

legislation before this committee that deals with a long overdue reform to the Home Rule Act, and I reserve the balance of my time.

Ms. NORTON. May I thank the chairman for his remarks concerning budget autonomy. Many in the District see budget autonomy as simply a right because it is a local budget; and, of course, the Congress had nothing to do with raising the funds in that budget.

The chairman had a hearing where he listened to the ramifications and effects of bringing a local budget to a body that, even in the best of times, is surrounded by great uncertainty; and he heard the experience of the penalties that the District incurs in its bond rating which otherwise would be perhaps the best in the country because the District has such a large reserve, unusual in these times. And he heard about our budget year, which is timed to begin with the congressional budget year; whereas, every other jurisdiction in the United States begins its fiscal year in July timed to their own children and the opening of school. And he heard about the difficulties of running a large city government and of the shutdown preparations we've had to make because our budget is tied to the federal budget.

The District of Columbia did not lobby the chairman. He is an astute observer, not only of the District of Columbia, but of how money is managed, and he himself came forward with the notion that the local budget ought to be with local residents. It seems to me to be a particularly thoughtful proposal when you consider that Congress, in bills and various provisions that have been offered, still would have the final authority over the budget. Here we have a situation where Congress would lose nothing, but the District would gain what we would in the District would call almost everything.

With that, I'm pleased to yield such time as he may consume to the gentleman from Maryland (Mr. CUMMINGS), the ranking member who has been so helpful to me on this and other matters.

Mr. CUMMINGS. Mr. Speaker, I want to first of all say to Ms. NORTON, I want to thank you for your vigilance and thank you for staying on the case. No matter how history will be written about the District of Columbia, it must be said that you have, over and over again, stood up for the District, trying to make sure that it has the autonomy that it deserves, which is simply right, and we thank you very much for those efforts.

As ranking member of the House Oversight and Government Reform Committee, I rise in strong support of this important legislation. The District of Columbia Chief Financial Officer Vacancy Act would give the D.C. Mayor the express authority to appoint an acting chief financial officer in the event of a vacancy in the Office of the Chief Financial Officer, an independent office created by Congress and respon-

sible for the financial operations of the District.

While the Mayor, as the official responsible for executing the laws of the District, may have implied authority under current law to appoint an acting chief financial officer, this bill erases any doubt about the Mayor's authority to appoint an acting CFO.

That is so very important. The District's strong credit rating is attributable in no small part to the Office of the Chief Financial Officer, and it is important that there be no confusion about the office's ability to expend funds.

Finally let me say this. I agree with the gentlelady, with her comments, with regard to her comments with regard to the chairman of the committee. He has shown strong support for this autonomy that she is talking about, the autonomy that the residents of the District of Columbia richly deserve; and hopefully we will be able to move this ball forward so that when we look at the end of our tenure, if not before, we will be able to say that we were able to accomplish it and get it done.

So I applaud the chairman for his foresight. I definitely support him in his efforts with regard to that issue. And to this issue, by the way, because this issue here that we are dealing with today, clearly, we had a situation where there was a hole that needed to be closed so that there would be clarity. And through your foresight, Ms. NORTON, and certainly the foresight of the D.C. Government, we now are able to close that so there is no ambiguity whatsoever.

Mr. Speaker, I urge my colleagues to join me in supporting this bill, and thank the gentlelady for yielding to me.

Ms. NORTON. Mr. Speaker, I have no further speakers, but I do want to thank the ranking member for his very vigorous and important remarks on this bill, and for his great assistance to me on this bill and on budget autonomy and many other issues.

I yield back the balance of my time.

Mr. ISSA. Mr. Speaker, I urge all Members to join with me in support of H.R. 1246. This bill under consideration is critical and timely.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ISSA) that the House suspend the rules and pass the bill, H.R. 1246.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### CONTRACTING AND TAX ACCOUNTABILITY ACT OF 2013

Mr. ISSA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 882) to prohibit the awarding of a contract or grant in excess of the sim-

plified acquisition threshold unless the prospective contractor or grantee certifies in writing to the agency awarding the contract or grant that the contractor or grantee has no seriously delinquent tax debts, and for other purposes, as amended.

The Clerk read the title of the bill.  
The text of the bill is as follows:

H.R. 882

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

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Contracting and Tax Accountability Act of 2013".

