

107TH CONGRESS
1ST SESSION

S. 1603

To provide for reform relating to Federal employment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 31, 2001

Mr. VOINOVICH (for himself and Mr. THOMPSON) introduced the following bill;
which was read twice and referred to the Committee on Governmental Affairs

A BILL

To provide for reform relating to Federal employment, and
for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Federal Human Capital Act of 2001”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CHIEF HUMAN CAPITAL OFFICERS

Sec. 101. Short title.

Sec. 102. Agency Chief Human Capital Officers.

Sec. 103. Compensation.

Sec. 104. Chief Human Capital Officers Council.

Sec. 105. Report on human capital metrics for the Federal Government.

★(Star Print)

Sec. 106. Effective date.

TITLE II—REFORM RELATING TO FEDERAL HUMAN CAPITAL MANAGEMENT

Sec. 201. Inclusion of agency human capital strategic planning in program performance reports.

Sec. 202. Reform of the competitive service hiring process.

Sec. 203. Permanent extension, revision, and expansion of authorities for use of voluntary separation incentive pay and voluntary early retirement.

Sec. 204. Phased retirement for certain specialized positions.

Sec. 205. Streamlined critical pay authority.

Sec. 206. Expedited approval for appointments to positions classified above GS-15.

Sec. 207. Improvement and accountability of Federal employee performance.

TITLE III—REFORMS RELATING TO THE SENIOR EXECUTIVE SERVICE

Sec. 301. Assignment of senior executives to private organizations.

Sec. 302. Repeal of recertification requirements of senior executives.

Sec. 303. Management and scientific or technical qualifications for certain senior level positions.

TITLE IV—REFORMS RELATING TO FEDERAL EMPLOYEE CAREER DEVELOPMENT AND BENEFITS

Sec. 401. Agency training.

Sec. 402. Accrual of leave for newly hired Federal employees with qualified experience.

Sec. 403. Expansion of national security education program to include education for service governmentwide.

1 **TITLE I—CHIEF HUMAN CAPITAL** 2 **OFFICERS**

3 **SEC. 101. SHORT TITLE.**

4 This title may be cited as the “Chief Human Capital
5 Officers Act of 2001”.

6 **SEC. 102. AGENCY CHIEF HUMAN CAPITAL OFFICERS.**

7 (a) IN GENERAL.—Part II of title 5, United States
8 Code, is amended by inserting after chapter 13 the fol-
9 lowing:

“1403. Establishment of agency Deputy Chief Human Capital Officers.

3 **“§ 1401. Establishment of agency Chief Human Cap-**
4 **ital Officers**

5 “(a) There shall be within each agency described in
6 subsection (b) an agency Chief Human Capital Officer.
7 Each agency Chief Human Capital Officer shall—

8 “(1) for those agencies described in subsection
9 (b)(1)—

10 “(A) be appointed by the President, by and
11 with the advice and consent of the Senate; or

12 “(B) be designated by the President, in
13 consultation with the head of the agency, from
14 among officials of the agency who are required
15 by law to be so appointed;

16 “(2) for those agencies described in subsection
17 (b)(2)—

18 “(A) be appointed by the head of the agen-
19 cy;

20 “(B) be in the competitive service or the
21 senior executive service; and

22 “(C) be career appointees; and

1 “(3) be appointed or designated, as applicable,
2 from among individuals who possess demonstrated
3 ability in general management of, and knowledge of
4 and extensive practical experience in human re-
5 sources practices in large governmental or business
6 entities.

7 “(b)(1) The agencies referred to in subsection (a)(1)
8 are the following:

9 “(A) The Department of Agriculture.

10 “(B) The Department of Commerce.

11 “(C) The Department of Defense.

12 “(D) The Department of Education.

13 “(E) The Department of Energy.

14 “(F) The Department of Health and Human
15 Services.

16 “(G) The Department of Housing and Urban
17 Development.

18 “(H) The Department of the Interior.

19 “(I) The Department of Justice.

20 “(J) The Department of Labor.

21 “(K) The Department of State.

22 “(L) The Department of Transportation.

23 “(M) The Department of the Treasury.

24 “(N) The Department of Veterans Affairs.

25 “(O) The Environmental Protection Agency.

1 “(P) The National Aeronautics and Space Ad-
2 ministration.

3 “(2) The agencies referred to in subsection (a)(2) are
4 the following:

5 “(A) The Agency for International Develop-
6 ment.

7 “(B) The Federal Emergency Management
8 Agency.

9 “(C) The General Services Administration.

10 “(D) The National Science Foundation.

11 “(E) The Nuclear Regulatory Commission.

12 “(F) The Office of Personnel Management.

13 “(G) The Small Business Administration.

14 **“§ 1402. Authority and functions of agency Chief**

15 **Human Capital Officers**

16 “(a) An agency Chief Human Capital Officer shall—

17 “(1) set the workforce development strategy of
18 the agency;

19 “(2) assess current workforce characteristics
20 and future needs based on the strategic plan and
21 mission of the agency;

22 “(3) align human resources policies with orga-
23 nization mission, strategic goals, and performance
24 outcomes;

1 “(4) develop and advocate a culture of contin-
2 uous learning to attract and retain employees with
3 superior abilities;

4 “(5) identify best practices and benchmarking
5 studies; and

6 “(6) create systems for measuring intellectual
7 capital and identifying links of that capital to orga-
8 nizational performance and growth.

9 “(b)(1) In addition to the authority otherwise pro-
10 vided by this section, each agency Chief Human Capital
11 Officer—

12 “(A) subject to paragraph (2), shall have access
13 to all records, reports, audits, reviews, documents,
14 papers, recommendations, or other material which
15 are the property of the agency or which are available
16 to the agency, and which relate to programs and op-
17 erations with respect to which that agency Chief
18 Human Capital Officer has responsibilities under
19 this section;

20 “(B) may request such information or assist-
21 ance as may be necessary for carrying out the duties
22 and responsibilities provided by this section from
23 any Federal, State, or local governmental entity; and

1 “(C) to the extent and in such amounts as may
2 be provided in advance by appropriations Acts,
3 may—

4 “(i) enter into contracts and other ar-
5 rangements with public agencies and with pri-
6 vate persons for the preparation of studies,
7 analyses, and other services; and

8 “(ii) make such payments as may be nec-
9 essary to carry out this section.

10 “(2) Except as provided in paragraph (1)(B), this
11 subsection does not provide to an agency Chief Human
12 Capital Officer any access greater than permitted under
13 any other law to records, reports, audits, reviews, docu-
14 ments, papers, recommendations, or other material of any
15 Office of Inspector General established under the Inspec-
16 tor General Act of 1978 (5 U.S.C. App.).

17 **“§ 1403. Establishment of agency Deputy Chief**
18 **Human Capital Officers**

19 “(a) There shall be within each agency described in
20 section 1401(b) an agency Deputy Chief Human Capital
21 Officer, who shall report directly to the agency Chief
22 Human Capital Officer on human resources management
23 matters. The position of agency Deputy Chief Human
24 Capital Officer shall be a career reserved position in the
25 Senior Executive Service.

1 “(b) Consistent with qualification standards devel-
 2 oped by, and in consultation with, the agency Chief
 3 Human Capital Officer, the head of each agency shall ap-
 4 point as Deputy Chief Human Capital Officer an indi-
 5 vidual with demonstrated ability and experience in human
 6 resources, and not less than 6 years practical experience
 7 in human resources management at large governmental
 8 entities.”.

9 (b) TECHNICAL AND CONFORMING AMENDMENT.—
 10 The table of chapters for part II of title 5, United States
 11 Code, is amended by inserting after the item relating to
 12 chapter 13 the following:

“14. Agency Chief Human Capital Officers 1401.”.

