

can also act to ensure veterans continue to receive the support they deserve.

This is a bill that we must pass every year in order to ensure that the benefits we pay our veterans do not lose purchasing power because of inflation. Today we have the opportunity to pass this measure and send it to the President's desk.

This bill directs the VA to increase the rates of veterans' disability compensation, provide additional compensation for disabled veterans with dependents, ensure certain disabled veterans receive a clothing allowance, and increase dependency and indemnity compensation for surviving spouses and children. These adjustments would be made effective December 1, 2014, and match the increase in Social Security benefits.

S. 2258 will assist the estimated 4.5 million veterans and survivors who receive these monthly benefits and often depend upon these payments to make ends meet. For some, it is their only source of income.

Without this annual COLA increase, veterans, their families and survivors, would see the value of their hard-earned benefits slowly erode. Providing for this cost-of-living increase is another important thing Congress can do to help veterans and their families that have already sacrificed so much for us.

I urge my colleagues to support S. 2258, and I reserve the balance of my time.

Mr. LAMBORN. Mr. Speaker, I have no further speakers at this time, and I reserve the balance of my time.

Mrs. KIRKPATRICK. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nevada (Ms. TITUS).

Ms. TITUS. I thank the gentlewoman from Arizona for yielding to me and for all her hard work on behalf of our veterans.

Mr. Speaker, as the ranking member of the Disability Assistance and Memorial Affairs Subcommittee, I rise in support of S. 2258, the Veterans' Compensation Cost-of-Living Adjustment Act.

Unlike Social Security COLA increases, Congress must act each year to provide veterans with the COLA increase that they earned and deserved.

I was proud to introduce the corresponding legislation in the House with our subcommittee chairman, JON RUNYAN. Together, we also introduced legislation to make this yearly adjustment automatic.

So today, the House will pass a number of bills that are designed to meet the bipartisan goal of ensuring our Nation's heroes receive all the benefits they have earned. But there is an important bill that has been blocked from consideration in the House. That bill is H.R. 2529, the Veteran Spouses Equal Treatment Act, which would provide all married veterans and their families access to Federal benefits that they deserve.

Last week in the House Veterans' Affairs Committee, only one Republican

had the courage to vote to provide access to VA benefits to legally married, same-sex couples, regardless of where they live, couples who received the benefits while they were in the military but lost them upon becoming veterans if they reside in certain States.

We heard all types of pitiful excuses. We heard that it was unconstitutional for Congress to force States to adopt Federal directives. That is ridiculous and intellectually dishonest. In fact, this House voted unanimously earlier this year to mandate that States provide instate tuition for veterans, a bill authored by the very Member who made the specious states' rights argument against H.R. 2529. And if you can even believe it, we heard process arguments as an excuse for not doing the right thing. I would remind my colleagues that they are the ones who make the process.

So when we vote today to adjust the COLA, remember that this increase is meaningless to thousands of our Nation's heroes in States like Texas, Florida, and North Carolina. They will not be receiving the benefits they earned and deserve. It is shameful and it is unfair.

So, Mr. Speaker, while I urge my colleagues to support H.R. 2258, I would remind them of these facts and implore the Republican leadership to do the right thing and bring H.R. 2529 to the floor for a vote so all veterans will get the benefits they earned and deserve.

Mr. LAMBORN. Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, I urge my colleagues to support S. 2258 and send this important bill to the President today.

I yield back the balance of my time.

Mr. LAMBORN. Mr. Speaker, I too urge all Members to support S. 2258, and I yield back the balance of my time.

Ms. BROWN of Florida. Mr. Speaker, thank you, Chairman MILLER, for your work to bring this legislation to the floor of the House that is so important to so many veterans depending on VA compensation.

This legislation affects the benefits of all veterans, by raising the compensation they receive to allow them to continue to buy the products they need to live.

It is important to pass this clean bill to make sure that those who have sacrificed to protect the freedoms we hold most dear do not suffer in these tough economic times.

In the words of the first President of the United States, George Washington:

"The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the veterans of earlier wars were treated and appreciated by their country."

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado (Mr. LAMBORN) that the House suspend the rules and pass the bill, S. 2258.

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.

#### FEDERAL RESERVE TRANSPARENCY ACT OF 2014

Mr. MEADOWS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 24) to require a full audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks by the Comptroller General of the United States, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 24

*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 Reserve Transparency Act of 2014".

