

Calendar No. 305

114TH CONGRESS }
1st Session }

SENATE

{ REPORT
114-171

INSPECTOR GENERAL MANDATES
REPORTING ACT OF 2015

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 2128

TO REQUIRE THE COUNCIL OF INSPECTORS GENERAL ON
INTEGRITY AND EFFICIENCY TO SUBMIT TO CONGRESS A REPORT
ON INSPECTOR GENERAL MANDATES



NOVEMBER 30, 2015.—Ordered to be printed

U.S. GOVERNMENT PUBLISHING OFFICE

59-010

WASHINGTON : 2015

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

RON JOHNSON, Wisconsin, *Chairman*

JOHN McCAIN, Arizona	THOMAS R. CARPER, Delaware
ROB PORTMAN, Ohio	CLAIRE McCASKILL, Missouri
RAND PAUL, Kentucky	JON TESTER, Montana
JAMES LANKFORD, Oklahoma	TAMMY BALDWIN, Wisconsin
MICHAEL B. ENZI, Wyoming	HEIDI HEITKAMP, North Dakota
KELLY AYOTTE, New Hampshire	CORY A. BOOKER, New Jersey
JONI ERNST, Iowa	GARY C. PETERS, Michigan
BEN SASSE, Nebraska	

KEITH B. ASHDOWN, *Staff Director*

CHRISTOPHER R. HIXON, *Chief Counsel*

PATRICK J. BAILEY, *Chief Counsel for Governmental Affairs*

GABRIELLE D'ADAMO SINGER, *Deputy Chief Counsel for Governmental Affairs*

GABRIELLE A. BATKIN, *Minority Staff Director*

JOHN P. KILVINGTON, *Minority Deputy Staff Director*

MARY BETH SCHULTZ, *Minority Chief Counsel*

KATHERINE C. SYBENGA, *Minority Senior Counsel*

LAURA W. KILBRIDE, *Chief Clerk*

Calendar No. 305

114TH CONGRESS }
1st Session }

SENATE

{ REPORT
{ 114-171

INSPECTOR GENERAL MANDATES REPORTING ACT OF 2015

NOVEMBER 30, 2015.—Ordered to be printed

Mr. JOHNSON, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 2128]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 2128), to require the Council of Inspectors General on Integrity and Efficiency to submit to Congress a report on Inspector General mandates, having considered the same, report favorably thereon with an amendment and recommends that the bill, as amended, do pass.

CONTENTS

	Page
I. Purpose and Summary	1
II. Background and Need for the Legislation	2
III. Legislative History	3
IV. Section-by-Section Analysis	3
V. Evaluation of Regulatory Impact	4
VI. Congressional Budget Office Cost Estimate	4
VII. Changes in Existing Law Made by the Bill, as Reported	5

I. PURPOSE AND SUMMARY

The purpose of S. 2128, the Inspector General Mandates Reporting Act of 2015, is to require a one-time report to Congress on the mandatory reporting requirements imposed by Congress upon individual Offices of Inspectors General (OIG). The Committee anticipates using this report to inform its future lawmaking and determine whether any of those requirements can be reduced, modified, or eliminated. This will help ensure that OIGs have sufficient time and resources to perform the discretionary work they deem necessary.

II. BACKGROUND AND THE NEED FOR LEGISLATION

OIGs were created to “promote economy, efficiency, and effectiveness” of the government’s operations and “prevent and detect fraud and abuse” within those programs.¹ While their work is varied and often-times performed at the discretion of the inspector general, a significant portion of the OIG workload is dictated by Congress through directives for the OIG to perform particular audits. Some of these mandates are contained in the Inspector General Act of 1978, while others have been added over time through various laws passed by Congress.