13 **SEC. 103. COMPENSATION.**

14 Section 5315 of title 5, United States Code, is
 15 amended by adding at the end the following:

16 “Chief Human Capital Officer, Department of
 17 Agriculture.

18 “Chief Human Capital Officer, Department of
 19 Commerce.

20 “Chief Human Capital Officer, Department of
 21 Defense.

22 “Chief Human Capital Officer, Department of
 23 Education.

24 “Chief Human Capital Officer, Department of
 25 Energy.

1 “Chief Human Capital Officer, Department of
2 Health and Human Services.

3 “Chief Human Capital Officer, Department of
4 Housing and Urban Development.

5 “Chief Human Capital Officer, Department of
6 the Interior.

7 “Chief Human Capital Officer, Department of
8 Justice.

9 “Chief Human Capital Officer, Department of
10 Labor.

11 “Chief Human Capital Officer, Department of
12 State.

13 “Chief Human Capital Officer, Department of
14 Transportation.

15 “Chief Human Capital Officer, Department of
16 the Treasury.

17 “Chief Human Capital Officer, Department of
18 Veterans Affairs.

19 “Chief Human Capital Officer, Environmental
20 Protection Agency.

21 “Chief Human Capital Officer, National Aero-
22 nautics and Space Administration.”.

23 **SEC. 104. CHIEF HUMAN CAPITAL OFFICERS COUNCIL.**

24 (a) ESTABLISHMENT.—There is established a Chief
25 Human Capital Officers Council, consisting of—

1 (1) the Director of the Office of Personnel
2 Management and the Deputy Director of the Office
3 of Personnel Management, who shall act as co-chair-
4 persons of the council; and

5 (2) each of the agency Chief Human Capital
6 Officers appointed under section 1401 of title 5,
7 United States Code, as added by this Act.

8 (b) FUNCTIONS.—The Chief Human Capital Officers
9 Council shall meet periodically to advise and coordinate
10 the activities of the agencies of its members on such mat-
11 ters as modernization of human resources systems, im-
12 proved quality of human resources information, and legis-
13 lation affecting human resources operations and organiza-
14 tions.

15 **SEC. 105. REPORT ON HUMAN CAPITAL METRICS FOR THE**
16 **FEDERAL GOVERNMENT.**

17 (a) IN GENERAL.—The Office of Personnel Manage-
18 ment shall enter into a contract with the National Acad-
19 emy of Public Administration to conduct a study and pre-
20 pare a report on the feasibility and desirability of devel-
21 oping human capital metrics for use by the Federal Gov-
22 ernment.

23 (b) CONTENTS.—The report under subsection (a)
24 shall examine the feasibility and desirability of developing
25 a proposed set of metrics that—

1 (1) may be applied to the Federal Government
2 human capital process;

3 (2) provides for the basic quantitative analysis
4 and measurement for human capital that are nec-
5 essary for reform efforts;

6 (3) provides for standardized measurements
7 of—

8 (A) the efficiency of the human capital
9 process of a Federal agency; and

10 (B) the success of a Federal agency in
11 achieving human capital objectives;

12 (4) provides for an accurate comparison among
13 agencies to encourage management focus on human
14 capital issues; and

15 (5) may be used as the basis for regular reports
16 prepared by Chief Human Capital Officers.

17 (c) SUBMISSION OF REPORT.—Not later than 1 year
18 after the date of enactment of this Act, the Office of Per-
19 sonnel Management shall submit the report prepared
20 under this section to—

21 (1) the Committee on Governmental Affairs of
22 the Senate; and

23 (2) the Committee on Government Reform of
24 the House of Representatives.

1 **SEC. 106. EFFECTIVE DATE.**

2 (a) IN GENERAL.—Except as provided under sub-
3 section (b), this title shall take effect 180 days after the
4 date of enactment of this Act.

5 (b) REPORT.—Section 105 shall take effect on the
6 date of enactment of this Act.

7 **TITLE II—REFORM RELATING TO**
8 **FEDERAL HUMAN CAPITAL**
9 **MANAGEMENT**

10 **SEC. 201. INCLUSION OF AGENCY HUMAN CAPITAL STRA-**
11 **TEGIC PLANNING IN PROGRAM PERFORM-**
12 **ANCE REPORTS.**

13 Section 1116(d) of title 31, United States Code, is
14 amended—

15 (1) in paragraph (4), by striking “and” after
16 the semicolon;

17 (2) by redesignating paragraph (5) as para-
18 graph (6); and

19 (3) by inserting after paragraph (4) the fol-
20 lowing:

21 “(5) include a review of the performance goals
22 and evaluation of the performance plan relating to
23 strategic plans concerning human capital; and”.

1 **SEC. 202. REFORM OF THE COMPETITIVE SERVICE HIRING**
2 **PROCESS.**

3 (a) IN GENERAL.—Chapter 33 of title 5, United
4 States Code, is amended by inserting after section 3318
5 the following:

6 **“§ 3319. Competitive service alternative hiring sys-**
7 **tem**

8 “(a)(1) This section shall apply only to competitive
9 service positions in an Executive agency or an agency in
10 the judicial branch.

11 “(2) Before the head of an agency may take any ac-
12 tion under this section—

13 “(A) the head of that agency shall submit a
14 plan to the Office of Personnel Management detail-
15 ing the implementation of this section; and

16 “(B) the Office of Personnel Management shall
17 approve the plan.

18 “(3) If the Office of Personnel Management dis-
19 approves a plan under this subsection, the head of an
20 agency may resubmit the plan with modifications for ap-
21 proval.

22 “(b) Notwithstanding sections 3309, 3313, 3317(a),
23 and 3318(a), the head of an agency, consistent with sub-
24 section (a), may provide that applicants for positions in
25 that agency may be evaluated according to a quality cat-
26 egory rating system that divides qualified applicants into

1 2 or more categories that are based on degrees of merit,
2 rather than according to numerical ratings.

3 “(c) Each applicant who meets the minimum quali-
4 fication requirements for a position shall be assigned to
5 the appropriate category based on an evaluation of the
6 quality of the knowledge, skills, and abilities of the appli-
7 cant relative to successful performance in the position to
8 be filled.

9 “(d) Within each quality category, applicants who are
10 eligible for veterans’ preference under section 2108 shall
11 be listed ahead of the applicants who are not eligible for
12 preference. Among preference eligibles, a preference eligi-
13 ble under section 2108(3) (C) through (G) shall be listed
14 ahead of a preference eligible under section 2108(3) (A)
15 and (B).

16 “(e)(1) Notwithstanding subsection (c), each appli-
17 cant, except for applicants for scientific and professional
18 positions at grade GS-9 or higher in the General Sched-
19 ule, who meets the minimum qualifications requirements
20 for the position and who is a preference eligible described
21 in section 2108(3)(C) with a compensable service-con-
22 nected disability of 10 percent or more, shall be listed in
23 the top of the highest quality category ahead of other pref-
24 erence eligible applicants.

1 “(2) Applicants for scientific or professional positions
2 at grade GS-9 or higher in the General Schedule shall
3 be listed within the category grouping of such applicants,
4 except that applicants who are eligible for veterans’ pref-
5 erence under section 2108 shall be listed ahead of the ap-
6 plicants who are not eligible for preference.

7 “(3) Among preference eligibles, a preference eligible
8 under section 2108(3) (C) through (G) shall be listed
9 ahead of a preference eligible under section 2108(3) (A)
10 and (B).

11 “(f) An appointing official may select any qualified
12 applicant within the highest category, except that an ap-
13 pointing official may not pass over a preference eligible
14 to select a nonpreference eligible in the same category un-
15 less the requirements of section 3312(b) or 3318(b) are
16 satisfied. If fewer than 3 applicants have been assigned
17 to the highest category, an appointing official may select
18 any qualified applicant in the next lower category, or cat-
19 egories, if necessary to provide a group of at least 3 quali-
20 fied applicants. An appointing official may not pass over
21 a preference eligible to select a nonpreference eligible in
22 a lower category.

