

been nine different commissions looking at this. I think it's a valid recommendation. It still allows for the advice and consent within the Senate. It is a duty under the Constitution to do this.

I would encourage adoption of this. I think it is common sense. It is what our friends in the Senate are asking us to do with 79 Senators coming together to urge the adoption of this.

And with that, I yield back the balance of my time.

FRANK C. CARLUCCI,
McLean, Virginia, June 1, 2011.

Hon. HARRY REID,
U.S. Senate, Hart Senate Office Bldg., Washington, DC.

Hon. MITCH MCCONNELL,
U.S. Senate, Russell Senate Office Bldg., Washington, DC.

Hon. CHARLES SCHUMER,
U.S. Senate, Hart Senate Office Bldg., Washington, DC.

Hon. LAMAR ALEXANDER,
U.S. Senate, Dirksen Senate Office Bldg., Washington, DC.

DEAR SENATORS REID, MCCONNELL, SCHUMER AND ALEXANDER: I am writing to commend you for your leadership and bipartisan approach to tackling one of the great challenges facing our government—presidential appointments and nominations reform. There is little dispute that the current nominations process has grown too cumbersome and complicated, and the number of political appointees is too large. S. 679, the Presidential Appointment Efficiency and Streamlining Act, and S. Res. 116 are a promising show of progress, and I encourage all Senators to support this bipartisan legislation.

As former Secretary of Defense (under President Reagan), I know the importance of having high quality leaders in place within an agency. Leaving positions vacant indefinitely as appointees wait to be confirmed is not smart management, and is frankly a threat to our national security. We need strong leaders installed quickly in agencies to ensure our government is ready to meet the many challenges it faces. S. 679 and S. Res. 116 together present a common-sense solution that preserves the important role of the Senate in confirming key nominees, but unburdens the process by relieving the advice and consent requirement for less critical positions.

Congress would be wise to act now, before the politics of the next election cycle get in the way of practical reforms to improve the efficiency and effectiveness of our federal government. I urge the Senate to swiftly pass both S. 679 and S. Res. 116 to ensure our government has its senior leaders in place within agencies to carry out critical missions.

Sincerely,

FRANK CARLUCCI.

SENATOR FRED THOMPSON,
Hermitage, TN, April 12, 2011.

Hon. JOSEPH LIEBERMAN,
Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.

Hon. SUSAN COLLINS,
Ranking Republican Member, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.

DEAR JOE AND SUSAN, in 2001, when I was Chairman of the Senate Committee on Governmental Affairs, we held hearings reviewing the nominations process and potential options for reforms. President George W. Bush had been in office 10 months and only about 60 percent of the government's top po-

litical jobs had been filled—which created national security concerns.

That's why I want to commend you for your work on the Presidential Appointment Efficiency and Streamlining Act of 2011 which would eliminate the need for Senate confirmation of approximately 200 relatively low level positions. We tried to fix this problem when I was chairman, and it still needs to be done.

My experience was that our confirmation process led to substantial delay and extraordinary expense for nominees as they are vetted beyond what is necessary even for the least sensitive positions. I believe that this will result in an increasingly narrow pool of potential public servants who are more likely to be wealthy, and already live in the Washington, DC, area.

In 1960, President Kennedy had 286 positions to fill in the ranks of Secretary, Deputy Secretary, Under Secretary, Assistant Secretary, and Administrator and by the end of the Clinton Administration there were 914 positions with these titles. Reform would not diminish oversight. It would make oversight more effective.

Comprehensive reforms throughout the presidential appointment process are needed so that the Senate can spend its time focusing on senior nominations and on major priorities such as national defense and tackling our budget problems.

The Senate should take its advice and consent powers seriously, but the number of nominations has grown and expanded over time—much like the rest of the federal government. I hope your committee will take quick action on this legislation and send the bill to the full Senate for its consideration.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CHAFFETZ) that the House suspend the rules and pass the bill, S. 679.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. GOHMERT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

THRIFT SAVINGS FUND CLARIFICATION ACT

Mr. CHAFFETZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4365) to amend title 5, United States Code, to make clear that accounts in the Thrift Savings Fund are subject to certain Federal tax levies, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS.

Section 8437(e)(3) of title 5, United States Code, is amended in the first sentence—

(1) by striking “659)” and inserting “659)”;

(2) by striking the period at the end and inserting the following: “, and shall be subject to a Federal tax levy under section 6331 of the Internal Revenue Code of 1986.”.

SEC. 2. DISPOSITION OF AMOUNTS.

