section (*l*) [enacting this section] shall apply with respect to violations occurring after such date.''

REPORT ON IMPLEMENTATION OF SECTION

Pub. L. 103–296, title III, §312(*l*)(3), Aug. 15, 1994, 108 Stat. 1530, required the Secretary of the Treasury to submit a report to Congress by May 1, 1996, on the implementation of the amendments made by section 312 of Pub. L. 103–296 (enacting this section and amending section 1320b–10 of Title 42), with such report to include the number of cases in which the Secretary has notified persons of violations of this section, the number of prosecutions commenced under such section, and the total amount of the penalties collected in such prosecutions.

CHAPTER 5—OFFICE OF MANAGEMENT AND BUDGET

SUBCHAPTER I—ORGANIZATION

Sec.
501. Office of Management and Budget.
502. Officers.
503. Functions of Deputy Director for Management.
504. Office of Federal Financial Management.
505. Office of Information and Regulatory Affairs.
506. Office of Federal Procurement Policy.
507. Office of Electronic Government.

SUBCHAPTER II—ADMINISTRATIVE

521. Employees.
522. Necessary expenditures.

Editorial Notes

AMENDMENTS

2002—Pub. L. 107–347, title I, §102(c)(2), Dec. 17, 2002, 116 Stat. 2910, added item 507.

1990—Pub. L. 101–576, title II, §203(c), Nov. 15, 1990, 104 Stat. 2841, added items 503 and 504 and redesignated former items 503 and 504 as 505 and 506, respectively.

1983—Pub. L. 97–452, §1(1)(B), Jan. 12, 1983, 96 Stat. 2467, added item 504.

SUBCHAPTER I—ORGANIZATION

§ 501. Office of Management and Budget

The Office of Management and Budget is an office in the Executive Office of the President.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 886.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code*	*Source (Statutes at Large)*
501	31:16(1st sentence).	June 10, 1921, ch. 18, §207(1st sentence), 42 Stat. 22; Reorg. Plan No. 1 of 1939, eff. July 1, 1939, §1, 53 Stat. 1423; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, §102(a), 84 Stat. 2085; restated Mar. 2, 1974, Pub. L. 93–250, §1, 88 Stat. 11.

Statutory Notes and Related Subsidiaries

SHORT TITLE OF 2016 AMENDMENT

Pub. L. 114–264, §1, Dec. 14, 2016, 130 Stat. 1371, provided that: ''This Act [enacting section 1126 of this title, amending section 503 of this title, and enacting provisions set out as notes under sections 503 and 1126 of this title] may be cited as the 'Program Management Improvement Accountability Act'.''

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101–576, title I, §101, Nov. 15, 1990, 104 Stat. 2838, provided that: ''This Act [enacting sections 503, 504, 901 to 903, and 3515 of this title, amending sections 502, 1105, 3512, 3521, 9105, and 9106 of this title, sections 5313 to 5315 of Title 5, Government Organization and Employees, and section 3533 of Title 42, The Public Health and Welfare, renumbering sections 503 and 504 of this title as 505 and 506 of this title, respectively, enacting provisions set out as notes under this section and sections 901, 3511, 3515, and 3521 of this title, and amending provisions set out as a note under section 301 of Title 38, Veterans' Benefits] may be cited as the 'Chief Financial Officers Act of 1990'.''

TRANSFER OF FUNCTIONS

Pub. L. 104–53, title II, §211, Nov. 19, 1995, 109 Stat. 535, as amended by Pub. L. 104–316, title II, §203, Oct. 19, 1996, 110 Stat. 3845, provided that: ''Personnel transferred pursuant to this section, as in effect immediately before the effective date of section 303 [203] of the General Accounting Office Act of 1996 [Pub. L. 104–316, Oct. 19, 1996], shall not be separated or reduced in classification or compensation for one year after any such transfer, except for cause.''

DISASTER RESILIENCY PLANNING

Pub. L. 117–221, Dec. 5, 2022, 136 Stat. 2277, provided that:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Disaster Resiliency Planning Act'.

''SEC. 2. DEFINITIONS.

''In this Act:

''(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means—

''(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

''(B) the Committee on Oversight and Reform [now Committee on Oversight and Accountability] of the House of Representatives.