23 “(g)(1) Notwithstanding section 3304(b), the head of
24 an agency may appoint individuals into the competitive
25 service to fill positions in that agency without competition

1 if public notice is given and the positions meet 1 of the
2 following criteria:

3 “(A) There is a severe shortage of qualified
4 candidates.

5 “(B) There is a need for expedited hiring.

6 “(C) The position is unusual and requires spe-
7 cial qualifications.

8 “(D) The position has a historically high turn-
9 over rate.

10 “(2) The head of an agency may appoint individuals
11 with exceptional academic qualifications or special experi-
12 ence to positions described under paragraph (1) at the fol-
13 lowing grade levels:

14 “(A) For positions for which the rate of basic
15 pay does not exceed the maximum rate payable for
16 a position at GS-7 of the General Schedule, individ-
17 uals who qualify on the basis of education shall pos-
18 sess a baccalaureate degree with a cumulative grade
19 point average of 3.5 or higher on a 4.0 scale or the
20 equivalent on another scale.

21 “(B) For positions for which the rate of basic
22 pay exceeds the maximum rate payable for a posi-
23 tion at GS-7 of the General Schedule, but does not
24 exceed the maximum rate payable for a position at
25 GS-12 of the General Schedule, individuals who

(b) TECHNICAL AND CONFORMING AMENDMENT.—

The table of sections for chapter 33 of title 5, United States Code, is amended by inserting after the item relating to section 3318 the following:

18 SEC. 203. PERMANENT EXTENSION, REVISION, AND EXPAN-
19 SION OF AUTHORITIES FOR USE OF VOL-
20 UNTARY SEPARATION INCENTIVE PAY AND
21 VOLUNTARY EARLY RETIREMENT.

24 (1) IN GENERAL.—

1 (A) AMENDMENT TO TITLE 5, UNITED
 2 STATES CODE.—Chapter 35 of title 5, United
 3 States Code, is amended by inserting after sub-
 4 chapter I the following:

5 “SUBCHAPTER II—VOLUNTARY SEPARATION
 6 INCENTIVE PAYMENTS

7 “§ 3521. Definitions

8 “In this subchapter, the term—

9 “(1) ‘agency’ means an Executive agency as de-
 10 fined under section 105; and

11 “(2) ‘employee’—

12 “(A) means an employee as defined under
 13 section 2105 employed by an agency and an in-
 14 dividual employed by a country committee es-
 15 tablished under section 8(b)(5) of the Soil Con-
 16 servation and Domestic Allotment Act (16
 17 U.S.C. 590h(b)(5)) who—

18 “(i) is serving under an appointment
 19 without time limitation; and

20 “(ii) has been currently employed for
 21 a continuous period of at least 3 years;
 22 and

23 “(B) shall not include—

24 “(i) a reemployed annuitant under
 25 subchapter III of chapter 83 or chapter 84

1 or another retirement system for employees
2 of the Government;

3 “(ii) an employee having disability on
4 the basis of which such employee is or
5 would be eligible for disability retirement
6 under subchapter III of chapter 83 or
7 chapter 84 or another retirement system
8 for employees of the Government;

9 “(iii) an employee who is in receipt of
10 a decision notice of involuntary separation
11 for misconduct or unacceptable perform-
12 ance;

13 “(iv) an employee who has previously
14 received any voluntary separation incentive
15 payment from the Federal Government
16 under this subchapter or any other author-
17 ity;

18 “(v) an employee covered by statutory
19 reemployment rights who is on transfer
20 employment with another organization; or

21 “(vi) unless an agency has waived a
22 right to recover funds, any employee
23 who—

24 “(I) during the 24-month period
25 preceding the employee’s date of sepa-

1 ration, received and did not repay a
2 recruitment or relocation bonus under
3 section 5733;

4 “(II) within the 12-month period
5 preceding the employee’s date of sepa-
6 ration, received and did not repay a
7 retention allowance under section
8 5754; or

9 “(III) within the 36-month pe-
10 riod preceding the employee’s date of
11 separation, received and did not repay
12 funds provided for student loan repay-
13 ment under section 5379.

14 **“§ 3522. Agency plans; approval**

15 “(a) Before obligating any resources for voluntary
16 separation incentive payments, the head of each agency
17 shall submit to the Office of Management and Budget a
18 plan outlining the intended use of such incentive payments
19 and a proposed organizational chart for the agency once
20 such incentive payments have been completed.

21 “(b) The agency’s plan under subsection (a) shall
22 include—

23 “(1) the specific positions and functions to be
24 reduced or eliminated;

1 “(2) a description of which categories of em-
2 ployees will be offered incentives;

3 “(3) the time period during which incentives
4 may be paid;

5 “(4) the number and amounts of voluntary sep-
6 aration incentive payments to be offered; and

7 “(5) a description of how the agency will oper-
8 ate without the eliminated positions and functions.

9 “(c) The Director of the Office of Management and
10 Budget shall review each agency’s plan and may make any
11 appropriate modifications in the plan. A plan under this
12 section may not be implemented without the approval of
13 the Director.

14 **“§ 3523. Authority to provide voluntary separation in-**
15 **centive payments**

16 “(a) A voluntary separation incentive payment under
17 this subchapter may be paid to an employee only as pro-
18 vided in the agency’s plan established under section 3522.

19 “(b) A voluntary incentive payment—

20 “(1) shall be offered to agency employees on the
21 basis of organizational unit, occupational series or
22 level, geographic location, specific window periods,
23 other appropriate nonpersonal factors, or a combina-
24 tion of such factors;

1 “(2) shall be paid in a lump sum after the em-
2 ployee’s separation;

3 “(3) shall be equal to the lesser of—

4 “(A) an amount equal to the amount the
5 employee would be entitled to receive under sec-
6 tion 5595(c) if the employee were entitled to
7 payment under such section (without adjust-
8 ment for any previous payment made); or

9 “(B) an amount determined by the agency
10 head, not to exceed \$25,000;

11 “(4) may be made only in the case of an em-
12 ployee who voluntarily separates (whether by retire-
13 ment or resignation) under this subchapter;

14 “(5) shall not be a basis for payment, and shall
15 not be included in the computation, of any other
16 type of Government benefit;

17 “(6) shall not be taken into account in deter-
18 mining the amount of any severance pay to which
19 the employee may be entitled under section 5595,
20 based on any other separation; and

21 “(7) shall be paid from appropriations or funds
22 available for the payment of the basic pay of the em-
23 ployee.

1 **“§ 3524. Additional agency contributions to the Civil**
2 **Service Retirement and Disability Fund**

3 “(a) In addition to any other payments which the
4 agency is required to make under subchapter III of chap-
5 ter 83 or chapter 84, the agency shall remit to the Office
6 of Personnel Management for deposit in the Treasury of
7 the United States to the credit of the Civil Service Retire-
8 ment and Disability Fund an amount equal to 15 percent
9 of the final basic pay of each employee of the agency who
10 is covered under subchapter III of chapter 83 and chapter
11 84 to whom a voluntary separation incentive has been paid
12 under this subchapter or any other authority.

13 “(b) For the purpose of subsection (a), the term ‘final
14 basic pay’ with respect to an employee means the total
15 amount of basic pay which would be payable for a year
16 of service by that employee, computed using the employ-
17 ee’s final rate of basic pay, and, if last serving on other
18 than full-time basis, with an appropriate adjustment
19 therefor.

20 **“§ 3525. Effect of subsequent employment with the**
21 **Government**

22 “(a) An individual who has received a voluntary sepa-
23 ration incentive payment under this subchapter and ac-
24 cepts any employment for compensation with the Govern-
25 ment of the United States within 5 years after the date
26 of the separation on which the payment is based shall be

1 required to pay, before the individual's first day of employ-
2 ment, the entire amount of the incentive payment to the
3 agency that paid the incentive payment.