#### SEC. 2. GOVERNMENTAL POLICY.

It is the policy of the United States Government that no Government contracts or grants should be awarded to individuals or companies with seriously delinquent Federal tax debts.

#### SEC. 3. DISCLOSURE AND EVALUATION OF CONTRACT OFFERS FROM DELINQUENT FEDERAL DEBTORS.

(a) IN GENERAL.—The head of any executive agency that issues an invitation for bids or a request for proposals for a contract in an amount greater than the simplified acquisition threshold shall require each person that submits a bid or proposal to submit with the bid or proposal a form—

(1) certifying that the person does not have a seriously delinquent tax debt; and

(2) authorizing the Secretary of the Treasury to disclose to the head of the agency information limited to describing whether the person has a seriously delinquent tax debt.

(b) IMPACT ON RESPONSIBILITY DETERMINATION.—The head of any executive agency, in evaluating any offer received in response to a solicitation issued by the agency for bids or proposals for a contract, shall consider a certification that the offeror has a seriously delinquent tax debt to be definitive proof that the offeror is not a responsible source as defined in section 113 of title 41, United States Code.

(c) DEBARMENT.—

(1) REQUIREMENT.—Except as provided in paragraph (2), the head of an executive agency shall initiate a suspension or debarment proceeding against a person after receiving an offer for a contract from such person if—

(A) such offer contains a certification (as required under subsection (a)(1)) that such person has a seriously delinquent tax debt; or

(B) the head of the agency receives information from the Secretary of the Treasury (as authorized under subsection (a)(2)) demonstrating that such a certification submitted by such person is false.

(2) WAIVER.—The head of an executive agency may waive paragraph (1) with respect to a person based upon a written finding of urgent and compelling circumstances significantly affecting the interests of the United States. If the head of an executive agency waives paragraph (1) for a person, the head of the agency shall submit to Congress, within 30 days after the waiver is made, a report containing the rationale for the waiver and relevant information supporting the waiver decision.

(d) RELEASE OF INFORMATION.—The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall make available to all executive agencies a standard form for the authorization described in subsection (a).

(e) REVISION OF REGULATIONS.—Not later than 270 days after the date of enactment of this subsection, the Federal Acquisition Regulation shall be revised to incorporate the requirements of this section.

**SEC. 4. DISCLOSURE AND EVALUATION OF GRANT APPLICATIONS FROM DELINQUENT FEDERAL DEBTORS.**

(a) IN GENERAL.—The head of any executive agency that offers a grant in excess of an amount equal to the simplified acquisition threshold shall require each person applying for a grant to submit with the grant application a form—

(1) certifying that the person does not have a seriously delinquent tax debt; and

(2) authorizing the Secretary of the Treasury to disclose to the head of the executive agency information limited to describing whether the person has a seriously delinquent tax debt.

(b) IMPACT ON DETERMINATION OF FINANCIAL STABILITY.—The head of any executive agency, in evaluating any application for a grant offered by the agency, shall consider a certification that the grant applicant has a seriously delinquent tax debt to be definitive proof that the applicant is high-risk and, if the applicant is awarded the grant, shall take appropriate measures under guidelines issued by the Office of Management and Budget for enhanced oversight of high-risk grantees.

(c) DEBARMENT.—

(1) REQUIREMENT.—Except as provided in paragraph (2), the head of an executive agency shall initiate a suspension or debarment proceeding against a person after receiving a grant application from such person if—

(A) such application contains a certification (as required under subsection (a)(1)) that such person has a seriously delinquent tax debt; or

(B) the head of the agency receives information from the Secretary of the Treasury (as authorized under subsection (a)(2)) demonstrating that such a certification submitted by such person is false.

(2) WAIVER.—The head of an executive agency may waive paragraph (1) with respect to a person based upon a written finding of urgent and compelling circumstances significantly affecting the interests of the United States. If the head of an executive agency waives paragraph (1) for a person, the head of the agency shall submit to Congress, within 30 days after the waiver is made, a report containing the rationale for the waiver and relevant information supporting the waiver decision.

(d) RELEASE OF INFORMATION.—The Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall make available to all executive agencies a standard form for the authorization described in subsection (a).

(e) REVISION OF REGULATIONS.—Not later than 270 days after the date of the enactment of this section, the Director of the Office of Management and Budget shall revise such regulations as necessary to incorporate the requirements of this section.