According to the Department of Homeland Security’s (DHS) OIG, “[t]he average OIG has approximately thirty percent of its workload mandated.”² The DHS OIG reported to the Committee last year that it had a Congressionally-mandated workload that is more than double that amount.³

This Committee has long been concerned with ensuring that Congressionally-mandated reports are not outdated, unnecessary, or duplicative. In 2014, Congress passed two bills to reduce the mandatory reporting burden on government agencies and inspectors general after those bills were reported favorably by the Committee. The DHS OIG Mandates Revision Act of 2014, introduced by then-Ranking Member Tom Coburn and cosponsored by then-Chairman Tom Carper, reduced the mandatory reporting requirements for the DHS OIG.⁴ The Government Reports Elimination Act of 2014, building on similar laws passed in 1995⁵ and 1998,⁶ eliminated outdated and unnecessary reporting requirements across federal agencies.⁷

While existing law requires agencies to annually report to OMB on any outdated or duplicative reporting requirements that they believe should be eliminated,⁸ the Committee is not aware of any comprehensive list of OIG reporting mandates.

The work OIGs perform is essential to keep the Federal government accountable. OIGs perform a wide range of responsibilities, including reviewing whistleblower allegations, helping to ensure the effectiveness of federal cybersecurity programs, and investigating fraud and abuse. In the past few years, for example, inspectors general have uncovered significant weaknesses in airport security,⁹ inappropriate review of tax-exempt applications and ineffective management within the Internal Revenue Service,¹⁰ waste and fraud associated with operations during the Iraq and Afghani-

¹ 5 U.S.C. App. § 2 (Pub. L. No. 95-452).

² S. Rep. No. 113-261 (2014).

³ *Id.*

⁴ Pub. L. No. 113-284.

⁵ Pub. L. No. 104-66.

⁶ Pub. L. No. 105-362.

⁷ Pub. L. No. 113-188. Additionally, the Committee in 2015 unanimously passed S. 579, the Inspector General Empowerment Act of 2015, indicating its desire to ensure inspectors general have all the tools necessary to efficiently and effectively perform their work. The substitute amendment approved by the cosponsors of the bill further streamlines the reporting requirements of the Inspector General Act.

⁸ Government Performance and Results Modernization Act of 2010, Pub. L. No. 111-352.

⁹ DHS OIG Highlights, *Covert Testing of the Transportation Security Administrations Passenger Screening Technologies and Processes at Airport Security Checkpoints* (Sept. 22, 2015), available at <https://www.oig.dhs.gov/assets/Mgmt/2015/OIG-15-150-Sep15.pdf>.

¹⁰ Treasury Inspector General for Tax Administration, *Inappropriate Criteria Were Used to Identify Tax-Exempt Applications for Review* (May 14, 2013), available at <https://www.treasury.gov/tigta/auditreports/2013reports/201310053fr.pdf>.

stan wars,¹¹ as well as improper payments within many federal agencies, including the Department of Defense¹² and the Social Security Administration.¹³ In fiscal year 2014, the work of the 72 federal OIGs identified \$13.8 billion in potential savings from audit recommendations and another \$32.7 billion that the government could potentially recover (for example, through settlements, civil monetary penalties, or criminal restitution).¹⁴ Given how valuable their work is to Congress, the Committee wants to ensure inspectors general have adequate time and resources, and are not bogged down by unnecessary, dated, or duplicative Congressionally-mandated requirements.

S. 2128 would enable Congress to make a comprehensive review of Congressionally-mandated OIG work. The bill would require OIGs to provide Congress with a comprehensive list of their required work, and, if the OIG so chooses, recommending those audits and investigations that should be modified or eliminated. Each OIG would provide its report to the Council of the Inspectors General on Integrity and Efficiency (CIGIE), and CIGIE would then provide the aggregated information to Congress. Congress can use this information to examine the requirements and determine whether reduction, modification, or elimination of any requirement is warranted.

III. LEGISLATIVE HISTORY

Senator Ben Sasse introduced S. 2128 with Senator Claire McCaskill on October 5, 2015. The bill was referred to the Committee on Homeland Security and Governmental Affairs.

The Committee considered S. 2128 at a business meeting on October 7, 2015. The Committee ordered the bill reported favorably by voice vote en bloc. Senators present for the vote on the bill were Senators Johnson, Portman, Lankford, Enzi, Ernst, Sasse, Carper, McCaskill, Baldwin, Heitkamp, and Booker.