4 “(b)(1) If the employment under this section is with
5 an agency (other than the General Accounting Office, the
6 United States Postal Service, or the Postal Rate Commis-
7 sion) the Director of the Office of Personnel Management
8 may, at the request of the head of the agency, waive the
9 repayment if—

10 “(A) the individual involved possesses unique
11 abilities and is the only qualified applicant available
12 for the position; or

13 “(B) in the case of an emergency involving a di-
14 rect threat to life or property, the individual—

15 “(i) has skills directly related to resolving
16 the emergency; and

17 “(ii) will serve on a temporary basis only
18 so long as that individual's services are made
19 necessary by the emergency.

20 “(2) If the employment under this section is with an
21 entity in the legislative branch, the head of the entity or
22 the appointing official may waive the repayment if the in-
23 dividual involved possesses unique abilities and is the only
24 qualified applicant available for the position.

1 “(3) If the employment under this section is with the
 2 judicial branch, the Director of the Administrative Office
 3 of the United States Courts may waive the repayment if
 4 the individual involved possesses unique abilities and is the
 5 only qualified applicant available for the position.

6 **“§ 3526. Regulations**

7 “The Office of Personnel Management, in consulta-
 8 tion with the Office of Management and Budget, may pre-
 9 scribe regulations to carry out this subchapter.”.

10 (B) TECHNICAL AND CONFORMING AMEND-
 11 MENTS.—Chapter 35 of title 5, United States
 12 Code, is amended—

13 (i) by striking the chapter heading
 14 and inserting the following:

15 **“CHAPTER 35—RETENTION PREFERENCE,**
 16 **VOLUNTARY SEPARATION INCENTIVE**
 17 **PAYMENTS, RESTORATION, AND RE-**
 18 **EMPLOYMENT”**; and

19 (ii) in the table of sections by insert-
 20 ing after the item relating to section 3504
 21 the following:

“SUBCHAPTER II—VOLUNTARY SEPARATION INCENTIVE
 PAYMENTS

“3521. Definitions.

“3522. Agency plans; approval.

“3523. Authority to provide voluntary separation incentive payments.

“3524. Additional agency contributions to the Civil Service Retirement and Dis-
 ability Fund.

“3525. Effect of subsequent employment with the Government.

“3526. Regulations.”.

1 (2) ADMINISTRATIVE OFFICE OF THE UNITED
2 STATES COURTS.—The Director of the Administra-
3 tive Office of the United States Courts may, by reg-
4 ulation, establish a program substantially similar to
5 the program established under section 2 for individ-
6 uals serving in the judicial branch.

7 (3) CONTINUATION OF OTHER AUTHORITY.—
8 Any agency exercising any voluntary separation in-
9 centive authority in effect on the effective date of
10 this Act may continue to offer voluntary separation
11 incentives consistent with that authority until that
12 authority expires.

13 (4) EFFECTIVE DATE.—This subsection shall
14 take effect 60 days after the date of enactment of
15 this Act.

16 (b) FEDERAL EMPLOYEE VOLUNTARY EARLY RE-
17 TIREMENT.—

18 (1) CIVIL SERVICE RETIREMENT SYSTEM.—Sec-
19 tion 8336(d)(2) of title 5, United States Code, is
20 amended to read as follows:

21 “(2)(A) has been employed continuously, by the
22 agency in which the employee is serving, for at least
23 the 31-day period ending on the date on which such

1 agency requests the determination referred to in
2 subparagraph (D);

3 “(B) is serving under an appointment that is
4 not time limited;

5 “(C) has not been duly notified that such em-
6 ployee is to be involuntarily separated for mis-
7 conduct or unacceptable performance;

8 “(D) is separated from the service voluntarily
9 during a period in which, as determined by the Of-
10 fice of Personnel Management (upon request of the
11 agency) under regulations prescribed by the Office—

12 “(i) such agency (or, if applicable, the
13 component in which the employee is serving) is
14 undergoing a major reorganization, a major re-
15 duction in force, or a major transfer of func-
16 tion; and

17 “(ii) a significant percentage of the em-
18 ployees serving in such agency (or component)
19 will be separated or subject to an immediate re-
20 duction in the rate of basic pay (without regard
21 to subchapter VI of chapter 53, or comparable
22 provisions); and

23 “(E) as determined by the agency under regula-
24 tions prescribed by the Office, is within the scope of

1 the offer of voluntary early retirement, which may be
 2 made on the basis of—

3 “(i) one or more organizational units;

4 “(ii) one or more occupational series or
 5 levels;

6 “(iii) one or more geographical locations;

7 “(iv) other similar nonpersonal factors the
 8 Office determines appropriate; or

9 “(v) any appropriate combination of such
 10 factors;”.

11 (2) FEDERAL EMPLOYEES’ RETIREMENT SYS-
 12 TEM.—Section 8414(b)(1)(B) of title 5, United
 13 States Code, is amended to read as follows:

14 “(B)(i) has been employed continuously, by the
 15 agency in which the employee is serving, for at least
 16 the 31-day period ending on the date on which such
 17 agency requests the determination referred to in
 18 clause (iv);

19 “(ii) is serving under an appointment that is
 20 not time limited;

21 “(iii) has not been duly notified that such em-
 22 ployee is to be involuntarily separated for mis-
 23 conduct or unacceptable performance;

24 “(iv) is separated from the service voluntarily
 25 during a period in which, as determined by the Of-

1 fice of Personnel Management (upon request of the
2 agency) under regulations prescribed by the Office—

3 “(I) such agency (or, if applicable, the
4 component in which the employee is serving) is
5 undergoing a major reorganization, a major re-
6 duction in force, or a major transfer of func-
7 tion; and

8 “(II) a significant percentage of the em-
9 ployees serving in such agency (or component)
10 will be separated or subject to an immediate re-
11 duction in the rate of basic pay (without regard
12 to subchapter VI of chapter 53, or comparable
13 provisions); and

14 “(v) as determined by the agency under regula-
15 tions prescribed by the Office, is within the scope of
16 the offer of voluntary early retirement, which may be
17 made on the basis of—

18 “(I) one or more organizational units;

19 “(II) one or more occupational series or
20 levels;

21 “(III) one or more geographical locations;

22 “(IV) other similar nonpersonal factors the
23 Office determines appropriate; or

24 “(V) any appropriate combination of such
25 factors;”.

1 (3) REGULATIONS.—The Office of Personnel
 2 Management may prescribe regulations to carry out
 3 this subsection.

4 **SEC. 204. PHASED RETIREMENT FOR CERTAIN SPECIAL-**
 5 **IZED POSITIONS.**

6 (a) CIVIL SERVICE RETIREMENT SYSTEM.—Section
 7 8344 of title 5, United States Code, is amended—

8 (1) in subsection (l)—

9 (A) in paragraph (1), by striking “(k)”
 10 and inserting “(l)”; and

11 (B) in paragraph (2), by striking “or (k)”
 12 and inserting “(k), or (l)”; and

13 (2) by redesignating subsection (l) as subsection
 14 (m); and

15 (3) by inserting after subsection (k) the fol-
 16 lowing:

17 “(l) The head of an Executive agency may waive the
 18 application of this section with respect to a reemployed
 19 annuitant, if—

20 “(1) the annuitant is reemployed—

21 “(A) within 180 days after separation from
 22 service with the agency from which the annu-
 23 itant retired; and

24 “(B) for the purpose of providing a period
 25 of transition between the annuitant and the em-

1 ployee who will permanently perform the former
 2 duties of the annuitant;

3 “(2) the reemployment—

4 “(A)(i) is under section 3104, 3133, or
 5 5108; or

6 “(ii) is in a position at GS–13, GS–14, or
 7 GS–15 of the General Schedule;

8 “(B) is on a part-time basis not to exceed
 9 1,040 hours annually; and

10 “(C) does not exceed a period of 2 cal-
 11 endar years; and

12 “(3) the annuitant is not a disability annu-
 13 itant.”.