Any potential revenue gain attributable to the enactment of this Act, as determined by

the Director of the Congressional Budget Office—

(1) shall be deposited in the general fund of the Treasury of the United States; and

(2) shall be used solely for purposes of deficit reduction.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. CHAFFETZ) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Utah.

GENERAL LEAVE

Mr. CHAFFETZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. CHAFFETZ. I yield such time as she may consume to the gentlewoman from New York (Ms. BUERKLE), the prime sponsor and author of this piece of legislation.

Ms. BUERKLE. Mr. Speaker, I thank the gentleman for yielding to me, and I rise today in support of my legislation, H.R. 4365, which would make Thrift Savings Plans subject to Federal tax levies. Currently, TSP accounts are not listed in the IRS Code provisions identifying property that is exempt from tax. This bill makes clear that the TSP accounts are to be treated the same as 401(k)s and similar retirement and savings accounts held by private sector employees.

This bill is about fairness, Mr. Speaker. It will treat Federal employees the same as private sector employees.

H.R. 4365 adds needed clarification to existing law and provides guidance to the Thrift Board on how to honor IRS levies as they arise. In 2010, the Office of Legal Counsel at the Department of Justice concluded that TSPs are subject to levy. And last week, the Federal Retirement Thrift Investment Board, which oversees TSP accounts, wrote Congress asking that this issue be clarified expeditiously, noting that the lack of clarity is causing significant operational issues.

At the end of 2010, Mr. Speaker, the most recent year for which IRS data is available, 279,000 Federal employees owed \$3.4 billion in Federal taxes. And the Joint Committee on Taxation estimates that enacting this legislation would increase revenues by \$24 million over the 2012–2022 period.

Mr. Speaker, \$24 million may seem like a small figure to some inside the Beltway. However, I believe any savings Congress can produce in today's fiscal environment is significant.

This is a commonsense solution which received bipartisan support in the House Oversight and Government Reform Committee. Similar legislation also received overwhelming support in the Senate. I urge passage of this bill.

Mrs. MALONEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Oversight and Government Reform, I am pleased to join my colleagues in the consideration of H.R. 4365, a bill to amend title 5, United States Code, to make clear that accounts in the Thrift Savings Fund are subject to Federal tax levies.

Current law authorizes the Internal Revenue Service to levy private sector 401(k) retirement plans in order to collect unpaid Federal taxes.

□ 1550

However, due to an existing ambiguity between the Internal Revenue Code and the authorizing statute for the Federal Thrift Savings Plan, the IRS is unable to garnish TSP accounts to recover unpaid taxes from Federal employees and Members of Congress. In light of this statutory confusion, the Thrift Savings Plan's executive director requested clarification from our committee back in July of 2011 as to whether the TSP should honor Federal levies on TSP accounts.

H.R. 4365 would simply ensure that Federal TSP accounts and private sector 401(k) plans receive equal treatment in the area of tax administration and enforcement by amending the TSP authorizing statute to make clear that TSP fund accounts are, in fact, subject to Federal tax levies by the IRS. In addition, pursuant to an amendment offered by our distinguished ranking member, Mr. CUMMINGS of Maryland, and included in the bill as reported by our committee, any potential revenue derived from the enactment of H.R. 4365 may be used only for the purposes of deficit reduction.

In supporting this bill, I would note that the vast majority of our public servants pay their taxes in a responsible and timely manner. In fact, according to the most recent IRS statistics, the tax delinquency rate among Federal employees in 2010 was 3.33 percent, far lower than that of the general public.

Mr. Speaker, I urge my colleagues on both sides of the aisle to support this reasonable legislation, and I yield back the balance of my time.

Mr. CHAFFETZ. Mr. Speaker, this is a good, commonsense piece of legislation, and I urge its adoption.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CHAFFETZ) that the House suspend the rules and pass the bill, H.R. 4365, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mrs. MALONEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

GOVERNMENT CHARGE CARD ABUSE PREVENTION ACT OF 2012

Mr CHAFFETZ. Mr. Speaker, I move to suspend the rules and pass the bill (S. 300) to prevent abuse of Government charge cards, as amended.

The Clerk read the title of the bill.

The text of the amendment is as follows:

Amendment:

Strike out all after the enacting clause and insert:

S. 300

SECTION 1. SHORT TITLE.

This Act may be cited as the "Government Charge Card Abuse Prevention Act of 2012".

SEC. 2. MANAGEMENT OF PURCHASE CARDS.