''(2) AGENCY.—The term 'agency' has the meaning given the term in section 306 of title 5, United States Code.

''(3) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(4) REAL PROPERTY.—The term 'real property' has the meaning given the term in section 1.856–10 of title 26, Code of Federal Regulations, or any successor thereto.

''SEC. 3. GUIDANCE.

''(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act [Dec. 5, 2022], the Director shall establish guidance requiring the head of each agency to incorporate natural disaster resilience into real property asset management and investment decisions made by the agency.

''(b) CONTENTS.—The guidance required under subsection (a) shall direct each head of an agency to incorporate assessments of natural disaster risk information conducted by the agency, such as from vulnerability and other risk assessments, into real property asset management investment decisions made by the agency.

''(c) MODIFICATION.—The Director may periodically update the guidance required under subsection (a) as the Director may determine necessary for the purpose of further enhancing natural disaster resilience.

''(d) CONSULTATION.—In developing the guidance required under subsection (a), the Director may consult with appropriate entities, including—

''(1) the Comptroller General of the United States;

''(2) the Administrator of the Federal Emergency Management Agency; and

''(3) any other relevant entities, as determined by the Director.

''(e) REPORT.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Director shall submit to the appropriate congressional committees a report that describes the guidance required under subsection (a).

''(2) BRIEFING.—Not later than 2 years after the date of enactment of this Act, the Director shall brief the appropriate congressional committees on the implementation of the guidance required under subsection (a) across agencies.''

DISASTER RELIEF FUNDING GUIDANCE

Pub. L. 115–123, div. B, title XII, § 21206(c), Feb. 9, 2018, 132 Stat. 108, provided that: ''In order to proactively prepare for oversight of future disaster relief funding, not later than one year after the date of enactment of this Act [Feb. 9, 2018], the Director of the Office of Management and Budget shall issue standard guidance for Federal agencies to use in designing internal control plans for disaster relief funding. This guidance shall leverage existing internal control review processes and shall include, at a minimum, the following elements:

''(1) Robust criteria for identifying and documenting incremental risks and mitigating controls related to the funding.

''(2) Guidance for documenting the linkage between the incremental risks related to disaster funding and efforts to address known internal control risks.''

PUBLICATION OF CERTAIN DOCUMENTS

Pub. L. 112–239, div. A, title XVI, § 1655, Jan. 2, 2013, 126 Stat. 2083, provided that: ''Not later than 270 days after the date of the enactment of this part [Jan. 2, 2013], the Director of the Office of Management and Budget shall publish procedures and methodologies to be used by Federal agencies with respect to decisions to convert a function being performed by a small business concern to performance by a Federal employee, including procedures and methodologies for determining which contracts will be studied for potential conversion; procedures and methodologies by which a contract is evaluated as inherently governmental or as a critical agency function; and procedures and methodologies for estimating and comparing costs. Should a Federal agency develop any agency-specific methodologies for identifying critical agency functions or supplemental implementation guidance, such methodologies and guidance shall be published upon implementation.''

SERVICE CONTRACT INVENTORY

Pub. L. 111–117, div. C, title VII, § 743, Dec. 16, 2009, 123 Stat. 3216, as amended by Pub. L. 112–74, div. C, title VII, § 740, Dec. 23, 2011, 125 Stat. 939, provided that:

''(a) SERVICE CONTRACT INVENTORY REQUIREMENT.—

''(1) GUIDANCE.—Not later than March 1, 2010, the Director of the Office of Management and Budget shall develop and disseminate guidance to aid executive agencies in establishing systems for the collection of information required to meet the requirements of this section and to ensure consistency of inventories across agencies.

''(2) REPORT.—Not later than July 31, 2010, the Director of the Office of Management and Budget shall submit a report to Congress on the status of efforts to enable executive agencies to prepare the inventories required under paragraph (3), including the development, as appropriate, of guidance, methodologies, and technical tools.