14 (b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—

15 Section 8468 of title 5, United States Code, is amended—

16 (1) in subsection (i)—

17 (A) in paragraph (1), by striking “(h)”
 18 and inserting “(i)”; and

19 (B) in paragraph (2), by striking “or (h)”
 20 and inserting “(h), or (i)”;

21 (2) by redesignating subsection (i) as subsection
 22 (j); and

23 (3) by inserting after subsection (h) the fol-
 24 lowing:

1 “(i) The head of an Executive agency may waive the
2 application of this section with respect to a reemployed
3 annuitant, if—

4 “(1) the annuitant is reemployed—

5 “(A) within 180 days after separation from
6 service with the agency from which the annu-
7 itant retired; and

8 “(B) for the purpose of providing a period
9 of transition between the annuitant and the em-
10 ployee who will permanently perform the former
11 duties of the annuitant;

12 “(2) the reemployment—

13 “(A)(i) is under section 3104, 3133, or
14 5108; or

15 “(ii) is in a position at GS-13, GS-14, or
16 GS-15 of the General Schedule;

17 “(B) is on a part-time basis not to exceed
18 1,040 hours annually; and

19 “(C) does not exceed a period of 2 cal-
20 endar years; and

21 “(3) the annuitant is not a disability annu-
22 itant.”.

1 **SEC. 205. STREAMLINED CRITICAL PAY AUTHORITY.**

2 (a) IN GENERAL.—Chapter 53 of title 5, United
3 States Code, is amended by inserting after section 5377
4 the following:

5 **“§ 5377a. Streamlined critical pay authority**

6 “(a) In this section, the term ‘agency’ means an Ex-
7 ecutive agency as defined under section 105.

8 “(b) Notwithstanding the provisions of this title gov-
9 erning appointments in the competitive service or the Sen-
10 ior Executive Service and chapters 51 and 53 (relating
11 to classification and pay rates), the head of an agency
12 may, for a period of 10 years after the effective date of
13 this section, establish, fix the compensation of, and ap-
14 point individuals to, designated critical administrative,
15 technical, and professional positions needed to carry out
16 the functions of that agency, if—

17 “(1) the positions—

18 “(A) require expertise of an extremely high
19 level in an administrative, technical, or profes-
20 sional field; and

21 “(B) are critical to the agency’s successful
22 accomplishment of an important mission;

23 “(2) the exercise of the authority is necessary
24 to recruit or retain an individual exceptionally well
25 qualified for the position;

1 “(3) the number of such positions for an agency
2 at any one time does not exceed 1 position for every
3 3,000 employees employed by that agency;

4 “(4) the designation of such positions is ap-
5 proved by the head of the agency;

6 “(5) the terms of such appointments are limited
7 to no more than 4 years;

8 “(6) the appointees to such positions were not
9 employees of that agency before the effective date of
10 this section;

11 “(7) the total annual compensation for any ap-
12 pointee to such positions does not exceed the highest
13 total annual compensation payable at the rate deter-
14 mined under section 104 of title 3; and

15 “(8) all such positions are excluded from the
16 collective bargaining unit.

17 “(c) Individuals appointed under this section shall
18 not be considered to be employees for purposes of sub-
19 chapter II of chapter 75.”.

20 (b) TECHNICAL AND CONFORMING AMENDMENT.—
21 The table of sections for chapter 53 of title 5, United
22 States Code, is amended by inserting after the item relat-
23 ing to section 5377 the following:

 “5377a. Streamlined critical pay authority.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall take effect 90 days after the date of en-
 3 actment of this Act.

4 **SEC. 206. EXPEDITED APPROVAL FOR APPOINTMENTS TO**
 5 **POSITIONS CLASSIFIED ABOVE GS-15.**

6 Section 3324(a) of title 5, United States Code, is
 7 amended by inserting after the first sentence “Not later
 8 than 30 days after receipt of a request for approval under
 9 this section, the Office of Personnel Management shall
 10 make a decision on that approval.”.

11 **SEC. 207. IMPROVEMENT AND ACCOUNTABILITY OF FED-**
 12 **ERAL EMPLOYEE PERFORMANCE.**

13 (a) ACTIONS BASED ON UNACCEPTABLE PERFORM-
 14 ANCE.—Section 4303(b)(1)(A) of title 4303 of title 5,
 15 United States Code, is amended by striking “30 days” and
 16 inserting “15 days”.

17 (b) STUDY ON DISCIPLINARY AND TERMINATION
 18 PROCESS.—

19 (1) IN GENERAL.—Not later than 1 year after
 20 the date of enactment of this Act, the General Ac-
 21 counting Office shall—

22 (A) conduct a study on the disciplinary
 23 and termination process relating to Federal em-
 24 ployees with unacceptable performances; and

1 (B) submit a report on the study, includ-
2 ing findings and recommendations to—

3 (i) the Office of Personnel Manage-
4 ment;

5 (ii) the Committee on Governmental
6 Affairs of the Senate; and

7 (iii) the Committee on Government
8 Reform of the House of Representatives.

9 (2) CONTENT.—The study under this sub-
10 section shall—

11 (A) evaluate the disciplinary and termi-
12 nation process relating to Federal employees;
13 and

14 (B) make recommendations on modifying
15 and streamlining that process to provide for
16 greater accountability for Federal employees in
17 meeting established performance standards.

18 (3) AUTHORIZATION OF APPROPRIATIONS.—
19 There are authorized to be appropriated to the Gen-
20 eral Accounting Office such sums as may be nec-
21 essary to carry out this subsection.

1 **TITLE III—REFORMS RELATING**
 2 **TO THE SENIOR EXECUTIVE**
 3 **SERVICE**

4 **SEC. 301. ASSIGNMENT OF SENIOR EXECUTIVES TO PRI-**
 5 **VATE ORGANIZATIONS.**

6 (a) IN GENERAL.—Chapter 33 of title 5, United
 7 States Code, is amended by adding at the end the fol-
 8 lowing:

9 “SUBCHAPTER IX—ASSIGNMENTS TO PRIVATE
 10 ORGANIZATIONS

11 “§ 3398. Definitions

12 “In this subchapter, the term—

13 “(1) ‘agency’ means—

14 “(A) except for purposes of paragraph (2),
 15 an agency as defined under section 3132; and

16 “(B) for purposes of paragraph (2), each
 17 authority of the Government of the United
 18 States, whether or not it is within or subject to
 19 review by another agency;

20 “(2) ‘organization’ means any private entity
 21 that is not an agency or a State or local government;
 22 and

23 “(3) ‘senior executive’ means a member of the
 24 Senior Executive Service who, at the time of an as-
 25 signment under this subchapter is serving in a ca-

1 reer reserved position as defined under section
2 3132(a)(8).

3 **“§ 3398a. General provisions**

4 “(a)(1) On request from or with the concurrence of
5 an organization, and with the consent of the senior execu-
6 tive concerned, the head of an agency may arrange for
7 the assignment of a senior executive of that agency to an
8 organization for work of mutual concern to that agency
9 and the organization that the head of the agency deter-
10 mines will be beneficial to both.

11 “(2) The period of an assignment under this sub-
12 chapter may not exceed 1 year. The head of an agency
13 may extend the period of assignment for not more than
14 1 additional year.

15 “(b)(1) A senior executive of an agency may be as-
16 signed under this subchapter only if the senior executive
17 agrees, as a condition of accepting an assignment under
18 this subchapter, to serve in the civil service upon the com-
19 pletion of the assignment for a period equal to the length
20 of the assignment.

