of Pub. L. 103–82 provided that: “This paragraph [amending this section] shall take effect on the effective date of section 203(c)(2).” [Section 203(c)(2) of Pub. L. 103–82 is effective 18 months after Sept. 21, 1993, or on such earlier date as the President shall determine to be appropriate and announce by proclamation in the Federal Register, see section 203(d) of Pub. L. 103–82, set out as a note under section 12651 of Title 42, The Public Health and Welfare.]

#### EFFECTIVE DATE

Section effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100–504, set out as an Effective Date of 1988 Amendment note under section 5 of Pub. L. 95–452 in this Appendix.

#### AMTRAK NOT FEDERAL ENTITY; FEDERAL SUBSIDY

Section 409(b), (c) of Pub. L. 105–134 provided that:

“(b) AMTRAK NOT FEDERAL ENTITY.—Amtrak shall not be considered a Federal entity for purposes of the Inspector General Act of 1978 [Pub. L. 95–452, set out in this Appendix]. The preceding sentence shall apply for any fiscal year for which Amtrak receives no Federal subsidy.

“(c) FEDERAL SUBSIDY.—

“(1) ASSESSMENT.—In any fiscal year for which Amtrak requests Federal assistance, the Inspector General of the Department of Transportation shall review Amtrak’s operations and conduct an assessment similar to the assessment required by section 202(a) [Pub. L. 105–134, 49 U.S.C. 24101 note]. The Inspector General shall report the results of the review and assessment to—

“(A) the President of Amtrak;

“(B) the Secretary of Transportation;

“(C) the United States Senate Committee on Appropriations;

“(D) the United States Senate Committee on Commerce, Science, and Transportation;

“(E) the United States House of Representatives Committee on Appropriations; and

“(F) the United States House of Representatives Committee on Transportation and Infrastructure.

“(2) REPORT.—The report shall be submitted, to the extent practicable, before any such committee reports legislation authorizing or appropriating funds for Amtrak for capital acquisition, development, or operating expenses.

“(3) SPECIAL EFFECTIVE DATE.—This subsection takes effect 1 year after the date of enactment of this Act [Dec. 2, 1997].”

#### REPORT ON IMPLEMENTATION

Section 111 of Pub. L. 100–504 directed the head of each designated Federal entity (as defined under subsec. (a)(2) of this section) to submit, on Oct. 31, 1989, to Director of Office of Management and Budget and to each House of Congress a report on status of implementation by that entity of the requirements of section 8E of the Inspector General Act of 1978.

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 39 sections 202, 1003; title 41 section 254d; title 42 section 8262f.

### § 8H. Rule of construction of special provisions

The special provisions under section 8, 8A, 8B, 8C,<sup>1</sup> 8D,<sup>1</sup> or 8E<sup>1</sup> of this Act relate only to the establishment named in such section and no infer-

<sup>1</sup> See References in Text note below.

ence shall be drawn from the presence or absence of a provision in any such section with respect to an establishment not named in such section or with respect to a designated Federal entity as defined under section 8F(a).<sup>1</sup>

(Pub. L. 95-452, § 8H, formerly § 8F, as added Pub. L. 100-504, title I, § 105, Oct. 18, 1988, 102 Stat. 2525; renumbered § 8G and amended Pub. L. 103-82, title II, § 202(g)(1), (5)(B), Sept. 21, 1993, 107 Stat. 889, 890; renumbered § 8H, Pub. L. 104-208, div. A, title I, § 101(f) [title VI, § 662(b)(3)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-380.)

#### REFERENCES IN TEXT

Sections 8C and 8D of this Act, referred to in text, were renumbered sections 8D and 8E, respectively, and a new section 8C enacted by Pub. L. 103-204, § 23(a)(2), (3), Dec. 17, 1993, 107 Stat. 2407, 2408.

Section 8E of this Act, referred to in text, which was added by Pub. L. 103-82, title II, § 202(g)(1), Sept. 21, 1993, 107 Stat. 889, was renumbered section 8F by Pub. L. 103-204, § 23(a)(3), Dec. 17, 1993, 107 Stat. 2408.

Section 8F, referred to in text, which related to requirements for Federal entities and designated Federal entities, was renumbered section 8G by Pub. L. 103-204, § 23(a)(3), Dec. 17, 1993, 107 Stat. 2408, and is set out preceding this section.

#### AMENDMENTS

1993—Pub. L. 103-82, § 202(g)(5)(B), substituted “8D, or 8E” for “or 8D” and “section 8F(a)” for “section 8E(a)”.

#### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 202(g)(5)(B) of Pub. L. 103-82 effective Oct. 1, 1993, see section 202(i) of Pub. L. 103-82, set out as an Effective Date note under section 12651 of Title 42, The Public Health and Welfare.

#### EFFECTIVE DATE

Section effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as an Effective Date of 1988 Amendment note under section 5 of Pub. L. 95-452 in this Appendix.

### § 9. Transfer of functions

(a) There shall be transferred—

(1) to the Office of Inspector General—

(A) of the Department of Agriculture, the offices of that department referred to as the “Office of Investigation” and the “Office of Audit”;

(B) of the Department of Commerce, the offices of that department referred to as the “Office of Audits” and the “Investigations and Inspections Staff” and that portion of the office referred to as the “Office of Investigations and Security” which has responsibility for investigation of alleged criminal violations and program abuse;

(C) of the Department of Defense, the offices of that department referred to as the “Defense Audit Service” and the “Office of Inspector General, Defense Logistics Agency”, and that portion of the office of that department referred to as the “Defense Investigative Service” which has responsibility for the investigation of alleged criminal violations;

(D) of the Department of Education, all functions of the Inspector General of Health, Education, and Welfare or of the Office of Inspector General of Health, Education, and Welfare relating to functions transferred by

section 301 of the Department of Education Organization Act [20 U.S.C. 3441];

(E) of the Department of Energy, the Office of Inspector General (as established by section 208 of the Department of Energy Organization Act);

(F) of the Department of Health and Human Services, the Office of Inspector General (as established by title II of Public Law 94-505);

(G) of the Department of Housing and Urban Development, the office of that department referred to as the “Office of Inspector General”;

(H) of the Department of the Interior, the office of that department referred to as the “Office of Audit and Investigation”;

(I) of the Department of Justice, the offices of that Department referred to as (i) the “Audit Staff, Justice Management Division”, (ii) the “Policy and Procedures Branch, Office of the Comptroller, Immigration and Naturalization Service”, the “Office of Professional Responsibility, Immigration and Naturalization Service”, and the “Office of Program Inspections, Immigration and Naturalization Service”, (iii) the “Office of Internal Inspection, United States Marshals Service”, (iv) the “Financial Audit Section, Office of Financial Management, Bureau of Prisons” and the “Office of Inspections, Bureau of Prisons”, and (v) from the Drug Enforcement Administration, that portion of the “Office of Inspections” which is engaged in internal audit activities, and that portion of the “Office of Planning and Evaluation” which is engaged in program review activities;

(J) of the Department of Labor, the office of that department referred to as the “Office of Special Investigations”;

(K) of the Department of Transportation, the offices of that department referred to as the “Office of Investigations and Security” and the “Office of Audit” of the Department, the “Offices of Investigations and Security, Federal Aviation Administration”, and “External Audit Divisions, Federal Aviation Administration”, the “Investigations Division and the External Audit Division of the Office of Program Review and Investigation, Federal Highway Administration”, and the “Office of Program Audits, Urban Mass Transportation Administration”;

(L) of the Department of the Treasury, the office of that department referred to as the “Office of Inspector General”, and, notwithstanding any other provision of law, that portion of each of the offices of that department referred to as the “Office of Internal Affairs, Bureau of Alcohol, Tobacco, and Firearms”, the “Office of Internal Affairs, United States Customs Service”, and the “Office of Inspections, United States Secret Service” which is engaged in internal audit activities;

(M) of the Environmental Protection Agency, the offices of that agency referred to as the “Office of Audit” and the “Security and Inspection Division”;

(N) of the Federal Emergency Management Agency, the office of that agency referred to as the “Office of Inspector General”;

(O) of the General Services Administration, the offices of that agency referred to as the “Office of Audits” and the “Office of Investigations”;

(P) of the National Aeronautics and Space Administration, the offices of that agency referred to as the “Management Audit Office” and the “Office of Inspections and Security”;

(Q) of the Nuclear Regulatory Commission, the office of that commission referred to as the “Office of Inspector and Auditor”;

(R) of the Office of Personnel Management, the offices of that agency referred to as the “Office of Inspector General”, the “Insurance Audits Division, Retirement and Insurance Group”, and the “Analysis and Evaluation Division, Administration Group”;

(S) of the Railroad Retirement Board, the Office of Inspector General (as established by section 23 of the Railroad Retirement Act of 1974);

(T) of the Small Business Administration, the office of that agency referred to as the “Office of Audits and Investigations”;

(U) of the Veterans’ Administration, the offices of that agency referred to as the “Office of Audits” and the “Office of Investigations”;