**SEC. 5. DEFINITIONS AND SPECIAL RULES.**

For purposes of this Act:

(1) PERSON.—

(A) IN GENERAL.—The term “person” includes—

- (i) an individual;
- (ii) a partnership; and
- (iii) a corporation.

(B) EXCLUSION.—The term “person” does not include an individual seeking assistance through a grant entitlement program.

(C) TREATMENT OF CERTAIN PARTNERSHIPS.—A partnership shall be treated as a person with a seriously delinquent tax debt if such partnership has a partner who—

- (i) holds an ownership interest of 50 percent or more in that partnership; and
- (ii) has a seriously delinquent tax debt.

(D) TREATMENT OF CERTAIN CORPORATIONS.—A corporation shall be treated as a person with a seriously delinquent tax debt

if such corporation has an officer or a shareholder who—

(i) holds 50 percent or more, or a controlling interest that is less than 50 percent, of the outstanding shares of corporate stock in that corporation; and

(ii) has a seriously delinquent tax debt.

(2) EXECUTIVE AGENCY.—The term “executive agency” has the meaning given such term in section 133 of title 41, United States Code.

(3) SERIOUSLY DELINQUENT TAX DEBT.—

(A) IN GENERAL.—The term “seriously delinquent tax debt” means an outstanding Federal debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code.

(B) EXCEPTIONS.—Such term does not include—

(i) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; and

(ii) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending.

**SEC. 6. EFFECTIVE DATE.**

This Act shall apply with respect to contracts and grants awarded on or after the date occurring 270 days after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ISSA) and the gentleman from Maryland (Mr. CUMMINGS) each will control 20 minutes.

The Chair recognizes the gentleman from California.

**GENERAL LEAVE**

Mr. ISSA. 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 material on the bill under consideration.

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

There was no objection.

□ 1730

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

H.R. 882, the Contracting and Tax Accountability Act of 2013, is, in fact, a broadly bipartisan bill introduced by Mr. CHAFFETZ of Utah and Ms. SPEIER of California. They recognize that, in fact, contractors and, in a companion bill, individual Federal employees have a high standard, a high responsibility, and one of the least of those responsibilities is to pay their taxes in a timely fashion.

Sadly, we discover that, on occasions, we find ourselves with contractors who have not met that responsibility. Most often, those contractors, by not meeting that responsibility, may have, in fact, not deposited the withholding of the very workers who are working on our behalf.

This kind of irresponsible behavior, although not always found, is found often enough that GSA contractors are estimated to owe over \$3 billion in taxes that are in arrears, and nearly \$1.4 billion seriously in arrears.

The bill makes tax compliance both a prerequisite for receiving a contract or

being an agent and, in fact, recognizes that those who do not make good on their taxes may, in fact, be seen as eligible for potential suspension or debarment.

Federal contractors, for the most part, do comply and they do comply very well. But I believe that what Ms. SPEIER and Chairman CHAFFETZ have done is recognize that we must have zero tolerance for people who, even after being recognized, and who are seriously behind and delinquent, continue to resist paying their just taxes.

Again, often these taxes have nothing to do with a debate about income tax but, rather, withholding that simply wasn't done. These kinds of contractors are, by definition, the ones also likely to not live up to the high standard that the taxpayers expect by our contractors.

With that, I reserve the balance of my time.

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

Mr. Speaker, I want to, first of all, thank Congressman CHAFFETZ and Congresswoman SPEIER for introducing this very, very important piece of legislation. And I rise in strong support of H.R. 882, the Contracting and Tax Accountability Act.

This bill is very similar to legislation passed by the House in the 110th Congress, and I supported it then, and I surely support it now. The bill enjoys bipartisan support. It is noncontroversial. Last month it was considered by the Oversight Committee and passed unanimously.

GAO has reported that government contractors owed more than \$5 billion in unpaid Federal taxes in 2004 and 2005. Unpaid tax, taxes owed by contractors, included payroll taxes as well as corporate income taxes.

GAO has also found that some contractors with unpaid tax debts are repeat offenders that have failed to pay their taxes over many years, including, in one case, for almost 20 years.

H.R. 882 would allow the Federal Government to ensure that contractors seeking to do business with the Federal Government have paid their taxes before they can receive a Federal contract.

The Federal Acquisition Regulation was revised in 2008 to require contractors to certify that they do not owe a delinquent tax debt to the Federal Government. The bill builds on that requirement by providing Federal agencies the means to verify contractors' claims.