21 “(2) Each agreement required under paragraph (1)
22 shall provide that in the event the senior executive fails
23 to carry out the agreement (except for good and sufficient
24 reason, as determined by the head of the agency from
25 which assigned) the senior executive shall be liable to the

1 United States for payment of all expenses (excluding sal-
 2 ary) of the assignment. The amount shall be treated as
 3 a debt due the United States.

4 **“§ 3398b. Assignment of senior executives to organi-**
 5 **zations**

6 “(a)(1) A senior executive of an agency assigned to
 7 an organization under this subchapter is deemed, during
 8 the assignment, to be either—

9 “(A) on detail to a regular work assignment in
 10 that agency; or

11 “(B) on leave without pay from that senior ex-
 12 ecutive’s position in the agency.

13 “(2) A senior executive assigned either on detail or
 14 on leave without pay remains an employee of that agency.

15 “(3) The Federal Tort Claims Act and any other
 16 Federal tort liability statute apply to a senior executive
 17 so assigned.

18 “(4) The supervision of the duties of a senior execu-
 19 tive on detail may be governed by agreement between the
 20 agency and the organization concerned.

21 “(b) The assignment of a senior executive of an agen-
 22 cy either on detail or on leave without pay to an organiza-
 23 tion under this subchapter may be made with or without
 24 reimbursement by the organization for the travel and
 25 transportation expenses to or from the place of assignment

1 and for the pay, or supplemental pay, or a part thereof,
2 of the senior executive during assignment. Any reimburse-
3 ments shall be credited to the appropriation of the agency
4 used for paying the travel and transportation expenses or
5 pay.

6 “(c) For any senior executive so assigned and on
7 leave without pay—

8 “(1) if the rate of pay for that senior execu-
9 tive’s employment by the organization is less than
10 the rate of pay the senior executive would have re-
11 ceived had he continued in his regular assignment in
12 the agency, the senior executive is entitled to receive
13 supplemental pay from the agency in an amount
14 equal to the difference between the organization rate
15 and the agency rate;

16 “(2) the senior executive is entitled to annual
17 and sick leave to the same extent as if the senior ex-
18 ecutive had continued in regular assignment in the
19 agency; and

20 “(3) the senior executive is entitled, notwith-
21 standing any other law—

22 “(A) to continuation of insurance under
23 chapter 87, and coverage under chapter 89 or
24 other applicable authority, if the senior execu-
25 tive pays currently into the Employee’s Life In-

1 surance Fund and the Employee's Health Bene-
2 fits Fund or other applicable health benefits
3 system (through the employing agency) the
4 amount of the employee contributions;

5 “(B) to credit the period of assignment
6 under this subchapter toward periodic step-in-
7 creases, retention, and leave accrual purposes,
8 and, on payment into the Civil Service Retire-
9 ment and Disability Fund or other applicable
10 retirement system of the percentage of his orga-
11 nization pay, and of any supplemental pay, that
12 would have been deducted from a like agency
13 pay for the period of the assignment and pay-
14 ment by the agency into the fund or system of
15 the amount that would have been payable by
16 the agency during the period of the assignment
17 with respect to a like agency pay, to treat that
18 senior executive's service during that period as
19 service of the type performed in the agency im-
20 mediately before that assignment; and

21 “(C) for the purpose of subchapter I of
22 chapter 85, to credit the service performed dur-
23 ing the period of assignment under this sub-
24 chapter as Federal service, and to consider or-

1 ganization pay (and any supplemental pay) as
2 Federal wages.

3 “(d) The agency shall deposit currently in the Em-
4 ployee’s Life Insurance Fund, the Employee’s Health Ben-
5 efits Fund or other applicable health benefits system, re-
6 spectively, the amount of the Government’s contributions
7 on account of service with respect to which employee con-
8 tributions are collected under subsection (c) (3).

9 “(e) A senior executive so assigned and on leave with-
10 out pay who dies or suffers disability as a result of per-
11 sonal injury sustained while in the performance of duty
12 during an assignment under this subchapter shall be treat-
13 ed, for the purpose of subchapter I of chapter 81, as
14 though he were an employee as defined under section 8101
15 who had sustained the injury in the performance of duty.

16 **“§ 3398c. Travel expenses**

17 “(a) Appropriations of an agency are available to pay,
18 or reimburse, a senior executive in accordance with—

19 “(1) subchapter I of chapter 57, for the ex-
20 penses of—

21 “(A) travel, including a per diem allow-
22 ance, to and from the assignment location;

23 “(B) a per diem allowance at the assign-
24 ment location during the period of the assign-
25 ment; and

1 “(C) travel, including a per diem allow-
2 ance, while traveling on official business away
3 from his designated post of duty during the as-
4 signment when the head of the agency considers
5 the travel in the interest of the United States;

6 “(2) section 5724, for the expenses of transpor-
7 tation of his immediate family and of his household
8 goods and personal effects to and from the assign-
9 ment location;

10 “(3) section 5724a(a), for the expenses of per
11 diem allowances for the immediate family of the sen-
12 ior executive to and from the assignment location;

13 “(4) section 5724a(c), for subsistence expenses
14 of the senior executive and his immediate family
15 while occupying temporary quarters at the assign-
16 ment location and on return to his former post of
17 duty;

18 “(5) section 5724a(g), to be used by the senior
19 executive for miscellaneous expenses related to
20 change of station where movement or storage of
21 household goods is involved; and

22 “(6) section 5726(c), for the expenses of non-
23 temporary storage of household goods and personal
24 effects in connection with assignment at an isolated
25 location.

1 “(b) Expenses under subsection (a), other than those
 2 under paragraph (1)(C) of that subsection, may not be
 3 allowed in connection with the assignment of a senior exec-
 4 utive under this subchapter, unless and until the senior
 5 executive agrees in writing to complete the entire period
 6 of his assignment or 1 year, whichever is shorter, unless
 7 separated or reassigned for reasons beyond his control
 8 that are acceptable to the agency concerned. If the senior
 9 executive violates the agreement, the money spent by the
 10 United States for these expenses is recoverable from the
 11 senior executive as a debt due the United States.

12 “(c) Appropriations of an agency are available to pay
 13 expenses under section 5742 with respect to a senior exec-
 14 utive assigned under this subchapter.

15 **“§ 3398d. Regulations**

16 “The President may prescribe regulations for the ad-
 17 ministration of this subchapter.”.

18 (b) TECHNICAL AND CONFORMING AMENDMENT.—
 19 The table of sections for chapter 33 of title 5, United
 20 States Code, is amended by adding at the end the fol-
 21 lowing:

“SUBCHAPTER IX—ASSIGNMENTS TO PRIVATE ORGANIZATIONS

“Sec.

“3398. Definitions.

“3398a. General provisions.

“3398b. Assignment of senior executives to organizations.

“3398c. Travel expenses.

“3398d. Regulations.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall take effect 90 days after the date of en-
 3 actment of this Act.