#### SEC. 2. AUDIT REFORM AND TRANSPARENCY FOR THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

(a) IN GENERAL.—Notwithstanding section 714 of title 31, United States Code, or any other provision of law, the Comptroller General shall complete an audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks under subsection (b) of such section 714 within 12 months after the date of the enactment of this Act.

(b) REPORT.—

(1) IN GENERAL.—Not later than 90 days after the audit required pursuant to subsection (a) is completed, the Comptroller General—

(A) shall submit to Congress a report on such audit; and

(B) shall make such report available to the Speaker of the House, the majority and minority leaders of the House of Representatives, the majority and minority leaders of the Senate, the Chairman and Ranking Member of the committee and each subcommittee of jurisdiction in the House of Representatives and the Senate, and any other Member of Congress who requests the report.

(2) CONTENTS.—The report under paragraph (1) shall include a detailed description of the findings and conclusion of the Comptroller General with respect to the audit that is the subject of the report, together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(c) REPEAL OF CERTAIN LIMITATIONS.—Subsection (b) of section 714 of title 31, United States Code, is amended by striking the second sentence.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—Section 714 of title 31, United States Code, is amended—

(1) in subsection (d)(3)—

(A) in subparagraph (A)—

(i) by striking "or (f)";

(ii) in clause (i), by striking "or (f)"; and

(iii) in clause (ii), by striking "or (f)"; and

(B) in subparagraph (C), by striking "or (f)"; and

(2) by striking subsection (f).

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

The Chair recognizes the gentleman from North Carolina.

## GENERAL LEAVE

Mr. MEADOWS. 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 North Carolina?

There was no objection.

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

Mr. Speaker, H.R. 24, the Federal Reserve Transparency Act, directs the GAO to conduct a full audit of the Federal Reserve.

The Dodd-Frank legislation mandated a GAO audit of the Fed, but that audit issued by the GAO in July of 2011 focused solely on certain issues concerning emergency credit facilities. GAO remains restricted under the current law from conducting a broader audit of the Fed that includes, for instance, a review of the Fed's monetary policy operations and its agreements with foreign governments and central banks.

Under this bill, the GAO, as the investigative arm of Congress, is allowed to conduct the audit that reviews all these transactions and is required to report such findings of the audit to Congress.

Now, while Congress should not manage the details of monetary policy, it needs to be able to conduct oversight of the Fed. The Fed was created by Congress to be a central bank independent of influence of the U.S. Treasury. It was never intended to be a second Treasury Department.

In recent years, the Fed's extraordinary interventions into the economy and financial markets have led some to call into question its independence. The Fed remains ultimately responsible to the American people and their elected representatives. This is why H.R. 24 has strong bipartisan support, with 228 cosponsors on both sides of the aisle. A version of this bill passed the House of Representatives last Congress by a vote of 327-98.

I want to thank Chairman HENSARLING for working with me to bring this legislation to the floor. I will insert our letters of exchange in the CONGRESSIONAL RECORD.

I encourage and urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FINANCIAL SERVICES,  
Washington, DC, September 12, 2014.

Hon. DARRELL ISSA,  
Chairman, House Committee on Oversight and Government Reform, Washington, DC.

DEAR CHAIRMAN ISSA: On July 24, 2014, the Committee on Oversight and Government Reform ordered H.R. 24, the Federal Reserve Transparency Act of 2013, as amended, to be reported favorably to the House. As a result of your having consulted with the Committee on Financial Services concerning provisions of the bill that fall within our Rule X jurisdiction, I agree to discharge our committee from further consideration of the bill

so that it may proceed expeditiously to the House Floor.

The Committee on Financial Services takes this action with our mutual understanding that, by foregoing consideration of H.R. 24, as amended, at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and that our committee will be appropriately consulted and involved as the bill or similar legislation moves forward so that we may address any remaining issues that fall within our Rule X jurisdiction. Our committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for any such request.

Finally, I would appreciate your response to this letter confirming this understanding with respect to H.R. 24, as amended, and would ask that a copy of our exchange of letters on this matter be included in your committee's report to accompany the legislation and/or in the Congressional Record during floor consideration thereof.

Sincerely,

JEB HENSARLING,  
Chairman.

HOUSE OF REPRESENTATIVES, COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,  
Washington, DC, September 12, 2014.

