

108TH CONGRESS  
1ST SESSION

# S. 1522

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## AN ACT

To provide new human capital flexibilities with respect to  
the GAO, 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; AMENDMENT OF TITLE 31.**

4        (a) **SHORT TITLE.**—This Act may be cited as the  
5        “GAO Human Capital Reform Act of 2003”.

1 (b) AMENDMENT OF TITLE 31.—Except as otherwise  
2 expressly provided, whenever in this Act an amendment  
3 is expressed in terms of an amendment to a section or  
4 other provision, the reference shall be considered to be  
5 made to a section or other provision of title 31, United  
6 States Code.

7 **SEC. 2. AMENDMENTS TO PUBLIC LAW 106–303.**

8 (a) EXTENSION OF AUTHORITIES.—Sections 1 and  
9 2 of Public Law 106–303 (5 U.S.C. 8336 note and 5597  
10 note) are amended by striking “for purposes of the period  
11 beginning on the date of enactment of this Act and ending  
12 on December 31, 2003” each place it appears and insert-  
13 ing “October 13, 2000”.

14 (b) EXCLUSION OF CERTAIN EMPLOYEES RECEIVING  
15 STUDENT LOAN BENEFITS.—Section 2(b) of Public Law  
16 106–303 (5 U.S.C. 5597 note) is amended by striking  
17 paragraph (2) and inserting the following:

18 “(2)(A) subsection (a)(2)(G) of such section  
19 shall be applied by construing the citations therein  
20 to be references to the appropriate authorities in  
21 connection with employees of the General Account-  
22 ing Office; and

23 “(B) employees excluded under subsection  
24 (a)(2)(G) of such section, shall include any employee  
25 who, during the 36-month period preceding the date

1 of separation of that employee, performed service for  
2 which a student loan repayment benefit was or is to  
3 be paid under section 5379 of title 5, United States  
4 Code;”.

5 (c) SENSE OF CONGRESS.—

6 (1) VOLUNTARY EARLY RETIREMENT AUTHOR-  
7 ITY.—Section 1 of Public Law 106–303 (5 U.S.C.  
8 8336 note) is amended by adding at the end the fol-  
9 lowing:

10 “(e) SENSE OF CONGRESS.—It is the sense of Con-  
11 gress that the implementation of this section is intended  
12 to reshape the General Accounting Office workforce and  
13 not downsize the General Accounting Office workforce.”.

14 (2) VOLUNTARY SEPARATION INCENTIVE PAY-  
15 MENTS.—Section 2 of Public Law 106–303 (5  
16 U.S.C. 5597 note) is amended by adding at the end  
17 the following:

18 “(g) SENSE OF CONGRESS.—It is the sense of Con-  
19 gress that the implementation of this section is intended  
20 to reshape the General Accounting Office workforce and  
21 not downsize the General Accounting Office workforce.”.

22 **SEC. 3. ANNUAL PAY ADJUSTMENTS.**

23 (a) OFFICERS AND EMPLOYEES GENERALLY.—Para-  
24 graph (3) of section 732(c) is amended to read as follows:

1           “(3) except as provided under section  
2           733(a)(3)(B) of this title, basic rates of officers and  
3           employees of the Office shall be adjusted annually to  
4           such extent as determined by the Comptroller Gen-  
5           eral, and in making that determination the Comp-  
6           troller General shall consider—

7                   “(A) the principle that equal pay should be  
8                   provided for work of equal value within each  
9                   local pay area;

10                   “(B) the need to protect the purchasing  
11                   power of officers and employees of the Office,  
12                   taking into consideration the Consumer Price  
13                   Index or other appropriate indices;

14                   “(C) any existing pay disparities between  
15                   officers and employees of the Office and non-  
16                   Federal employees in each local pay area;

17                   “(D) the pay rates for the same levels of  
18                   work for officers and employees of the Office  
19                   and non-Federal employees in each local pay  
20                   area;

21                   “(E) the appropriate distribution of agency  
22                   funds between annual adjustments under this  
23                   section and performance-based compensation;  
24                   and

1           “(F) such other criteria as the Comptroller  
2           General considers appropriate, including, but  
3           not limited to, the funding level for the Office,  
4           amounts allocated for performance-based com-  
5           pensation, and the extent to which the Office is  
6           succeeding in fulfilling its mission and accom-  
7           plishing its strategic plan;

8           notwithstanding any other provision of this para-  
9           graph, an adjustment under this paragraph shall not  
10          be applied in the case of any officer or employee  
11          whose performance is not at a satisfactory level, as  
12          determined by the Comptroller General for purposes  
13          of such adjustment;”.