4 **SEC. 302. REPEAL OF RECERTIFICATION REQUIREMENTS**
 5 **OF SENIOR EXECUTIVES.**

6 (a) IN GENERAL.—Title 5, United States Code, is
 7 amended—

8 (1) in chapter 33—

9 (A) in section 3393(g) by striking
 10 “3393a,”;

11 (B) by repealing section 3393a; and

12 (C) in the table of sections by striking the
 13 item relating to section 3393a;

14 (2) in of chapter 35—

15 (A) in section 3592(a)—

16 (i) in paragraph (1) by inserting “or”
 17 at the end;

18 (ii) in paragraph (2) by striking “or”
 19 at the end;

20 (iii) by striking paragraph (3); and

21 (iv) by striking the last sentence;

22 (B) in section 3593(a) by amending para-
 23 graph (2) to read as follows:

24 “(2) the appointee left the Senior Executive
 25 Service for reasons other than misconduct, neglect of

duty, malfeasance, or less than fully successful executive performance as determined under subchapter II of chapter 43.”; and

(C) in section 3594(b)—

(i) in paragraph (1) by inserting “or” at the end;

(ii) in paragraph (2) by striking “or” at the end; and

(iii) by striking paragraph (3);

(3) in section 7701(c)(1)(A) by striking “or removal from the Senior Executive Service for failure to be recertified under section 3393a”;

(4) in chapter 83—

(A) in section 8336(h)(1) by striking “for failure to be recertified as a senior executive under section 3393a or”; and

(B) in section 8339(h), in the first sentence, by striking “, except that such reduction shall not apply in the case of an employee retiring under section 8336(h) for failure to be recertified as a senior executive”; and

(5) in chapter 84—

(A) in section 8414(a)(1) by striking “for failure to be recertified as a senior executive under section 3393a or”; and

1 (B) in section 8421(a)(2) by striking “, ex-
 2 cept that an individual entitled to an annuity
 3 under section 8414(a) for failure to be recer-
 4 tified as a senior executive shall be entitled to
 5 an annuity supplement without regard to such
 6 applicable minimum retirement age”.

7 (b) SAVINGS PROVISION.—Notwithstanding the
 8 amendments made by subsection (a)(2)(A), an appeal
 9 under the final sentence of section 3592(a) of title 5,
 10 United States Code, that is pending on the day before the
 11 effective date of this section—

12 (1) shall not abate by reason of the enactment
 13 of such amendments; and

14 (2) shall continue as if such amendments had
 15 not been enacted.

16 (c) APPLICATION.—The amendment made by sub-
 17 section (a)(2)(B) shall not apply with respect to an indi-
 18 vidual who, before the effective date of this section, leaves
 19 the Senior Executive Service for failure to be recertified
 20 as a senior executive under section 3393a of title 5, United
 21 States Code.

22 **SEC. 303. MANAGEMENT AND SCIENTIFIC OR TECHNICAL**
 23 **QUALIFICATIONS FOR CERTAIN SENIOR**
 24 **LEVEL POSITIONS.**

25 (a) IN GENERAL.—

1 (1) REQUIREMENTS FOR CERTAIN POSITIONS.—

2 Chapter 51 of title 5, United States Code, is amend-
3 ed by inserting after section 5113 the following:

4 **“§ 5114. Requirements of certain management, sci-**
5 **entific, or technical positions**

6 “(a) In this section the term ‘covered position’
7 means—

8 “(1) a position established under section 3104;

9 “(2) a position for which the rate of basic pay
10 is fixed under section 5377; or

11 “(3) a position that—

12 “(A) is similar to a position described
13 under paragraph (1) or (2); and

14 “(B) is designated by the head of an agen-
15 cy and approved by the Office of Personnel
16 Management.

17 “(b)(1) Notwithstanding any provision of this chapter
18 or subchapters II or III of chapter 31, the head of an
19 agency may waive any qualification, standard, description,
20 classification, or similar requirement with respect to any
21 employee in a covered position that—

22 “(A) relates to administration, management,
23 supervision, or personnel; or

24 “(B) does not relate to administration, manage-
25 ment, supervision, or personnel.

1 “(2) A waiver may not apply to an employee under
2 both subparagraphs (A) and (B) of paragraph (1).”.

3 (2) TECHNICAL AND CONFORMING AMENDMENTS.—

4 (A) TABLE OF SECTIONS.—The table of sec-
5 tions for chapter 51 of title 5, United States Code,
6 is amended by inserting after the item relating to
7 section 5113 the following:

“5114. Requirements of certain management, scientific, or technical positions.”.

8 (B) REFERENCE.—Section 5115 of title 5,
9 United States Code, is amended by striking “except
10 sections 5109 and 5114.” and inserting “except sec-
11 tions 5109.”.

12 (b) SENIOR EXECUTIVE SERVICE.—Section 3133 of
13 title 5, United States Code, is amended by adding at the
14 end the following:

15 “(f) Requirements for a position authorized under
16 this section may be waived under section 5114.”.

17 (c) FEDERAL BUREAU OF INVESTIGATION AND DRUG
18 ENFORCEMENT ADMINISTRATION SENIOR EXECUTIVE
19 SERVICE.—Section 3151 of title 5, United States Code,
20 is amended by adding at the end the following:

21 “(f) Requirements for a position authorized under
22 this section may be waived under section 5114.”.

1 **TITLE IV—REFORMS RELATING**
2 **TO FEDERAL EMPLOYEE CA-**
3 **REER DEVELOPMENT AND**
4 **BENEFITS**

5 **SEC. 401. AGENCY TRAINING.**

6 (a) TRAINING TO ACCOMPLISH PERFORMANCE
7 PLANS AND STRATEGIC GOALS.—Section 4103 of title 5,
8 United States Code, is amended by adding at the end the
9 following:

10 “(c) The head of each agency shall—

11 “(1) evaluate each program or plan established,
12 operated, or maintained under subsection (a) with
13 respect to accomplishing specific performance plans
14 and strategic goals in performing the agency mis-
15 sion; and

16 “(2) modify such program or plan to accom-
17 plish such plans and goals.”.

18 (b) AGENCY TRAINING OFFICER; RECORDS MAINTENANCE;
19 SPECIFIC TRAINING PROGRAMS.—

20 (1) IN GENERAL.—Chapter 41 of title 5, United
21 States Code, is amended by adding after section
22 4119 the following:

1 **“§ 4120. Agency training officer**

2 “(a) Each agency shall establish a position of training
3 officer. The position shall be a career reserved position
4 in the Senior Executive Service.

5 “(b) The training officer shall have responsibility for
6 developing, coordinating, and administering training for
7 the agency.

8 **“§ 4121. Records maintenance**

9 “Each agency shall maintain detailed records of all
10 activities relating to training of employees.

11 **“§ 4122. Specific training programs**

12 “In consultation with the Office of Personnel Man-
13 agement, each head of an agency shall establish—

14 “(1) a comprehensive management succession
15 program to provide training to employees to develop
16 managers for the agency; and

17 “(2) a program to provide training to managers
18 on actions, options, and strategies a manager may
19 use relating to employees with unacceptable perform-
20 ances.”.

21 (2) TECHNICAL AND CONFORMING AMEND-
22 MENT.—The table of sections for chapter 41 of title
23 5, United States Code, is amended by adding at the
24 end the following:

“4120. Agency training officer.

“4121. Records maintenance.

“4122. Specific training programs.”.

1 (c) ACADEMIC DEGREE TRAINING.—

2 (1) IN GENERAL.—Section 4107 of title 5,
3 United States Code, is amended to read as follows:

4 **“§ 4107. Academic degree training**

5 “(a) Subject to subsection (b), an agency may select
6 and assign an employee to academic degree training and
7 may pay or reimburse the costs of academic degree train-
8 ing from appropriated or other available funds if such
9 training—

10 “(1) contributes significantly to—

11 “(A) meeting an identified agency training
12 need;

13 “(B) resolving an identified agency staffing
14 problem; or

15 “(C) accomplishing goals in the agency’s
16 strategic plan;

17 “(2) is part of a planned, systematic, and co-
18 ordinated agency employee development program
19 linked to accomplishing the agency’s strategic goals;
20 and

21 “(3) is accredited and is provided by a college
22 or university that is accredited by a nationally recog-
23 nized body.