Hon. JEB HENSARLING,  
Chairman, Committee on Financial Services,  
Washington, DC.

DEAR CHAIRMAN: Thank you for your letter regarding the Committee on the Financial Services' jurisdictional interest in H.R. 24, the "Federal Reserve Transparency Act of 2013," and your willingness to forego consideration of H.R. 24 by your committee.

I agree that the Committee on Financial Services has a valid jurisdictional interest in certain provisions of H.R. 24 and that the Committee's jurisdiction will not be adversely affected by your decision to forego consideration of H.R. 24. As you have requested, I will support your request for an appropriate appointment of outside conferees from your Committee in the event of a House-Senate conference on this or similar legislation should such a conference be convened.

Finally, I will include a copy of your letter and this response in the Committee Report and in the Congressional Record during the floor consideration of this bill. Thank you again for your cooperation.

Sincerely,

DARRELL ISSA,  
Chairman.

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

I rise, Mr. Speaker, in opposition to H.R. 24.

Let me be clear. I support transparency surrounding the operations of the Federal Reserve. Transparency helps ensure that the Federal Reserve is implementing policies that will achieve the objectives given to it by Congress: supporting maximum employment, price stability, and moderate, long-term interest rates.

I emphasize, however, that the Federal Reserve has been subject to audit since 1978. Further, the Dodd-Frank Wall Street Reform and Consumer Protection Act, which I supported, significantly expanded the authority of the Government Accountability Office to examine the Federal Reserve's operations.

It also required the Federal Reserve to make public a wider range of data than it had previously disclosed. For example, Dodd-Frank authorized GAO to begin auditing discount window operations and required the Federal Reserve to begin releasing information about emergency credit transactions and discount lending programs.

Critically, however, Dodd-Frank ensured that transparency surrounding the Fed's operations was expanded in a way that would not compromise the Fed's ability to review and alter monetary policy without fear that its internal deliberations would be made public.

Mr. Speaker, if enacted, this bill would severely curtail the independence that has been a hallmark for the Federal Reserve and has been essential to its ability to strengthen our country. Specifically, H.R. 24 would permit GAO to audit the communications that members of the Federal Reserve's Board of Governors have with each other and with staff regarding monetary policy.

The act would also permit GAO to audit transactions conducted under the direction of the Federal Open Market Committee. Such audits, which could be conducted on an almost real-time basis under this bill, could have a chilling effect on the Fed. If board members know that their statements may become public, they may be inhibited from speaking candidly about the economic trends they are observing or the monetary policies they believe would best respond to current conditions. Further, simply by requesting that the GAO conduct certain audits, Members of Congress could seek to influence the Fed's deliberations and policy decisions.

The Federal Reserve is responsible for stewarding monetary policies that will support our Nation's long-term growth. We should expand transparency surrounding the Federal Reserve in a way that will ensure short-term political considerations do not unduly influence the Federal Reserve's monetary policymaking responsibilities.

The Oversight Committee has not held a single hearing or heard a single witness regarding the far-reaching consequences that passage of this legislation could have. I oppose this legislation, and I urge Members to vote against it.

Mr. Speaker, I reserve the balance of my time.

□ 2000

Mr. MEADOWS. Mr. Speaker, I yield such time as he may consume to my distinguished colleague from the State of Georgia (Mr. BROUN), a man who has worked very hard on this particular issue.

Mr. BROUN of Georgia. Mr. Speaker, in the United States Constitution, article I, section 8, where it enumerates the powers of Congress, one of those powers is, as I am reading, "to coin money, regulate the value thereof, and of foreign coin."

In 1913, Congress abdicated its responsibility and its duty over to the Federal Reserve. It is unconstitutional that we have done so, and it has caused some disastrous effects.

I thank my friend Mr. MEADOWS for yielding me time to speak on behalf of H.R. 24, the Federal Reserve Transparency Act, better known as “Audit the Fed.”

This is the same bill that passed the U.S. House in the 112th Congress by an overwhelming bipartisan majority. This is a vital piece of legislation that will help to usher in a new era of transparency in this Nation’s monetary policy, and I am pleased to speak on its behalf with my colleagues.

Over the century, since its inception in 1913, the Federal Reserve has controlled our Nation’s monetary policy—and therefore our economy—under a veil of secrecy. Throughout these last 100 years, Congress has only exercised a relatively small degree of oversight over the Federal Reserve. This lack of accountability has led to grievous consequences, and this must end.