The legislation will also ensure that responsible contractors no longer have to compete with tax delinquents.

Mr. Speaker, I urge my colleagues to support this important piece of legislation in order to preserve the fairness in the contracting process.

I also take a moment to salute our chairman, Mr. ISSA, for making sure that this bill reached the floor. And so with that, we will now be able to address some of these deadbeat contractors.

I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, it's now my honor to yield such time as he may consume to the gentleman from Utah (Mr. CHAFFETZ), the author of this bill, a champion for accountability of the Federal workforce and Federal contractors.

Mr. CHAFFETZ. Mr. Speaker, I thank Chairman ISSA for his unyielding support in pursuit of good government. And I thank him for his support of this piece of legislation moved forward.

I also thank Ranking Member CUMMINGS, in working with him and his staff, and certainly with Representative SPEIER, who also shares his passion of making sure that contractors are held responsible for their actions.

Mr. Speaker, today, tens of millions of individuals and corporations all across America will file their Federal tax returns and pay back any money they owe the Federal Government.

However, unfortunately, Mr. Speaker, there will be some who fail to meet this obligation and simply refuse to pay the taxes they owe.

This legislation, H.R. 882, the Contracting and Tax Accountability Act, has a very simple purpose: to prohibit companies with serious delinquent Federal tax debts from doing business with the Federal Government and receiving new Federal contracts. Since Federal contractors draw compensation and funding from taxpayer dollars, we must ensure that they are complying with existing laws and paying their own taxes.

Mr. Speaker, just last month this legislation passed through the Oversight and Government Reform Committee by voice vote, and it is identical to legislation that also unanimously passed the committee last Congress.

Going back a little further, Mr. Speaker, in both the 110th and the 111th Congress, former Congressman Brad Ellsworth of Indiana introduced very similar versions of this bill. And in the 110th Congress, the legislation passed the House again by voice vote.

It begs the question what's happening over there in the United States Senate, but we will continue to pursue this to make sure this legislation passes.

Also back in the 110th Congress, then-Senator Barack Obama sponsored the Senate companion, Contractor and Tax Accountability Act, to Congressman Ellsworth's legislation but, unfortunately, the legislation did not progress in either Chamber then.

As President, Mr. Obama has continued to fight for the contractors to be held accountable. I concur with the President on this issue. This is bipartisan.

We're going to lead and spearhead this effort here in the House of Representatives and make sure that it becomes law, but the United States Senate is going to actually have to step up and do something at some point in life, Mr. Speaker.

This is a good piece of legislation. H.R. 882 establishes the process through which persons with serious delinquent Federal tax debts may be prohibited from receiving Federal contracts and grants. The legislation is designed to mandate that tax compliance be a prerequisite for receiving a Federal contract or a grant.

As the chairman knows, the Federal Acquisition Regulation, known as the FAR, was revised in 2008 to require contractors to certify they do not have delinquent tax debt to the Federal Government. Under the FAR revision, if a contractor is delinquent, then the standard Government-wide suspension and debarment process occurs in order to hold the contractor accountable.

H.R. 882 would, in essence, codify that regulation and provide a means to verify the contractor's certification. The legislation also provides broad exceptions for debts being paid in a timely manner, and debts to which a due process hearing has been requested or is pending.

Like the Federal Employee Tax Accountability Act, to be considered next, this legislation is meant to affect those thumbing their nose at Uncle Sam and the United States of America.

The Government Accountability Office, the GAO, has reported that government contractors owe over \$5 billion in unpaid Federal taxes. Many of the contractors have repeatedly failed to fulfill their tax obligations and have delinquencies that have extended over multiple tax periods.

GAO even identified instances in which companies that are delinquent in their taxes have won contracts by submitting lower offers than companies that comply with their tax obligations, giving them an undue advantage.

Those who consciously ignore the channels in place to fulfill their tax obligations must be held accountable, and they must play on the same even playing field. This legislation will do just that.

I urge my colleagues to join me in supporting this commonsense, bipartisan piece of legislation. I again thank Chairman ISSA for his support, as well as Ranking Member CUMMINGS.

Mr. CUMMINGS. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. SPEIER), the cosponsor of this legislation.

Ms. SPEIER. Mr. Speaker, I want to thank the ranking member for allotting me some time to speak on this bill, and to our chairman, Mr. ISSA, for moving this bill forward, and to my colleague, Mr. CHAFFETZ from Utah, who is the author of this measure.