24 “(b) In exercising authority under subsection (a), an
25 agency shall—

1 “(1) consistent with the merit system principles
 2 set forth in paragraphs (2) and (7) of section
 3 2301(b), take into consideration the need to—

4 “(A) maintain a balanced workforce in
 5 which women, members of racial and ethnic mi-
 6 nority groups, and persons with disabilities are
 7 appropriately represented in Government serv-
 8 ice; and

9 “(B) provide employees effective education
 10 and training to improve organizational and indi-
 11 vidual performance;

12 “(2) assure that the training is not for the sole
 13 purpose of providing an employee an opportunity to
 14 obtain an academic degree or to qualify for appoint-
 15 ment to a particular position for which the academic
 16 degree is a basic requirement; and

17 “(3) assure that no authority under this sub-
 18 section is exercised on behalf of any employee occu-
 19 pying or seeking to qualify for appointment to any
 20 position that is excepted from the competitive service
 21 because of its confidential policy-determining, policy-
 22 making, or policy-advocating character.”.

23 (2) TECHNICAL AND CONFORMING AMEND-
 24 MENT.—The table of sections for chapter 41 of title
 25 5, United States Code, is amended by striking the

1 item relating to section 4107 and inserting the fol-
 2 lowing:

“4107. Academic degree training.”.

3 (d) AGENCY TRAINING AS SEPARATE STATEMENT IN
 4 FEDERAL BUDGET.—Section 1105(a) of title 31, United
 5 States Code, is amended by adding at the end the fol-
 6 lowing:

7 “(34) a separate statement of the amount of
 8 appropriations requested for training employees in
 9 each agency.”.

10 **SEC. 402. ACCRUAL OF LEAVE FOR NEWLY HIRED FEDERAL**
 11 **EMPLOYEES WITH QUALIFIED EXPERIENCE.**

12 (a) IN GENERAL.—Section 6303 of title 5, United
 13 States Code, is amended by adding at the end the fol-
 14 lowing:

15 “(e)(1) In this subsection, the term ‘period of quali-
 16 fied non-Federal service’ means any period of service per-
 17 formed by an individual that—

18 “(A) except for this subsection would not other-
 19 wise be service performed by an employee for pur-
 20 poses of subsection (a); and

21 “(B) was performed in a position—

22 “(i) the duties of which were directly re-
 23 lated to the duties of the position in an agency
 24 that such individual holds; and

1 “(ii) which meets such other conditions as
 2 the Office of Personnel Management shall pre-
 3 scribe by regulation.

4 “(2) For purposes of subsection (a), the head of an
 5 agency may deem a period of qualified non-Federal service
 6 performed by an individual to be a period of service per-
 7 formed as an employee.”.

8 (b) EFFECTIVE DATE.—This section shall take effect
 9 120 days after the date of enactment of this Act and shall
 10 only apply to an individual hired on or after that effective
 11 date.

12 **SEC. 403. EXPANSION OF NATIONAL SECURITY EDUCATION**
 13 **PROGRAM TO INCLUDE EDUCATION FOR**
 14 **SERVICE GOVERNMENTWIDE.**

15 (a) FINDINGS AND PURPOSES.—Section 801 of the
 16 David L. Boren National Security Education Act of 1991
 17 (title VIII of Public Law 102–183; 50 U.S.C. 1901 note)
 18 is amended—

19 (1) in subsection (b), by striking paragraph (7)
 20 and inserting the following:

21 “(7) American colleges and universities must
 22 place new emphasis on improving teaching in areas
 23 of discipline that are critical to the national interests
 24 of the United States.”; and

1 (2) in subsection (c), by striking paragraph (2)
2 and inserting the following:

3 “(2) To increase the quantity, diversity, and
4 quality of the teaching and learning of subjects in
5 fields that are critical to the national interests of the
6 United States.”.

7 (b) SCHOLARSHIP, FELLOWSHIP, AND GRANT PRO-
8 GRAM.—Section 802(a)(1) of that Act (50 U.S.C.
9 1902(a)) is amended by striking subparagraphs (A), (B),
10 and (C) and inserting the following:

11 “(A) awarding scholarships to under-
12 graduate students, and fellowships to graduate
13 students, who are United States citizens in
14 order to enable students to pursue education in
15 the United States in areas of discipline which
16 will result in employment with the Federal Gov-
17 ernment;

18 “(B) awarding grants to institutions of
19 higher education to enable such institutions to
20 establish, operate, or improve programs that in-
21 clude areas of discipline that are critical to the
22 national interests of the United States; and

23 “(C) providing professional development
24 instruction to recipients of scholarships and fel-
25 lowships under the program to broaden the

1 knowledge of such recipients in areas of dis-
2 cipline relating to service in the Federal Gov-
3 ernment.”.

4 (c) NATIONAL SECURITY EDUCATION BOARD.—Sec-
5 tion 803 of that Act (50 U.S.C. 1903) is amended—

6 (1) in subsection (b)—

7 (A) by redesignating paragraph (7) as
8 paragraph (9);

9 (B) by inserting after paragraph (6) the
10 following:

11 “(7) The Secretary of Treasury.

12 “(8) The Director of the Office of Personnel
13 Management.”; and

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

15 “(10) The Director of the Office of Manage-
16 ment and Budget, who shall serve as an advisor to
17 the Board.”;

18 (2) in subsection (d)—

19 (A) in paragraph (4)—

20 (i) by striking subparagraph (A); and

21 (ii) by redesignating subparagraphs
22 (B), (C), and (D) as subparagraphs (A),
23 (B), and (C), respectively;

1 (B) by redesignating paragraphs (7) and
2 (8) as paragraphs (10) and (11), respectively;
3 and

4 (C) by inserting after paragraph (6) the
5 following:

6 “(7) Develop procedures for student loan repay-
7 ments under section 802A.

8 “(8) Develop requirements for professional de-
9 velopment instruction under section 802(a)(1)(C).

10 “(9) Establish performance review mechanisms
11 to monitor the benefits of the program and evaluate
12 the cost and benefits of the program.”.

13 (d) NATIONAL SECURITY EDUCATION TRUST
14 FUND.—Section 804 of that Act (50 U.S.C. 1904) is
15 amended—

16 (1) in subsection (b)—

17 (A) by striking “and” at the end of para-
18 graph (1);

19 (B) by striking the period at the end of
20 paragraph (2) and inserting a semicolon; and

21 (C) by adding at the end the following new
22 paragraphs:

23 “(3) for student loan repayments in accordance
24 with section 802A; and

1 “(4) for professional development instruction in
2 accordance with section 802(a)(1)(C).”; and

3 (2) in subsection (e)(2), by inserting after “sec-
4 tion 802(b)(3)” the following: “, or recovered under
5 section 802A(d)(4), ”.

6 (e) ANNUAL REPORT.—Section 806(b) of that Act
7 (50 U.S.C. 1906(b)) is amended—

8 (1) by striking paragraphs (1) and (5);

9 (2) by redesignating paragraphs (2), (3), (4),
10 and (6) as paragraphs (1), (2), (3), and (5), respec-
11 tively;

12 (3) by inserting after paragraph (3), as so re-
13 designated, the following:

14 “(4) an analysis of the results of the program
15 for the previous fiscal year, and cumulatively,
16 including—

17 “(A) the percentage of individuals who re-
18 ceived assistance under the program who subse-
19 quently became employees of the United States
20 Government;

21 “(B) in the case of individuals who did not
22 subsequently become employees of the United
23 States Government, an analysis of the reasons
24 why they did not become employees and an ex-

1 planation as to what use, if any, was made of
2 the assistance by those recipients;

3 “(C) the percentage of student loan repay-
4 ment recipients who separated from employ-
5 ment before the period specified in their agree-
6 ment; and

7 “(D) the uses made of grants to edu-
8 cational institutions under section
9 802(a)(1)(B);”;

10 (4) in paragraph (5), as so redesignated, by
11 striking “and” at the end; and

12 (5) by inserting after paragraph (5) the fol-
13 lowing:

14 “(6) the results of the performance review of
15 the program for the previous fiscal year conducted
16 with the mechanism established under section
17 803(d)(9), including any cost and benefit analysis
18 conducted as part of the review; and”.

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