For instance, since the Federal Reserve establishment in 1913, the value of the U.S. dollar has fallen 95 percent. In other words, the value of today’s dollar is approximately worth one nickel of what a dollar was worth in 1913. What this does is cause a dramatic decline in the value of the U.S. dollar, and it is driven by the easy money policies of the Federal Reserve.

What does this mean in practical terms for the American people?

The steady decline of the U.S. dollar punishes thrift and savings, erodes the value of those savings, and harms older Americans living on fixed incomes. Just as bad, the expansion in money supply under the Federal Reserve has led to an unstable environment of booms and busts that have wrecked the financial security and stability of average Americans. This hurts poor people and senior citizens and the middle class the absolute most. Rich people will do fine with the policies of the Federal Reserve’s. Wall Street bankers and the big money folks are fine, but the policies of the Federal Reserve hurt poor folks, they hurt senior citizens, and they hurt the middle class. It is not fair.

Since the 2008 financial crisis, the Federal Reserve’s balance sheet has grown at an unprecedented rate, and it now contains \$4 trillion worth of assets. At the same time, the enactment of the Dodd-Frank financial reform law has granted the Federal Reserve a greater role than ever in managing our economy and in overseeing the regulation of our financial system. Yet, in spite of the undeniable importance of the Federal Reserve, current law specifically prohibits audits of the Federal Reserve’s deliberations, discussions, or actions on monetary policy.

In 2011, a partial audit of the Federal Reserve, required by the Dodd-Frank law, found that the Fed had loaned \$16 trillion to financial institutions, some

of which were not even American, between 2007 and 2010. This incredible sum was quietly loaned out with no public notice and no congressional oversight. If this is the sort of activity brought to light by just a partial audit, then I believe this further highlights the absolute necessity of a full audit. This bill will require a full audit of the Board of Governors of the Federal Reserve and of the Federal Reserve banks within 12 months of enactment.

The Federal Reserve is a creation of Congress, and it must therefore be subject to the oversight and regulation of Congress.

I must recognize and commend the leadership and years of work by my friend and colleague, Dr. Ron Paul, on this important issue. In the last Congress, Dr. Paul’s bill amassed a bipartisan coalition that saw this legislation pass in a 327–98 vote. I am deeply honored to carry on this legacy of Dr. Paul’s.

I urge my colleagues here in the House to support this important piece of legislation, and I urge our friends in the Senate to take up this bill’s counterpart by my medical colleague, Senator RAND PAUL’S S. 209.

Mr. CUMMINGS. Mr. Speaker, I continue to reserve the balance of my time.

Mr. MEADOWS. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mr. MASSIE).

Mr. MASSIE. I thank the gentleman from North Carolina.

Mr. Speaker, I rise today in support of my friend and colleague Congressman PAUL BROWN’S Federal Reserve Transparency Act, otherwise known as “Audit the Fed.”

Our mutual friend and predecessor, Congressman Ron Paul, first introduced this bill back in 1983. His often lonely voice and courageous efforts to shed light on the secretive and harmful actions of the Federal Reserve have finally paid off over 30 years later. In July of 2012, Congressman Paul’s “Audit the Fed” bill passed the House of Representatives by an overwhelming vote of 327–98. Sadly, it has yet to receive a vote in the Senate.

As Congressman Ron Paul stated here on the House floor in 2011, in words that remain current and relevant today in 2014:

Throughout its nearly 100-year history, the Federal Reserve has presided over the near-complete destruction of the United States dollar. Since 1913, the dollar has lost over 98 percent of its purchasing power, aided and abetted by the Federal Reserve’s loose monetary policy. How long will we as a Congress stand idly by while hardworking Americans see their savings eaten away by inflation? Only big spending politicians and politically favored bankers benefit from inflation.

Since its inception, the Federal Reserve has always operated in the shadows, without sufficient scrutiny or oversight of its operations. While the conventional excuse is that this is intended to reduce the Fed’s susceptibility to political pressures, the reality is that the Fed acts as a foil for the government. Whenever you question the Fed about the strength of the dollar, they will refer you

to the Treasury and vice versa. The Federal Reserve has, on the one hand, many of the privileges of government agencies while retaining benefits of private organizations, such as being largely insulated from Freedom of Information Act requests.

