



Congress Considers the IG Independence and Empowerment Act (H.R. 2662)

August 2, 2021

The IG Independence and Empowerment Act (H.R. 2662; H.Rept. 117-66) would amend the Inspector General Act of 1978 (IG Act, 5 U.S.C. Appx.) and alter the independence and operations of inspectors general (IGs) in potentially significant ways. The bill includes provisions that would, among other things, enhance the authority of IGs, institute additional requirements for the appointment and removal of IGs, and make operational changes to the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

On June 29, 2021, the House passed H.R. 2662. The most recent legislative action occurred on July 12, 2021, when the bill was received in the Senate and referred to the Senate Committee on Homeland Security and Governmental Affairs Committee.

This Insight provides a brief introduction to IGs and summarizes select provisions of H.R. 2662. For more information on the organization of the IG community see CRS Report R45450, *Statutory Inspectors General in the Federal Government: A Primer*, by Ben Wilhelm.

IG Community

Congress passed the IG Act in 1978 to establish offices of inspector general as "independent and objective units" tasked with conducting audits; promoting economy, efficiency, and effectiveness in agencies; and preventing and detecting fraud and abuse in government. IGs conduct audits, investigations, and other reviews of agency activities. They decide what issues to review based on their own knowledge and expertise, as required by statute, and based on tips or requests from Congress, agency employees, and the public. IGs report their findings and make recommendations to agencies, Congress, and ultimately the public. Congress frequently uses IG reports and recommendations to support the exercise of its own legislative and oversight authority.

Since the passage of the IG Act in 1978, Congress has monitored the operations of the IG community, added IGs to dozens of new and existing agencies, and amended the IG Act. For instance, the Inspector General Reform Act of 2008 created CIGIE as a permanent organization for the IG community and required the President to provide Congress with a written notice and explanation 30 days before the removal or transfer of an IG. Proposals to amend or expand the IG Act are frequently offered by

Congressional Research Service https://crsreports.congress.gov IN11714 Congress, the IG community, and government oversight stakeholders and experts. While these proposals reflect a variety of viewpoints and priorities, common themes include promoting IG independence and accountability, closing potential gaps in IG investigative authority, and further developing the operations and duties of CIGIE.

Brief Summary of Selected Provisions of the IG Independence and Empowerment Act

H.R. 2662 passed the House on June 29, 2021 by a vote of 221-182. It includes a number of substantive changes to the IG Act related to IG authority, independence, and operations. Selected provisions are briefly summarized below. CRS experts are available to consult with congressional requesters interested in examining these components in greater detail.

The bill would significantly alter the appointment and removal process for IGs and acting IGs. If enacted, it would:

- Establish new limits on the removal or transfer of IGs. The President or the head of a designated federal entity could remove or transfer an IG based only on documented "permanent incapacity, neglect of duty, malfeasance, conviction of a felony or conduct involving moral turpitude, knowing violation of a law or regulation, gross mismanagement, gross waste of funds, abuse of authority, or inefficiency." In addition, the President or another government official would be required to provide Congress a "substantive rationale, including detailed and case specific reasons," for the removal or transfer as well as information on any ongoing or completed investigations into the conduct of the IG (Title I).
- Require that written notification be sent to Congress before an IG is placed on non-duty status in most circumstances (Title II).
- Amend the Vacancies Reform Act (5 U.S.C. §3345 et seq.) by placing additional limits on whom the President may appoint to serve as an acting IG (Title III).
- Require an acting IG to provide Congress a list of "all audits and investigations" that were in progress at the time a permanent IG was removed, transferred, or placed on nonduty status (Title VIII).

If enacted, the bill would also:

- Authorize IGs to issue subpoenas for testimony to individuals other than current federal employees. The bill would establish a panel of three IGs to review and approve proposed subpoenas and would allow the Attorney General to object to a subpoena that would interfere with an ongoing investigation (Title V).
- Provide the Department of Justice (DOJ) IG with the authority to investigate allegations that DOJ attorneys have engaged in misconduct related to their authority to investigate, litigate, and provide legal advice. These matters are currently reviewed by the DOJ's Office of Professional Responsibility (Title VI).
- Require IGs to report to the appropriate congressional committees if information or assistance they request is "unreasonably refused or not provided" by an agency (Title X).
- Make several changes to CIGIE operations and reporting to Congress.
- Expand the duties of Whistleblower Protection Coordinators under Section 3(d)(3) of the IG Act by specifically requiring that they educate IG office staff on whistleblower rights (Title VII).

- •
- Ensure that the rate of pay for each IG is greater than or equal to the rate of pay of the highest compensated employee in that IG's office (Title XII).
- Direct the Government Accountability Office to prepare a report on the CIGIE Integrity Committee's effectiveness (Title XIII).

Author Information

Ben Wilhelm Analyst in Government Organization and Management

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.