14          (b) OFFICERS AND EMPLOYEES IN THE OFFICE SEN-  
15          IOR EXECUTIVE SERVICE.—Subparagraph (B) of section  
16          733(a)(3) is amended to read as follows:

17                 “(B) adjusted annually by the Comptroller  
18                 General after taking into consideration the fac-  
19                 tors listed under section 732(c)(3) of this title,  
20                 except that an adjustment under this subpara-  
21                 graph shall not be applied in the case of any of-  
22                 ficer or employee whose performance is not at  
23                 a satisfactory level, as determined by the Comp-  
24                 troller General for purposes of such adjust-  
25                 ment;”.

1 (c) CONFORMING AMENDMENT.—Section 732(b)(6)  
 2 is amended by striking “title 5.” and inserting “title 5,  
 3 except as provided under subsection (c)(3) of this section  
 4 and section 733(a)(3)(B) of this title.”.

5 **SEC. 4. PAY RETENTION.**

6 Paragraph (5) of section 732(c) is amended to read  
 7 as follows:

8 “(5) the Comptroller General shall prescribe  
 9 regulations under which an officer or employee of  
 10 the Office shall be entitled to pay retention if, as a  
 11 result of any reduction-in-force or other workforce  
 12 adjustment procedure, position reclassification, or  
 13 other appropriate circumstances as determined by  
 14 the Comptroller General, such officer or employee is  
 15 placed in or holds a position in a lower grade or  
 16 band with a maximum rate of basic pay that is less  
 17 than the rate of basic pay payable to the officer or  
 18 employee immediately before the reduction in grade  
 19 or band; such regulations—

20 “(A) shall provide that the officer or em-  
 21 ployee shall be entitled to continue receiving the  
 22 rate of basic pay that was payable to the officer  
 23 or employee immediately before the reduction in  
 24 grade or band until such time as the retained  
 25 rate becomes less than the maximum rate for

1 the grade or band of the position held by such  
2 officer or employee; and

3 “(B) shall include provisions relating to  
4 the minimum period of time for which an offi-  
5 cer or employee must have served or for which  
6 the position must have been classified at the  
7 higher grade or band in order for pay retention  
8 to apply, the events that terminate the right to  
9 pay retention (apart from the one described in  
10 subparagraph (A)), and exclusions based on the  
11 nature of an appointment; in prescribing regu-  
12 lations under this subparagraph, the Comp-  
13 troller General shall be guided by the provisions  
14 of sections 5362 and 5363 of title 5.”.

15 **SEC. 5. RELOCATION BENEFITS.**

16 Section 731 is amended by adding after subsection  
17 (e) the following:

18 “(f) The Comptroller General shall prescribe regula-  
19 tions under which officers and employees of the Office  
20 may, in appropriate circumstances, be reimbursed for any  
21 relocation expenses under subchapter II of chapter 57 of  
22 title 5 for which they would not otherwise be eligible, but  
23 only if the Comptroller General determines that the trans-  
24 fer giving rise to such relocation is of sufficient benefit  
25 or value to the Office to justify such reimbursement.”.

1 **SEC. 6. INCREASED ANNUAL LEAVE FOR KEY EMPLOYEES.**

2 Section 731 is amended by adding after subsection  
3 (f) (as added by section 5 of this Act) the following:

4 “(g) The Comptroller General shall prescribe regula-  
5 tions under which key officers and employees of the Office  
6 who have less than 3 years of service may accrue leave  
7 in accordance with section 6303(a)(2) of title 5, in those  
8 circumstances in which the Comptroller General has deter-  
9 mined such increased annual leave is appropriate for the  
10 recruitment or retention of such officers and employees.  
11 Such regulations shall define key officers and employees  
12 and set forth the factors in determining which officers and  
13 employees should be allowed to accrue leave in accordance  
14 with this subsection.”.

15 **SEC. 7. EXECUTIVE EXCHANGE PROGRAM.**

16 Section 731 is amended by adding after subsection  
17 (g) (as added by section 6 of this Act) the following:

18 “(h) The Comptroller General may by regulation es-  
19 tablish an executive exchange program under which offi-  
20 cers and employees of the Office may be assigned to pri-  
21 vate sector organizations, and employees of private sector  
22 organizations may be assigned to the Office, to further  
23 the institutional interests of the Office or Congress, in-  
24 cluding for the purpose of providing training to officers  
25 and employees of the Office. Regulations to carry out any  
26 such program—

1           “(1) shall include provisions (consistent with  
2 sections 3702 through 3704 of title 5) as to matters  
3 concerning—

4           “(A) the duration and termination of as-  
5 signments;

6           “(B) reimbursements; and

7           “(C) status, entitlements, benefits, and ob-  
8 ligations of program participants;