The Federal Reserve can enter into agreements with foreign central banks and foreign governments, and the GAO is prohibited from auditing these agreements. Why should a government-established agency, whose police force has Federal law enforcement powers and whose notes have legal tender status in this country, be allowed to enter into agreements with foreign powers and foreign banking institutions with no oversight?

Particularly because the Fed has operated swap lines with foreign central banks and provided hundreds of billions of dollars of bailouts to foreign commercial banks, the Fed’s negotiations with the European Central Bank, the Bank for International Settlements, and other foreign institutions should face increased scrutiny, most especially because of their significant effect on foreign policy. Given the currency crisis in Europe and the prospect of the Fed propping up foreign governments or bailing out American banks invested in European debt, this issue is of especially pressing concern.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MEADOWS. I yield the gentleman an additional 1 minute.

Mr. MASSIE. Thank you.

Congressman Ron Paul’s words are even more true today than they were then, and that is why I urge my colleagues to vote in favor of this bill. It is time to force the Federal Reserve to operate by the same standards of transparency and accountability to the taxpayers that we should demand of all government agencies.

Mr. CUMMINGS. Mr. Speaker, I continue to reserve the balance of my time.

Mr. MEADOWS. Mr. Speaker, at this point, I have no additional people wishing to speak on this particular bill, but I would like to read one statement from Senator RAND PAUL. He said: “It is time for more transparency in virtually every part of our government.”

I think most Americans can agree on that, and the Fed is the most logical place to start. I hope the House passes the “Audit the Fed” bill, and I look forward to pushing this bill in the Senate.

I reserve the balance of my time.

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

Again, I will be brief, but I urge Members to vote against the legislation. I think it is a giant step in the wrong direction.

I yield back the balance of my time.

Mr. MEADOWS. Mr. Speaker, I yield myself the balance of my time.

Tonight, we have heard from the distinguished gentleman from Georgia, who not only has authored this legislation but has pushed at every attempt to make sure that we have accountability and transparency. The American people deserve that.

When much of the financial crisis was happening in 2008, this very body debated over and over again on whether a stimulus should be put forth to

stimulate the economy. At the same time, the Federal Reserve was making investment dollars that made that stimulus package look very small in comparison. Yet we are to assume that, like other government agencies, they are doing everything correctly. We know, as history has shown us, that that is not always the case.

I urge all of my colleagues to join me in supporting this particular bill—to support transparency, to let the accountability be with the American people.

I yield back the balance of my time. The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MEADOWS) that the House suspend the rules and pass the bill, H.R. 24, 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. MEADOWS. 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.

#### SENIOR EXECUTIVE SERVICE ACCOUNTABILITY ACT

Mr. MEADOWS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5169) to amend title 5, United States Code, to enhance accountability within the Senior Executive Service, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5169

*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 “Senior Executive Service Accountability Act”.

#### SEC. 2. BIENNIAL JUSTIFICATION OF POSITIONS.

Section 3133(a)(2) of title 5, United States Code, is amended by inserting after “positions” the following: “, with a justification for each position (by title and organizational location) and the specific result expected from each position, including the impact of such result on the agency mission.”.

#### SEC. 3. EXTENSION OF PROBATIONARY PERIOD.

(a) IN GENERAL.—Section 3393(d) of title 5, United States Code, is amended by striking “1-year” and inserting “2-year”.

(b) CONFORMING AMENDMENT.—Section 3592(a)(1) of such title is amended by striking “1-year” and inserting “2-year”.

#### SEC. 4. MODIFICATION OF PAY RETENTION FOR SENIOR EXECUTIVE SERVICE MEMBERS REMOVED FROM UNDER PERFORMANCE.

Section 3594(c)(1)(B) of title 5, United States Code, is amended to read as follows:

“(B)(i) any career appointee placed under subsection (a) or (b)(2) of this section shall be entitled to receive basic pay at the highest of—

“(I) the rate of basic pay in effect for the position in which placed;

“(II) the rate of basic pay in effect at the time of the placement for the position the career appointee held in the civil service im-

mediately before being appointed to the Senior Executive Service; or

“(III) the rate of basic pay in effect for the career appointee immediately before being placed under subsection (a) or (b) of this section; and

“(ii) any career appointee placed under subsection (b)(1) of this section shall be entitled to receive basic pay at the rate of basic pay in effect for the position in which placed; and”.