(V) of the Corporation for National and Community Service, the Office of Inspector General of ACTION;<sup>1</sup>

(W) of the Social Security Administration, the functions of the Inspector General of the Department of Health and Human Services which are transferred to the Social Security Administration by the Social Security Independence and Program Improvements Act of 1994 (other than functions performed pursuant to section 105(a)(2) of such Act), except that such transfers shall be made in accordance with the provisions of such Act and shall not be subject to subsections (b) through (d) of this section; and

(2) such other offices or agencies, or functions, powers, or duties thereof, as the head of the establishment involved may determine are properly related to the functions of the Office and would, if so transferred, further the purposes of this Act,

except that there shall not be transferred to an Inspector General under paragraph (2) program operating responsibilities.

(b) The personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, of any office or agency the functions, powers, and duties of which are transferred under subsection (a) are hereby transferred to the applicable Office of Inspector General.

(c) Personnel transferred pursuant to subsection (b) shall be transferred in accordance

with applicable laws and regulations relating to the transfer of functions except that the classification and compensation of such personnel shall not be reduced for one year after such transfer.

(d) In any case where all the functions, powers, and duties of any office or agency are transferred pursuant to this subsection, such office or agency shall lapse. Any person who, on the effective date of this Act [Oct. 1, 1978], held a position compensated in accordance with the General Schedule, and who, without a break in service, is appointed in an Office of Inspector General to a position having duties comparable to those performed immediately preceding such appointment shall continue to be compensated in the new position at not less than the rate provided for the previous position, for the duration of service in the new position.

(Pub. L. 95-452, § 9, Oct. 12, 1978, 92 Stat. 1107; Pub. L. 96-88, title V, § 508(n)(2), Oct. 17, 1979, 93 Stat. 694; Pub. L. 97-252, title XI, § 1117(a)(2), (3), Sept. 8, 1982, 96 Stat. 750; Pub. L. 100-504, title I, § 102(d), Oct. 18, 1988, 102 Stat. 2516; Pub. L. 103-82, title II, § 202(g)(3)(A), Sept. 21, 1993, 107 Stat. 890; Pub. L. 103-296, title I, § 108(l)(1), Aug. 15, 1994, 108 Stat. 1488.)

#### REFERENCES IN TEXT

Section 208 of the Department of Energy Organization Act, referred to in subsec. (a)(1)(E), is section 208 of Pub. L. 95-91, title II, Aug. 4, 1977, 91 Stat. 575, as amended, which was classified to section 7138 of Title 42, The Public Health and Welfare, and was repealed by Pub. L. 100-504, title I, § 102(e)(1)(A), Oct. 18, 1988, 102 Stat. 2517.

Title II of Public Law 94-505, referred to in subsec. (a)(1)(F), is title II of Pub. L. 94-505, Oct. 15, 1976, 90 Stat. 2429, which was classified generally to sections 3521 to 3527 of Title 42, and was repealed by Pub. L. 100-504, title I, § 102(e)(2), Oct. 18, 1988, 102 Stat. 2517.

Section 23 of the Railroad Retirement Act of 1974, referred to in subsec. (a)(1)(S), is section 23 of act Aug. 29, 1935, ch. 812, as added, which was classified to section 231v of Title 45, Railroads, and was repealed by Pub. L. 100-504, title I, § 102(e)(3), Oct. 18, 1988, 102 Stat. 2517.

The Social Security Independence and Program Improvements Act of 1994, referred to in subsec. (a)(1)(W), is Pub. L. 103-296, Aug. 15, 1995, 108 Stat. 1464. Section 105(a)(2) of the Act is set out as a note under section 901 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title of 1994 Amendment note set out under section 1305 of Title 42 and Tables.

#### AMENDMENTS

1994—Subsec. (a)(1)(W). Pub. L. 103-296 added subpar. (W).

1993—Subsec. (a)(1)(V). Pub. L. 103-82 added subpar. (V).

1988—Subsec. (a)(1)(E), (F). Pub. L. 100-504, § 102(d)(7), added subpars. (E) and (F). Former subpars. (E) and (F) redesignated (G) and (H), respectively.

Subsec. (a)(1)(G), (H). Pub. L. 100-504, § 102(d)(2), redesignated subpars. (E) and (F) as (G) and (H), respectively. Former subpars. (G) and (H) redesignated (J) and (K), respectively.

Subsec. (a)(1)(I). Pub. L. 100-504, § 102(d)(1), (8), added subpar. (I) and struck out former subpar. (I) which provided for transfer to Office of Inspector General of Community Services Administration, offices of that agency referred to as “Inspections Division”, “External Audit Division”, and “Internal Audit Division”.