9           “(2) shall limit—

10           “(A) the number of officers and employees  
11 who are assigned to private sector organizations  
12 at any one time to not more than 15; and

13           “(B) the number of employees from private  
14 sector organizations who are assigned to the Of-  
15 fice at any one time to not more than 30;

16           “(3) shall require that an employee of a private  
17 sector organization assigned to the Office may not  
18 have access to any trade secrets or to any other non-  
19 public information which is of commercial value to  
20 the private sector organization from which such em-  
21 ployee is assigned;

22           “(4) shall require that, before approving the as-  
23 signment of an officer or employee to a private sec-  
24 tor organization, the Comptroller General shall de-  
25 termine that the assignment is an effective use of

1 the Office’s funds, taking into account the best in-  
2 terests of the Office and the costs and benefits of al-  
3 ternative methods of achieving the same results and  
4 objectives; and

5 “(5) shall not allow any assignment under this  
6 subsection to commence after the end of the 5-year  
7 period beginning on the date of the enactment of  
8 this subsection.

9 “(i) An employee of a private sector organization as-  
10 signed to the Office under the executive exchange program  
11 shall be considered to be an employee of the Office for  
12 purposes of—

13 “(1) chapter 73 of title 5;

14 “(2) sections 201, 203, 205, 207, 208, 209,  
15 603, 606, 607, 643, 654, 1905, and 1913 of title 18;

16 “(3) sections 1343, 1344, and 1349(b) of this  
17 title;

18 “(4) chapter 171 of title 28 (commonly referred  
19 to as the Federal Tort Claims Act) and any other  
20 Federal tort liability statute;

21 “(5) the Ethics in Government Act of 1978 (5  
22 U.S.C. App.);

23 “(6) section 1043 of the Internal Revenue Code  
24 of 1986; and

1           “(7) section 27 of the Office of Federal Pro-  
2           curement Policy Act (41 U.S.C. 423).”.

3 **SEC. 8. REDESIGNATION.**

4           (a) IN GENERAL.—The General Accounting Office is  
5 hereby redesignated the Government Accountability Of-  
6 fice.

7           (b) REFERENCES.—Any reference to the General Ac-  
8 counting Office in any law, rule, regulation, certificate, di-  
9 rective, instruction, or other official paper in force on the  
10 date of enactment of this Act shall be considered to refer  
11 and apply to the Government Accountability Office.

12 **SEC. 9. PERFORMANCE MANAGEMENT SYSTEM.**

13           Paragraph (1) of section 732(d) is amended to read  
14 as follows:

15           “(1) for a system to appraise the performance  
16           of officers and employees of the General Accounting  
17           Office that meets the requirements of section 4302  
18           of title 5 and in addition includes—

19                   “(A) a link between the performance man-  
20                   agement system and the agency’s strategic  
21                   plan;

22                   “(B) adequate training and retraining for  
23                   supervisors, managers, and employees in the  
24                   implementation and operation of the perform-  
25                   ance management system;

1           “(C) a process for ensuring ongoing per-  
2           formance feedback and dialogue between super-  
3           visors, managers, and employees throughout the  
4           appraisal period and setting timetables for re-  
5           view;

6           “(D) effective transparency and account-  
7           ability measures to ensure that the management  
8           of the system is fair, credible, and equitable, in-  
9           cluding appropriate independent reasonableness,  
10          reviews, internal assessments, and employee  
11          surveys; and

12          “(E) a means to ensure that adequate  
13          agency resources are allocated for the design,  
14          implementation, and administration of the per-  
15          formance management system.”.

16 **SEC. 10. CONSULTATION.**

17          Before the implementation of any changes authorized  
18          under this Act, the Comptroller General shall consult with  
19          any interested groups or associations representing officers  
20          and employees of the General Accounting Office.

21 **SEC. 11. REPORTING REQUIREMENTS.**

22          (a) ANNUAL REPORTS.—The Comptroller General  
23          shall include—

24                  (1) in each report submitted to Congress under  
25          section 719(a) of title 31, United States Code, dur-

1       ing the 5-year period beginning on the date of enact-  
2       ment of this Act, a summary review of all actions  
3       taken under sections 2, 3, 4, 6, 7, 9, and 10 of this  
4       Act during the period covered by such report,  
5       including—

6               (A) the respective numbers of officers and  
7       employees—

8                   (i) separating from the service under  
9       section 2 of this Act;

10                  (ii) receiving pay retention under sec-  
11       tion 4 of this Act;

12                  (iii) receiving increased annual leave  
13       under section 6 of this Act; and