Consistent with the Committee's unanimous consent agreement on technical and conforming changes at the business meeting, the Committee reports the bill with a technical amendment by mutual agreement of the full Committee majority and minority staff.

IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

Section 1. Short title

This section provides the bill's short title, the "Inspector General Mandates Reporting Act of 2015."

Section 2. Reporting requirements of Inspectors General

This section requires each OIG, within 60 days of enactment of the bill, to submit to CIGIE a report with a list of each report that

¹¹ Special Inspector General for Afghanistan Reconstruction, *Quarterly Report* (Oct. 30, 2015), available at <https://www.sigar.mil/pdf/quarterlyreports/2015-10-30qr.pdf>.

¹² DOD Inspector General, *DOD Methodologies to Identify Improper Payments in the Military Health Benefits and Commercial Pay Programs Need Improvement* (Jan. 14, 2015), available at <http://www.dodig.mil/pubs/documents/DODIG-2015-068.pdf>.

¹³ Social Security Administration Office of Inspector General, *Overpayments in the Social Security Administration's Disability Programs—A 10-Year Study* (June 2015), available at <http://oig.ssa.gov/sites/default/files/audit/full/pdf/A-01-14-24114.pdf>.

¹⁴ Council of the Inspectors General on Integrity and Efficiency, *Progress Report to the President, Fiscal Year 2014*, available at <https://www.ignet.gov/sites/default/files/files/FY14-Progress-Report-to-the-President.pdf>.

the OIG is required to complete under the Inspector General Act of 1978 or any other provision of law. The report may also include the OIG's recommendations of any reporting requirements that the office believes should be modified or repealed.

Sixty days after receiving the required reports from each OIG, CIGIE is required to aggregate the reports and then report to Congress on what requirements were common to more than one OIG and what requirements were unique to each OIG. CIGIE's report to Congress may also include recommendations for requirements that should be modified or repealed.

The section also clarifies that the reports to Congress shall be in unclassified form, but may include a classified annex.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office's statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

NOVEMBER 4, 2015.

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

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2128, the Inspector General Mandates Reporting Act of 2015.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

KEITH HALL.

Enclosure.

S. 2128—Inspector General Mandates Reporting Act of 2015

S. 2128 would amend the Inspector General Act of 1978 to require that inspectors general (IG) create lists of reports that they are required to give the Congress along with any recommendations for eliminating or modifying reports. Each IG would have 60 days to identify all reports they are required to produce. The bill also would require the Council of Inspectors General on Integrity and Efficiency (CIGIE) to review all the lists for common and unique reports and to provide recommendations to the Congress on eliminating or modifying reports.

There are more than 70 IGs who spend about \$2.5 billion a year to detect and deter fraud, waste, and abuse. On average, IGs produce more than 7,500 audits, inspections, and evaluation reports annually. CIGIE expects that some larger IGs would need 60 days to comply with the bill's requirements. Based on that information, CBO estimates that implementing the bill would cost about \$1

million in 2016, less than \$14,000 per IG. Any such spending would be subject to the availability of appropriated funds.

Enacting S. 2128 could affect direct spending by some agencies (such as the Tennessee Valley Authority) because they are authorized to use receipts from the sale of goods, fees, and other collections to cover their operating costs. Therefore, pay-as-you-go procedures apply. Because most of those agencies can make adjustments to the amounts collected as operating costs change, CBO estimates that any net changes in direct spending by those agencies would not be significant. Enacting the bill would not affect revenues.

CBO estimates that enacting S. 2128 would not increase net direct spending or on-budget deficits by more than \$5 billion in any four consecutive 10-year periods beginning in 2026.

S. 2128 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

Because this legislation would not repeal or amend any provision of current law, it would make no changes in existing law within the meaning of clauses (a) and (b) of paragraph 12 of rule XXVI of the Standing Rules of the Senate.