''(3) INVENTORY CONTENTS.—Not later than December 31, 2010, and annually thereafter, the head of each executive agency required to submit an inventory in accordance with the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note), other than the Department of Defense, shall submit to the Office of Management and Budget an annual inventory of service contracts awarded or extended through the exercise of an option, and task orders issued under any such contract, on or after April 1, 2010, for or on behalf of such agency. For each service contract, the entry for an inventory under this section shall include, for the preceding fiscal year, the following:

''(A) A description of the services purchased by the executive agency and the role the services played in achieving agency objectives, regardless of whether such a purchase was made through a contract or task order.

''(B) The organizational component of the executive agency administering the contract, and the organizational component of the agency whose requirements are being met through contractor performance of the service.

''(C) The total dollar amount obligated for services under the contract and the funding source for the contract.

''(D) The total dollar amount invoiced for services under the contract.

''(E) The contract type and date of award.

''(F) The name of the contractor and place of performance.

''(G) The number and work location of contractor and subcontractor employees, expressed as full-time equivalents for direct labor, compensated under the contract.

''(H) Whether the contract is a personal services contract.

''(I) Whether the contract was awarded on a non-competitive basis, regardless of date of award.

''(b) FORM.—Reports required under this section shall be submitted in unclassified form, but may include a classified annex.

''(c) PUBLICATION.—Not later than 30 days after the date on which the inventory under subsection (a)(3) is required to be submitted to the Office of Management and Budget, the head of each executive agency shall—

''(1) make the inventory available to the public; and

''(2) publish in the Federal Register a notice that the inventory is available to the public.

''(d) GOVERNMENT-WIDE INVENTORY REPORT.—Not later than 90 days after the deadline for submitting inventories under subsection (a)(3), and annually thereafter, the Director of the Office of Management and Budget shall submit to Congress and make publicly available on the Office of Management and Budget website a report on the inventories submitted. The report shall identify whether each agency required to submit an inventory under subsection (a)(3) has met such requirement and summarize the information submitted by each executive agency required to have a Chief Financial Officer pursuant to section 901 of title 31, United States Code.

''(e) REVIEW AND PLANNING REQUIREMENTS.—Not later than 180 days after the deadline for submitting inventories under subsection (a)(3) for an executive agency, the head of the executive agency, or an official designated by the agency head shall—

''(1) review the contracts and information in the inventory;

''(2) ensure that—

''(A) each contract in the inventory that is a personal services contract has been entered into, and is being performed, in accordance with applicable laws and regulations;

''(B) the agency is giving special management attention to functions that are closely associated with inherently governmental functions;

''(C) the agency is not using contractor employees to perform inherently governmental functions;

''(D) the agency has specific safeguards and monitoring systems in place to ensure that work being performed by contractors has not changed or expanded during performance to become an inherently governmental function;

''(E) the agency is not using contractor employees to perform critical functions in such a way that could affect the ability of the agency to maintain control of its mission and operations; and

''(F) there are sufficient internal agency resources to manage and oversee contracts effectively;

''(3) identify contracts that have been poorly performed, as determined by a contracting officer, because of excessive costs or inferior quality; and

''(4) identify contracts that should be considered for conversion to—

''(A) performance by Federal employees of the executive agency in accordance with agency insourcing guidelines required under section 736 of the Financial Services and General Government Appropriations Act, 2009 (Public Law 111–8, division D) [amending provisions set out as a note below]; or

''(B) an alternative acquisition approach that would better enable the agency to efficiently utilize its assets and achieve its public mission.

''(f) REPORT ON ACTIONS TAKEN IN RESPONSE TO ANNUAL INVENTORY.—Not later than one year after submitting an annual inventory under subsection (a)(3), the head of each executive agency submitting such an inventory shall submit to the Office of Management and Budget a report summarizing the actions taken pursuant to subsection (e), including any actions taken to consider and convert functions from contractor to Federal employee performance. The report shall be included as an attachment to the next annual inventory and made publicly available in accordance with subsection (c).

''(g) SUBMISSION OF SERVICE CONTRACT INVENTORY BEFORE PUBLIC-PRIVATE COMPETITION.—Notwithstanding any other provision of law, beginning in fiscal year 2011, if an executive agency has not submitted to the Office of Management and Budget the inventory required under subsection (a)(3) for the prior fiscal year, the agency may not begin, plan for, or announce a study or public-private competition regarding the conversion to contractor performance of any function performed by Federal employees pursuant to Office of Management and Budget Circular A–76 or any other administrative regulation or directive until such time as the inventory is submitted for the prior fiscal year.