Subsec. (a)(1)(J), (K). Pub. L. 100-504, § 102(d)(3), redesignated subpars. (G) and (H) as (J) and (K), respec-

<sup>1</sup>So in original. The word “and” at end of subpar. (U) probably should appear at end of subpar. (V).

tively. Former subpars. (J) and (K) redesignated (M) and (O), respectively.

Subsec. (a)(1)(L). Pub. L. 100-504, §102(d)(9), added subpar. (L). Former subpar. (L) redesignated (P).

Subsec. (a)(1)(M). Pub. L. 100-504, §102(d)(4), redesignated subpar. (J) as (M). Former subpar. (M) redesignated (T).

Subsec. (a)(1)(N). Pub. L. 100-504, §102(d)(10), added subpar. (N). Former subpar. (N) redesignated (U).

Subsec. (a)(1)(O), (P). Pub. L. 100-504, §102(d)(5), redesignated subpars. (K) and (L) as (O) and (P), respectively.

Subsec. (a)(1)(Q) to (S). Pub. L. 100-504, §102(d)(11), added subpars. (Q) to (S).

Subsec. (a)(1)(T), (U). Pub. L. 100-504, §102(d)(6), redesignated subpars. (M) and (N) as (T) and (U), respectively.

1982—Subsec. (a)(1). Pub. L. 97-252 added subpar. (C) and redesignated former subpars. (C) to (M) as (D) to (N), respectively.

1979—Subsec. (a)(1). Pub. L. 96-88 added subpar. (C) and redesignated former subpars. (C) to (L) as (D) to (M), respectively.

#### CHANGE OF NAME

Reference to Urban Mass Transportation Administration deemed to refer to Federal Transit Administration pursuant to section 3004(b) of Pub. L. 102-240, set out as a note under section 107 of Title 49, Transportation.

Reference to Veterans' Administration deemed to refer to Department of Veterans Affairs pursuant to section 10 of Pub. L. 100-527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans' Benefits.

#### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of Title 42, The Public Health and Welfare.

#### EFFECTIVE DATE OF 1993 AMENDMENT

Section 202(g)(3)(B) of Pub. L. 103-82 provided that: "This paragraph [amending this section] shall take effect on the effective date of section 203(c)(2)." [Section 203(c)(2) of Pub. L. 103-82 is effective 18 months after Sept. 21, 1993, or on such earlier date as the President shall determine to be appropriate and announce by proclamation in the Federal Register, see section 203(d) of Pub. L. 103-82, set out as a note under section 12651 of Title 42, The Public Health and Welfare.]

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

#### EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-88 effective May 4, 1980, with specified exceptions, see section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of Title 20, Education.

#### CONTINUATION OF SERVICE OF CERTAIN INSPECTORS GENERAL

Section 102(e)(4) of Pub. L. 100-504 provided that: "Any individual who, on the date of enactment of this Act [Oct. 18, 1988], is serving as the Inspector General of the Department of Energy, the Department of Health and Human Services, or the Railroad Retirement Board, shall continue to serve in such position until such individual dies, resigns, or is removed from office in accordance with section 3(b) of the Inspector General Act of 1978 [section 3(b) of Pub. L. 95-452, set out in this Appendix]."

#### TRANSFER OF AUDIT PERSONNEL TO INSPECTOR GENERAL, DEPARTMENT OF DEFENSE

Section 1117(e) of Pub. L. 97-252 provided that: "In addition to the positions transferred to the Office of the

Inspector General of the Department of Defense, pursuant to the amendments made by subsection (a) of this section [amending sections 2(1), 9(a)(1), and 11(1) of this Act], the Secretary of Defense shall transfer to the Office of Inspector General of the Department of Defense not less than one hundred additional audit positions. The Inspector General of the Department of Defense shall fill such positions with persons trained to perform contract audits."

#### SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 7 section 2270.

### § 10. Conforming and technical amendments

[Section amended sections 5315 and 5316 of Title 5, Government Organization and Employees, and section 3522 of Title 42, The Public Health and Welfare, which amendments have been executed to text.]