14                  (iv) engaging in the executive ex-  
15       change program under section 7 of this  
16       Act, as well as the number of private sec-  
17       tor employees participating in such pro-  
18       gram and a review of the general nature of  
19       the work performed by the individuals par-  
20       ticipating in such program;

21               (B) a review of all actions taken to formu-  
22       late the appropriate methodologies to implement  
23       the pay adjustments provided for under section  
24       3 of this Act, except that nothing under this  
25       subparagraph shall be required if no changes

1 are made in any such methodology during the  
2 period covered by such report; and

3 (C) an assessment of the role of sections 2,  
4 3, 4, 6, 7, 9, and 10 of this Act in contributing  
5 to the General Accounting Office's ability to  
6 carry out its mission, meet its performance  
7 goals, and fulfill its strategic plan; and

8 (2) in each report submitted to Congress under  
9 such section 719(a) after the effective date of sec-  
10 tion 3 of this Act and before the close of the 5-year  
11 period referred to in paragraph (1)—

12 (A) a detailed description of the meth-  
13 odologies applied under section 3 of this Act  
14 and the manner in which such methodologies  
15 were applied to determine the appropriate an-  
16 nual pay adjustments for officers and employees  
17 of the Office;

18 (B) the amount of the annual pay adjust-  
19 ments afforded to officers and employees of the  
20 Office under section 3 of this Act; and

21 (C) a description of any extraordinary eco-  
22 nomic conditions or serious budget constraints  
23 which had a significant impact on the deter-  
24 mination of the annual pay adjustments for of-  
25 ficers and employees of the Office.

1 (b) FINAL REPORT.—Not later than 6 years after the  
2 date of enactment of this Act, the Comptroller General  
3 shall submit to Congress a report concerning the imple-  
4 mentation of this Act. Such report shall include—

5 (1) a summary of the information included in  
6 the annual reports required under subsection (a);

7 (2) recommendations for any legislative changes  
8 to section 2, 3, 4, 6, 7, 9, or 10 of this Act; and

9 (3) any assessment furnished by the General  
10 Accounting Office Personnel Appeals Board or any  
11 interested groups or associations representing offi-  
12 cers and employees of the Office for inclusion in  
13 such report.

14 (c) ADDITIONAL REPORTING.—Notwithstanding any  
15 other provision of this section, the reporting requirement  
16 under subsection (a)(2)(C) shall apply in the case any re-  
17 port submitted under section 719(a) of title 31, United  
18 States Code, whether during the 5-year period beginning  
19 on the date of enactment of this Act (as required by sub-  
20 section (a)) or at any time thereafter.

21 **SEC. 12. TECHNICAL AMENDMENT.**

22 Section 732(h)(3)(A) is amended by striking “reduc-  
23 tion force” and inserting “reduction in force”.

1 **SEC. 13. EFFECTIVE DATES.**

2 (a) IN GENERAL.—Except as provided in subsection  
3 (b), this Act and the amendments made by this Act shall  
4 take effect on the date of enactment of this Act.

5 (b) PAY ADJUSTMENTS.—

6 (1) IN GENERAL.—Section 3 of this Act and  
7 the amendments made by that section shall take ef-  
8 fect on October 1, 2005, and shall apply in the case  
9 of any annual pay adjustment taking effect on or  
10 after that date.

11 (2) INTERIM AUTHORITIES.—In connection with  
12 any pay adjustment taking effect under section  
13 732(c)(3) or 733(a)(3)(B) of title 31, United States  
14 Code, before October 1, 2005, the Comptroller Gen-  
15 eral may by regulation—

16 (A) provide that such adjustment not be  
17 applied in the case of any officer or employee  
18 whose performance is not at a satisfactory level,  
19 as determined by the Comptroller General for  
20 purposes of such adjustment; and

21 (B) provide that such adjustment be re-  
22 duced if and to the extent necessary because of  
23 extraordinary economic conditions or serious  
24 budget constraints.

25 (3) ADDITIONAL AUTHORITY.—

1           (A) IN GENERAL.—The Comptroller Gen-  
2           eral may by regulation delay the effective date  
3           of section 3 of this Act and the amendments  
4           made by that section for groups of officers and  
5           employees that the Comptroller General con-  
6           siders appropriate.

7           (B) INTERIM AUTHORITIES.—If the Comp-  
8           troller General provides for a delayed effective  
9           date under subparagraph (A) with respect to  
10          any group of officers or employees, paragraph  
11          (2) shall, for purposes of such group, be applied  
12          by substituting such date for “October 1,  
13          2005”.

Passed the Senate November 24, 2003.

Attest:

*Secretary.*

108TH CONGRESS  
1ST SESSION

**S. 1522**

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**AN ACT**

To provide new human capital flexibilities with respect to the GAO, and for other purposes.