#### SEC. 5. REQUIREMENT THAT PERFORMANCE REQUIREMENTS BE ESTABLISHED IN ADVANCE.

Section 4312(b)(1) of title 5, United States Code, is amended—

(1) by striking “on or” and inserting “not later than 30 calendar days”; and

(2) by inserting “in writing” after “communicated”.

#### SEC. 6. AMENDMENTS TO ADVERSE ACTION PROVISIONS WITH RESPECT TO CAREER APPOINTEES IN THE SENIOR EXECUTIVE SERVICE.

(a) SUSPENSION FOR 14 DAYS OR LESS FOR SENIOR EXECUTIVE SERVICE EMPLOYEE.—Paragraph (1) of Section 7501 of title 5, United States Code, is amended to read as follows:

“(1) ‘employee’ means—

“(A) an individual in the competitive service who is not serving a probationary period or trial period under an initial appointment or who has completed 1 year of current continuous employment in the same or similar positions under other than a temporary appointment limited to 1 year or less; or

“(B) a career appointee in the Senior Executive Service who—

“(i) has completed the probationary period prescribed under section 3393(d); or

“(ii) was covered by the provisions of subchapter II of this chapter immediately before appointment to the Senior Executive Service; and”.

(b) MODIFICATION OF CAUSE AND PROCEDURE FOR SUSPENSION AND TERMINATION.—

(1) IN GENERAL.—Section 7543 of title 5, United States Code, is amended—

(A) in subsection (a), by striking “misconduct,” and inserting “such cause as would promote the efficiency of the service, misconduct,”;

(B) in subsection (b)(4), by adding at the end before the period the following: “, but no later than 30 days after the date that the employee’s answer was received under paragraph (2)”;

(C) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively;

(D) by inserting after subsection (b) the following:

“(c) An agency head may extend the deadline for an employee to answer under subsection (b)(2) or the deadline for the agency to issue a written decision under subsection (b)(4) for no more than 30 days each. Any extension by the agency head under this subsection must be in writing and document the reasons for granting the extension.”; and

(E) by adding at the end the following:

“(g)(1) With respect to an employee subject to removal under this subchapter, if a final order or decision is issued in favor of the agency by the agency, the Merit Systems Protection Board, or the applicable reviewing court under section 7703, the employee—

“(A) shall pay to the agency an amount equal to any pay received by the employee during the period beginning on the date that the employee received notice under subsection (b)(1) and ending on the date of such final order or decision; and

“(B) have removed from such employee’s credit any annual leave accrued during such period.

“(2) Paragraph (1) shall apply only to an employee who, during the period described in

paragraph (1)(A), is placed on administrative leave or any other type of leave whereby the employee is in a status without duties but with pay.”.

(2) CONFORMING AMENDMENTS.—Subchapter V of chapter 35 of title 5, United States Code, is amended—

(A) in section 3593—

(i) in subsection (a)(2), by striking “misconduct,” and inserting “such cause as would promote the efficiency of the service, misconduct,”; and

(ii) in subsection (b), by striking “misconduct,” and inserting “such cause as would promote the efficiency of the service, misconduct,”; and

(B) in section 3594(a), by striking “misconduct,” and inserting “such cause as would promote the efficiency of the service, misconduct,”.

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

The Chair recognizes the gentleman from North Carolina.

#### GENERAL LEAVE

Mr. MEADOWS. 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 North Carolina?

There was no objection.

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

Congress looks to the Senior Executive Service, or “SES” as we refer to it, to provide leadership so that the government may successfully deliver services to the American people.

A 1978 law creating the SES intended it to be an elite corps of leaders serving just below the high-level Presidential appointees. The roughly 8,000 SES members are spread across government agencies and are intended to be that link between the political appointees and agencies’ career workforce.

In a budget-constrained environment, senior executives must be good stewards of the taxpayer dollars so citizens receive the best value for their money. Unfortunately, the Oversight Committee’s investigations have, time and time again, identified SES members embroiled in agency scandals. This has created a need to restore the public confidence by increasing accountability and performance within the government’s executive corps.

In February of 2012, the committee began investigating allegations that the Internal Revenue Service inappropriately scrutinized certain applicants who were seeking tax-exempt status. Documents and information showed that SES member Lois Lerner, the Director of the IRS’ exempt organization unit, was extensively involved in the targeting of conservative groups’ tax-exempt organizations while working to maintain a veneer of objective enforcement.

In April of 2012, the committee began investigating SES member Jeff Neely