### § 11. Definitions

As used in this Act—

(1) the term "head of the establishment" means the Secretary of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, State, Transportation, or the Treasury; the Attorney General; the Administrator of the Agency for International Development, Environmental Protection, General Services, National Aeronautics and Space, Small Business, or Veterans' Affairs; the Director of the Federal Emergency Management Agency, the Office of Personnel Management or the United States Information Agency; the Chairman of the Nuclear Regulatory Commission or the Railroad Retirement Board; the Chairperson of the Thrift Depositor Protection Oversight Board; the Chief Executive Officer of the Corporation for National and Community Service;<sup>1</sup> the Administrator of the Community Development Financial Institutions Fund; and<sup>2</sup> the chief executive officer of the Resolution Trust Corporation; and<sup>2</sup> the Chairperson of the Federal Deposit Insurance Corporation; or the Commissioner of Social Security, Social Security Administration; as the case may be;

(2) the term "establishment" means the Department of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, or the Treasury; the Agency for International Development, the Community Development Financial Institutions Fund, the Environmental Protection Agency, the Federal Emergency Management Agency, the General Services Administration, the National Aeronautics and Space Administration, the Nuclear Regulatory Commission, the Office of Personnel Management, the Railroad Retirement Board, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the Small Business Administration, the United States Information Agency, the Corporation for National and Community Service, or<sup>3</sup> the Veter-

<sup>1</sup> So in original.

<sup>2</sup> So in original. The word "and" probably should not appear.

<sup>3</sup> So in original. The word "or" probably should not appear.

ans' Administration, or the Social Security Administration; as the case may be;

(3) the term "Inspector General" means the Inspector General of an establishment;

(4) the term "Office" means the Office of Inspector General of an establishment; and

(5) the term "Federal agency" means an agency as defined in section 552(e)<sup>4</sup> of title 5 (including an establishment as defined in paragraph (2)), United States Code, but shall not be construed to include the General Accounting Office.

(Pub. L. 95-452, § 11, Oct. 12, 1978, 92 Stat. 1109; Pub. L. 96-88, title V, § 509(n)(3), (4), Oct. 17, 1979, 93 Stat. 695; Pub. L. 97-113, title VII, § 705(a)(2), Dec. 29, 1981, 95 Stat. 1544; Pub. L. 97-252, title XI, § 1117(a)(4), (5), Sept. 8, 1982, 96 Stat. 750; Pub. L. 99-93, title I, § 150(a)(2), Aug. 16, 1985, 99 Stat. 427; Pub. L. 99-399, title IV, § 412(a)(2), Aug. 27, 1986, 100 Stat. 867; Pub. L. 100-504, title I, § 102(c), Oct. 18, 1988, 102 Stat. 2515; Pub. L. 100-527, § 13(h)(2), (3), Oct. 5, 1988, 102 Stat. 2643; Pub. L. 101-73, title V, § 501(b)(1), Aug. 9, 1989, 103 Stat. 393; Pub. L. 102-233, title III, § 315(a), Dec. 12, 1991, 105 Stat. 1772; Pub. L. 103-82, title II, § 202(g)(4), Sept. 21, 1993, 107 Stat. 890; Pub. L. 103-204, § 23(a)(1), Dec. 17, 1993, 107 Stat. 2407; Pub. L. 103-296, title I, § 108(l)(2), Aug. 15, 1994, 108 Stat. 1489; Pub. L. 103-325, title I, § 118(a), Sept. 23, 1994, 108 Stat. 2188; Pub. L. 104-106, div. D, title XLIII, § 4322(b)(1), (3), Feb. 10, 1996, 110 Stat. 677.)

#### REFERENCES IN TEXT

Section 552(e) of title 5, referred to in par. (5), was redesignated section 552(f) of title 5 by section 1802(b) of Pub. L. 99-570.

#### CODIFICATION

Amendment by Pub. L. 100-527 amended section as it existed prior to amendment by Pub. L. 100-504, see Effective Date of 1988 Amendments note below.

#### AMENDMENTS

1996—Par. (1). Pub. L. 104-106, § 4322(b)(3), made technical correction to directory language of Pub. L. 101-73, § 501(b)(1)(A). See 1989 Amendment note below.

Par. (2). Pub. L. 104-106, § 4322(b)(1), substituted "Community Service," for "Community Service,."

1994—Par. (1). Pub. L. 103-325, § 118(a)(1), inserted "; the Administrator of the Community Development Financial Institutions Fund;" before "and the chief executive officer of the Resolution Trust Corporation".

Pub. L. 103-296, § 108(l)(2)(A), inserted "; or the Commissioner of Social Security, Social Security Administration" before "; as the case may be".

Par. (2). Pub. L. 103-325, § 118(a)(2), inserted "the Community Development Financial Institutions Fund," after "the Agency for International Development,".

Pub. L. 103-296, § 108(l)(2)(B), inserted "; or the Social Security Administration" before "; as the case may be".