Imagine what our constituents are thinking right now. Imagine if they really knew that while they're scurrying around trying to get their tax returns filed on time and making sure they have adequate funds in their accounts to write out that check, that there are corporations in this country that continue to get contracts from the United States of America, even though they don't pay their taxes.

So this bill will ensure that taxpayer dollars due today only go to responsible contractors who do not have significant debts to the Federal Government. This bill will make it clear to all contracting officials: no more tax money for deadbeat contractors.

□ 1740

As it stands, delinquent contractors are not only eligible for future contracts, but they actually get them. With one of the largest budgets in the Federal Government, the Defense Department already has a reputation for letting contractors fleece taxpayers. And to underscore this point, when the Defense Department needed a new PR contractor, they settled on a company that still owed \$4 million in taxes. How can we allow that to happen?

Another company that owed the Federal Government a million dollars in taxes was paid an additional million dollars as a contractor from the Department of Defense. Instead of using the money to pay back the government, what did he do with the money? He bought a boat, some cars, and a home overseas.

Even the IRS, the agency responsible for collecting our taxes, has fallen down on the job of making sure that our taxpayer dollars only go to contractors who have paid them. The Inspector General found the IRS gave 11 companies \$356 million in contracts despite owing millions of dollars themselves.

So the question is, Why would we reward scofflaws?

Let's get this done this year. And I would suggest to my colleagues on the other side of the aisle if in fact the Senate is the logjam, if that's what is going to prevent this from taking effect, let's co-write a letter to the President of the United States and ask him under his powers of executive order to take the steps necessary to put this in place so that we don't continue to have contractors who do not pay their taxes getting rewarded with contracts by the Federal Government.

Mr. ISSA. Mr. Speaker, at this time I have no further requests for time, and I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 14½ minutes remaining.

Mr. CUMMINGS. Mr. Speaker, I yield 3 minutes to the gentlelady from Washington, D.C. (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I just wanted to thank Mr. CHAFFETZ and Mr. ISSA for this bill.

Initially, there was a bill involving only Federal employees. And we had a concern that often when bills come forward for Federal employees, they are not bills that recognize the substantial funds that contractors receive. And Chairman ISSA and Chairman CHAFFETZ looked closely at it and now have come forward with a contractor's bill as well.

I do want to say in light of the fact that I'm going to oppose the next bill—

and I do believe there's a difference between employees and contractors, and I don't want to get into that right at this moment—I do want to say that for Federal employees undergoing a pay freeze and furloughs, there's one thing Uncle Sam can do that apparently hasn't been done with many contractors. He can garnish wages. And you can bet your bottom dollar if there's a Federal employee that owes taxes and you can prove that money is owed to the Federal Government, his pay will be garnished.

But as we heard the gentlelady from California say, these contractors continue to receive the largesse—I guess that's how they regard it—of the Federal Government. It certainly can be distinguished in that way. But I do believe that the chairman of the full committee and the subcommittee deserve credit for, in fact, moving at least where they saw that there should be some equity, that contractors would be treated similarly to Federal employees.

Mr. ISSA. I continue to reserve the balance of my time.

Mr. CUMMINGS. Having no further requests for time, Mr. Speaker, I urge Members to vote in favor of this legislation, and I yield back the balance of my time.

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

I made a decision to bring these two bills separately, rather than combine them, for a reason. This is not controversial, but failed to get through the Senate. The other bill has some controversy. But I'd like to say that in fact I believe that both bills would tell the American people—both the one related to contractors and the next one we'll be considering related to Federal employees—that we hold ourselves to the standard that the American people, the American taxpayer, expects us to.

So although I know that Ms. NORTON does not support the next bill, but with the kind of vigor and optimism and positive discussion that we've heard on the previous two bills and on this, I would say that the important thing for all of us to understand is the money here is significant; but the principle of holding our contractors, and in the next bill ourselves, responsible to a high level of integrity and not having those continue without us taking note of it, I think offers the same statement to the American people at a time of sequestration, at a time in which we're questioning how much we can afford from our government.

For that reason, I want these bills to be considered separately. I intend to vote for both of them. I believe both of them have merit for the same reason; but I do thank my colleagues on the other side because this bill, I believe, is truly without controversy and would be without controversy. I ask all of those here to note that we, on a unanimous basis, support H.R. 882. I ask its support, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ISSA) that the House suspend the rules and pass the bill, H.R. 882, 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.