(a) GOVERNMENT-WIDE SAFEGUARDS AND INTERNAL CONTROLS.—

(1) IN GENERAL.—Chapter 19 of title 41, United States Code, is amended by adding at the end the following new section:

"§ 1909. Management of purchase cards

"(a) REQUIRED SAFEGUARDS AND INTERNAL CONTROLS.—The head of each executive agency that issues and uses purchase cards and convenience checks shall establish and maintain safeguards and internal controls to ensure the following:

"(1) There is a record in each executive agency of each holder of a purchase card issued by the agency for official use, annotated with the limitations on single transactions and total transactions that are applicable to the use of each such card or check by that purchase card holder.

"(2) Each purchase card holder and individual issued a convenience check is assigned an approving official other than the card holder with the authority to approve or disapprove transactions.

"(3) The holder of a purchase card and each official with authority to authorize expenditures charged to the purchase card are responsible for—

"(A) reconciling the charges appearing on each statement of account for that purchase card with receipts and other supporting documentation; and

"(B) forwarding a summary report to the certifying official in a timely manner of information necessary to enable the certifying official to ensure that the Federal Government ultimately pays only for valid charges that are consistent with the terms of the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

"(4) Any disputed purchase card charge, and any discrepancy between a receipt and other supporting documentation and the purchase card statement of account, is resolved in the manner prescribed in the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

"(5) Payments on purchase card accounts are made promptly within prescribed deadlines to avoid interest penalties.

"(6) Rebates and refunds based on prompt payment, sales volume, or other actions by the agency on purchase card accounts are reviewed for accuracy and properly recorded as a receipt to the agency that pays the monthly bill.

"(7) Records of each purchase card transaction (including records on associated contracts, reports, accounts, and invoices) are retained in accordance with standard Government policies on the disposition of records.

"(8) Periodic reviews are performed to determine whether each purchase card holder has a need for the purchase card.

"(9) Appropriate training is provided to each purchase card holder and each official with responsibility for overseeing the use of purchase cards issued by the executive agency.

"(10) The executive agency has specific policies regarding the number of purchase cards issued by various component organizations and categories of component organizations, the credit limits authorized for various categories of card holders, and categories of employees eligible to be issued purchase cards, and that those policies are designed to minimize the financial risk to the Federal Government of the issuance of the purchase cards and to ensure the integrity of purchase card holders.

"(11) The executive agency uses effective systems, techniques, and technologies to prevent or identify illegal, improper, or erroneous purchases.

"(12) The executive agency invalidates the purchase card of each employee who—

"(A) ceases to be employed by the agency, immediately upon termination of the employment of the employee; or

"(B) transfers to another unit of the agency, immediately upon the transfer of the employee unless the agency determines that the units are covered by the same purchase card authority.

"(13) The executive agency takes steps to recover the cost of any illegal, improper, or erroneous purchase made with a purchase card or convenience check by an employee, including, as necessary, through salary offsets.

"(b) GUIDANCE.—The Director of the Office of Management and Budget shall review existing guidance and, as necessary, prescribe additional guidance governing the implementation of the requirements of subsection (a) by executive agencies.

"(c) PENALTIES FOR VIOLATIONS.—

"(1) IN GENERAL.—The head of each executive agency shall provide for appropriate adverse personnel actions or other punishment to be imposed in cases in which employees of the agency violate agency policies implementing the guidance required by subsection (b) or make illegal, improper, or erroneous purchases with purchase cards or convenience checks.

"(2) DISMISSAL.—Penalties prescribed for employee misuse of purchase cards or convenience checks shall include dismissal of the employee, as appropriate.

"(3) REPORTS ON VIOLATIONS.—The guidance prescribed under subsection (b) shall direct each head of an executive agency with more than \$10,000,000 in purchase card spending annually, and each Inspector General of such an executive agency, on a semiannual basis, to submit to the Director of the Office of Management and Budget a joint report on violations or other actions covered by paragraph (1) by employees of such executive agency. At a minimum, the report shall set forth the following:

"(A) A summary description of confirmed violations involving misuse of a purchase card following completion of a review by the agency or by the Inspector General of the agency.

"(B) A summary description of all adverse personnel action, punishment, or other action taken based on each violation.

"(d) RISK ASSESSMENTS AND AUDITS.—The Inspector General of each executive agency shall—

"(1) conduct periodic assessments of the agency purchase card or convenience check programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments in order to develop a plan for using such risk assessments to determine the scope, frequency, and number of periodic audits of purchase card or convenience check transactions;

"(2) perform analysis or audits, as necessary, of purchase card transactions designed to identify—

"(A) potentially illegal, improper, or erroneous uses of purchase cards;

"(B) any patterns of such uses; and

"(C) categories of purchases that could be made by means other than purchase cards in order to better aggregate purchases and obtain lower prices (excluding transactions made under card-based strategic sourcing arrangements);

"(3) report to the head of the executive agency concerned on the results of such analysis or audits; and