1993—Par. (1). Pub. L. 103-204, § 23(a)(1)(A), inserted "and the Chairperson of the Federal Deposit Insurance Corporation;" after "Resolution Trust Corporation;".

Pub. L. 103-82, § 202(g)(4)(A), inserted "; the Chief Executive Officer of the Corporation for National and Community Service;" after "Thrift Depositor Protection Oversight Board".

Par. (2). Pub. L. 103-204, § 23(a)(1)(B), inserted "the Federal Deposit Insurance Corporation," after "Resolution Trust Corporation,".

Pub. L. 103-82, § 202(g)(4)(B), inserted "; the Corporation for National and Community service," after "United States Information Agency".

1991—Par. (1). Pub. L. 102-233 substituted "; the Chairperson of the Thrift Depositor Protection Oversight Board and the chief executive officer of the Resolution Trust Corporation" for "the Oversight Board and the Board of Directors of the Resolution Trust Corporation".

1989—Par. (1). Pub. L. 101-73, § 501(b)(1)(A), as amended by Pub. L. 104-106, § 4322(b)(3), inserted "the Oversight Board and the Board of Directors of the Resolution Trust Corporation" before "; as the case may be;".

Par. (2). Pub. L. 101-73, § 501(b)(1)(B), inserted "the Resolution Trust Corporation," after "the Railroad Retirement Board,".

1988—Pars. (1), (2). Pub. L. 100-527, § 13(h)(2), (3), substituted "Transportation, or Veterans' Affairs," for "or Transportation" and "or Small Business" for "Small Business, or Veterans' Affairs" in par. (1), and substituted "Transportation, or Veterans Affairs," for "or Transportation" and "or the United States Information Agency" for "the United States Information Agency or the Veterans' Administration" in par. (2). See Codification note above.

Pub. L. 100-504 added pars. (1) and (2) and struck out former pars. (1) and (2), as amended by Pub. L. 100-527, which read as follows:

"(1) the term 'head of the establishment' means the Secretary of Agriculture, Commerce, Defense, Education, Housing and Urban Development, the Interior, Labor, State, Transportation, or Veterans' Affairs, or the Administrator of the Agency for International Development, Community Services, Environmental Protection, General Services, National Aeronautics and Space, or Small Business, or the Director of the United States Information Agency as the case may be;

"(2) the term 'establishment' means the Department of Agriculture, Commerce, Defense, Education, Housing and Urban Development, the Interior, Labor, State, Transportation, or Veterans Affairs, or the Agency for International Development, the Community Services Administration, the Environmental Protection Agency, the General Services Administration, the National Aeronautics and Space Administration, the Small Business Administration, or the United States Information Agency, as the case may be;"

1986—Pars. (1), (2). Pub. L. 99-399 inserted "or the Director of the United States Information Agency" in par. (1) and "the United States Information Agency" in par. (2).

1985—Pars. (1), (2). Pub. L. 99-93 inserted "State," after "Labor,".

1982—Pars. (1), (2). Pub. L. 97-252 inserted "Defense," after "Commerce,".

1981—Pars. (1), (2). Pub. L. 97-113 inserted "the Agency for International Development," after "Administrator of" in par. (1), and inserted "the Agency for International Development," after "Transportation or" in par. (2).

1979—Pars. (1), (2). Pub. L. 96-88 inserted "Education," after "Commerce,".

#### CHANGE OF NAME

References to Administrator of Veterans' Affairs and to Veterans' Administration deemed to refer to Secretary of Veterans Affairs and to Department of Veterans Affairs, respectively, pursuant to section 10 of Pub. L. 100-527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans' Benefits.

#### EFFECTIVE DATE OF 1996 AMENDMENT

Section 4322(b)(3) of Pub. L. 104-106 provided that the amendment made by that section is effective as of Aug. 9, 1989, and as if included in Pub. L. 101-73 as enacted.

#### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-82 effective Oct. 1, 1993, see section 202(i) of Pub. L. 103-82, set out as an Effective

<sup>4</sup> See References in Text note below.

tive Date note under section 12651 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-233 effective Feb. 1, 1992, see section 318 of Pub. L. 102-233, set out as a note under section 1441 of Title 12, Banks and Banking.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100-527 effective Mar. 15, 1989, see section 18(a) of Pub. L. 100-527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans' Benefits.

Amendment by Pub. L. 100-504 effective 180 days after Oct. 18, 1988, see section 113 of Pub. L. 100-504, set out as a note under section 5 of Pub. L. 95-452 in this Appendix.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-88 effective May 4, 1980, with specified exceptions, see section 601 of Pub. L. 96-88, set out as an Effective Date note under section 3401 of Title 20, Education.