Mr. ISSA. 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 motion will be postponed.

#### FEDERAL EMPLOYEE TAX ACCOUNTABILITY ACT OF 2013

Mr. ISSA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 249) to amend title 5, United States Code, to provide that persons having seriously delinquent tax debts shall be ineligible for Federal employment.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 249

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

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Federal Employee Tax Accountability Act of 2013”.

#### SEC. 2. INELIGIBILITY OF PERSONS HAVING SERIOUSLY DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT.

(a) IN GENERAL.—Chapter 73 of title 5, United States Code, is amended by adding at the end the following:

“SUBCHAPTER VIII—INELIGIBILITY OF PERSONS HAVING SERIOUSLY DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT

#### “§ 7381. Definitions

“For purposes of this subchapter—

“(1) the term ‘seriously delinquent tax debt’ means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

“(A) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code;

“(B) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending;

“(C) a debt with respect to which a levy has been issued under section 6331 of such Code (or, in the case of an applicant for employment, a debt with respect to which the applicant agrees to be subject to a levy issued under such section); and

“(D) a debt with respect to which relief under section 6343(a)(1)(D) of such Code is granted;

“(2) the term ‘employee’ means an employee in or under an agency, including an individual described in sections 2104(b) and 2105(e); and

“(3) the term ‘agency’ means—

“(A) an Executive agency;

“(B) the United States Postal Service;

“(C) the Postal Regulatory Commission; and

“(D) an employing authority in the legislative branch.

#### “§ 7382. Ineligibility for employment

“(a) IN GENERAL.—Subject to subsection (c), any person who has a seriously delinquent tax debt shall be ineligible to be appointed or to continue serving as an employee.

“(b) DISCLOSURE REQUIREMENT.—The head of each agency shall take appropriate measures to ensure that each person applying for employment with such agency shall be required to submit (as part of the application for employment) certification that such person does not have any seriously delinquent tax debt.

“(c) REGULATIONS.—The Office of Personnel Management, in consultation with the Internal Revenue Service, shall, for purposes of carrying out this section with respect to the executive branch, promulgate any regulations which the Office considers necessary, except that such regulations shall provide for the following:

“(1) All due process rights, afforded by chapter 75 and any other provision of law, shall apply with respect to a determination under this section that an applicant is ineligible to be appointed or that an employee is ineligible to continue serving.

“(2) Before any such determination is given effect with respect to an individual, the individual shall be afforded 180 days to demonstrate that such individual's debt is one described in subparagraph (A), (B), (C), or (D) of section 7381(a)(1).

“(3) An employee may continue to serve, in a situation involving financial hardship, if the continued service of such employee is in the best interests of the United States, as determined on a case-by-case basis.

“(d) REPORTS TO CONGRESS.—The Director of the Office of Personnel Management shall report annually to Congress on the number of exemptions made pursuant to subsection (c)(3).

#### “§ 7383. Review of public records

“(a) IN GENERAL.—Each agency shall provide for such reviews of public records as the head of such agency considers appropriate to determine if a notice of lien (as described in section 7381(1)) has been filed with respect to an employee of or an applicant for employment with such agency.

“(b) ADDITIONAL REQUESTS.—If a notice of lien is discovered under subsection (a) with respect to an employee or applicant for employment, the agency may—

“(1) request that the employee or applicant execute and submit a form authorizing the Secretary of the Treasury to disclose to the head of the agency information limited to describing whether the employee or applicant has a seriously delinquent tax debt; and

“(2) contact the Secretary of the Treasury to request tax information limited to describing whether the employee or applicant has a seriously delinquent tax debt.

“(c) AUTHORIZATION FORM.—The Secretary of the Treasury shall make available to all agencies a standard form for the authorization described in subsection (b)(1).

“(d) NEGATIVE CONSIDERATION.—The head of an agency, in considering an individual's application for employment or in making an employee appraisal or evaluation, shall give negative consideration to a refusal or failure to comply with a request under subsection (b)(1).

#### “§ 7384. Confidentiality

“Neither the head nor any other employee of an agency may—

“(1) use any information furnished under the provisions of this subchapter for any purpose other than the administration of this subchapter;

“(2) make any publication whereby the information furnished by or with respect to