COMMUNITY SERVICES ADMINISTRATION

The Community Services Administration, which was established by section 601 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2941), was terminated when the Economic Opportunity Act of 1964, Pub. L. 88-452, Aug. 20, 1964, 78 Stat. 508, as amended, was repealed, except for titles VIII and X, effective Oct. 1, 1981, by section 683(a) of Pub. L. 97-35, title VI, Aug. 13, 1981, 95 Stat. 519, which is classified to 42 U.S.C. 9912(a). An Office of Community Services, headed by a Director, was established in the Department of Health and Human Services by section 676 of Pub. L. 97-35, which is classified to 42 U.S.C. 9905.

MERGER OF OFFICE OF INSPECTOR GENERAL OF UNITED STATES INFORMATION AGENCY WITH OFFICE OF INSPECTOR GENERAL OF DEPARTMENT OF STATE; TRANSFER OF FUNCTIONS

Pub. L. 104-134, title I, §101(a) [title IV], Apr. 26, 1996, 110 Stat. 1321, 1321-37; renumbered title I, Pub. L. 104-140, §1(a), May 2, 1996, 110 Stat. 1327, provided: "That notwithstanding any other provision of law, (1) the Office of the Inspector General of the United States Information Agency is hereby merged with the Office of the Inspector General of the Department of State; (2)

the functions exercised and assigned to the Office of the Inspector General of the United States Information Agency before the effective date of this Act [Apr. 26, 1996] (including all related functions) are transferred to the Office of the Inspector General of the Department of State; and (3) the Inspector General of the Department of State shall also serve as the Inspector General of the United States Information Agency."

[Pub. L. 104-208, div. A, title I, §101(a) [title IV], Sept. 30, 1996, 110 Stat. 3009, 3009-47, provided in part: "That notwithstanding any other provision of law, the merger of the Office of Inspector General of the United States Information Agency with the Office of Inspector General of the Department of State provided for in the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1996, contained in Public Law 104-134 [set out above], is effective hereafter."]

OFFICE OF INSPECTOR GENERAL OF COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND; AUTHORIZATION OF APPROPRIATIONS

Section 118(b) of Pub. L. 103-325 provided that: "There are authorized to be appropriated such sums as may be necessary for the operation of the Office of Inspector General established by the amendments made by subsection (a) [amending this section]."

OFFICE OF INSPECTOR GENERAL OF RESOLUTION TRUST CORPORATION; AUTHORIZATION OF APPROPRIATIONS

Section 501(b)(2)(B) of Pub. L. 101-73 provided that: "There is hereby authorized to be appropriated such sums as may be necessary for the operation of the Office of Inspector General established by the amendment made by paragraph (1) of this subsection [amending this section]."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 22 sections 3929, 4861; title 31 sections 1105, 3801; title 39 section 1003; title 42 section 8262f.

**§ 12. Effective date**

The provisions of this Act and the amendments made by this Act [see section 10 of this Act] shall take effect October 1, 1978.

(Pub. L. 95-452, §12, Oct. 12, 1978, 92 Stat. 1109.)

## ETHICS IN GOVERNMENT ACT OF 1978

Pub. L. 95-521, titles I-V, Oct. 26, 1978, 92 Stat. 1824-1867, as amended Pub. L. 96-19, §§2-9, June 13, 1979, 93 Stat. 37-44; Pub. L. 96-417, title VI, §601(9), Oct. 10, 1980, 94 Stat. 1744; Pub. L. 96-579, §12(c), Dec. 23, 1980, 94 Stat. 3369; Pub. L. 97-51, §130(b), Oct. 1, 1981, 95 Stat. 966; Pub. L. 97-164, title I, §163(a)(6), Apr. 2, 1982, 96 Stat. 49; Pub. L. 98-150, §§2, 3(a)-(c), 4-12, Nov. 11, 1983, 97 Stat. 959-963; Pub. L. 99-190, §148(b), Dec. 19, 1985, 99 Stat. 1325; Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095; Pub. L. 99-573, §6, Oct. 28, 1986, 100 Stat. 3231; Pub. L. 100-191, §3(b), Dec. 15, 1987, 101 Stat. 1306; Pub. L. 100-598, §§2-9, Nov. 3, 1988, 102 Stat. 3031-3035; Pub. L. 101-194, title II, §§201, 202, title VI, §601(a), Nov. 30, 1989, 103 Stat. 1724-1744, 1760, 1761; Pub. L. 101-280, §§3(1)-(10)(A), (C), 7(a)-(c), May 4, 1990, 104 Stat. 152-157, 161; Pub. L. 101-334, July 16, 1990, 104 Stat. 318; Pub. L. 101-650, title III, §319, title IV, §405, Dec. 1, 1990, 104 Stat. 5117, 5124; Pub. L. 102-25, title VI, §605(a), Apr. 6, 1991, 105 Stat. 110; Pub. L. 102-90, title I, §6(b), title III, §§313, 314(a), (b), Aug. 14, 1991, 105 Stat. 450, 469; Pub. L. 102-198, §6, Dec. 9, 1991, 105 Stat. 1624; Pub. L. 102-378, §4(a), (b), Oct. 2, 1992, 106 Stat. 1356, 1357; Pub. L. 102-506, §2, Oct. 24, 1992, 106 Stat. 3280; Pub. L. 102-572, title IX, §902(b)(2), Oct. 29, 1992, 106 Stat. 4516; Pub. L. 103-160, div. A, title XI, §1182(d)(3), Nov. 30, 1993, 107 Stat. 1773; Pub. L. 103-337, div. A, title IX, §924(d)(3), Oct. 5, 1994, 108 Stat. 2832; Pub. L. 103-359, title V, §501(m), Oct. 14, 1994, 108 Stat. 3430; Pub. L. 104-65, §§20, 22(a), (b), Dec. 19, 1995, 109 Stat. 704, 705; Pub. L. 104-179, §§2, 3, 4(b)(2), Aug. 6, 1996, 110 Stat. 1566, 1567; Pub. L. 104-186, title II, §216, Aug. 20, 1996, 110 Stat. 1747; Pub. L. 104-201, div. A, title XI, §1122(b)(2), Sept. 23, 1996, 110 Stat. 2687

### TITLE I—FINANCIAL DISCLOSURE REQUIREMENTS OF FEDERAL PERSONNEL

- Sec.  
101. Persons required to file.  
102. Contents of reports.  
103. Filing of reports.  
104. Failure to file or filing false reports.  
105. Custody of and public access to reports.  
106. Review of reports.  
107. Confidential reports and other additional requirements.  
108. Authority of Comptroller General.  
109. Definitions.  
110. Notice of actions taken to comply with ethics agreements.  
111. Administration of provisions.

[TITLE II—REPEALED]

[TITLE III—REPEALED]

### TITLE IV—OFFICE OF GOVERNMENT ETHICS

401. Establishment; appointment of Director.  
402. Authority and functions.  
403. Administrative provisions.  
404. Rules and regulations.  
405. Authorization of appropriations.  
406. Annual pay.  
407. Annual pay of Director.  
408. Reports to Congress.

### TITLE V—GOVERNMENT-WIDE LIMITATIONS ON OUTSIDE EARNED INCOME AND EMPLOYMENT

501. Outside earned income limitation.  
502. Limitations on outside employment.  
503. Administration.  
504. Civil Penalties.  
505. Definitions.

### TITLE I—FINANCIAL DISCLOSURE REQUIREMENTS OF FEDERAL PERSONNEL

#### CODIFICATION

Title I of Pub. L. 95-521 was classified to chapter 18 (§701 et seq.) of Title 2, The Congress, prior to general

amendment of title I by Pub. L. 101-194, title II, §202, Nov. 30, 1989, 103 Stat. 1724.

#### TITLE REFERRED TO IN OTHER SECTIONS

Title I of Pub. L. 95-521 is referred to in section 7353 of this title; title 2 section 1381; title 10 section 2904.

#### § 101. Persons required to file

(a) Within thirty days of assuming the position of an officer or employee described in subsection (f), an individual shall file a report containing the information described in section 102(b) unless the individual has left another position described in subsection (f) within thirty days prior to assuming such new position or has already filed a report under this title with respect to nomination for the new position or as a candidate for the position.

(b)(1) Within five days of the transmittal by the President to the Senate of the nomination of an individual (other than an individual nominated for appointment to a position as a Foreign Service Officer or a grade or rank in the uniformed services for which the pay grade prescribed by section 201 of title 37, United States Code, is O-6 or below) to a position, appointment to which requires the advice and consent of the Senate, such individual shall file a report containing the information described in section 102(b). Such individual shall, not later than the date of the first hearing to consider the nomination of such individual, make current the report filed pursuant to this paragraph by filing the information required by section 102(a)(1)(A) with respect to income and honoraria received as of the date which occurs five days before the date of such hearing. Nothing in this Act shall prevent any Congressional committee from requesting, as a condition of confirmation, any additional financial information from any Presi-