''(h) GAO REPORTS ON IMPLEMENTATION.—

''(1) REPORT ON GUIDANCE.—Not later than 120 days after submission of the report by the Director of the Office of Management and Budget required under subsection (a)(2), the Comptroller General of the United States shall report on the guidance issued and actions taken by the Director. The report shall be submitted to the Committee on Homeland Security and Governmental Affairs and the Committee on Appropriations of the Senate and the Committee on Oversight and Government Reform [now Committee on Oversight and Accountability] and the Committee on Appropriations of the House of Representatives.

''(2) REPORTS ON INVENTORIES.—

''(A) INITIAL INVENTORY.—Not later than September 30, 2011, the Comptroller General of the United States shall submit a report to the Committees named in the preceding paragraph on the initial implementation by executive agencies of the inventory requirement in subsection (a)(3) with respect to inventories required to be submitted by December 31, 2010.

''(B) SECOND INVENTORY.—Not later than September 30, 2012, the Comptroller General shall submit a report to the same Committees on annual inventories required to be submitted by December 31, 2011.

''(3) PERIODIC BRIEFINGS.—The Comptroller General shall provide periodic briefings, as may be requested by the Committees, on matters related to implementation of this section.

''(i) EXECUTIVE AGENCY DEFINED.—In this section, the term 'executive agency' has the meaning given the term in section 4 of the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 403) [see 41 U.S.C. 133].''

REQUIREMENT FOR DEBRIEFINGS RELATED TO CONVERSION OF FUNCTIONS FROM PERFORMANCE BY FEDERAL EMPLOYEES TO PERFORMANCE BY A CONTRACTOR

Pub. L. 111–84, div. A, title III, §326, Oct. 28, 2009, 123 Stat. 2254, provided that: ''The Administrator for Federal Procurement Policy shall revise the Federal Acquisition Regulation to allow for debriefings of Federal employee representatives designated pursuant to 3551(2)(B) of title 31, United States Code, to the same extent and under the same circumstances as any offeror, in the case of a conversion of any function from performance by Federal employees to performance by a contractor. Such debriefings will conform to the requirements of section 2305(b)(6)(A) of title 10, United States Code [now 10 U.S.C. 3305(a), (b)], section 303B(f) of the Federal Property and Administrative Services Act of 1949 ([former] 41 U.S.C. 253b(f)) [now 41 U.S.C. 3705], and subparts 15.505 and 15.506 (as in effect on the date of the enactment of this Act [Oct. 28, 2009]) of the Federal Acquisition Regulation.''

COMPREHENSIVE ANALYSIS AND DEVELOPMENT OF SINGLE GOVERNMENT-WIDE DEFINITION OF INHERENTLY GOVERNMENTAL FUNCTION AND CRITERIA FOR CRITICAL FUNCTIONS

Pub. L. 110–417, [div. A], title III, §321, Oct. 14, 2008, 122 Stat. 4411, provided that:

''(a) DEVELOPMENT AND IMPLEMENTATION.—The Director of the Office of Management and Budget, in consultation with appropriate representatives of the Chief Acquisition Officers Council under section 16A of the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 414b) [now 41 U.S.C. 1311 et seq.] and the Chief Human Capital Officers Council under section 1401 of title 5, United States Code, shall—

''(1) review the definitions of the term 'inherently governmental function' described in subsection (b) to determine whether such definitions are sufficiently focused to ensure that only officers or employees of the Federal Government or members of the Armed Forces perform inherently governmental functions or other critical functions necessary for the mission of a Federal department or agency;

''(2) develop a single consistent definition for such term that would—

''(A) address any deficiencies in the existing definitions, as determined pursuant to paragraph (1);

''(B) reasonably apply to all Federal departments and agencies; and

''(C) ensure that the head of each such department or agency is able to identify each position within that department or agency that exercises an inherently governmental function and should only be performed by officers or employees of the Federal Government or members of the Armed Forces;

''(3) develop criteria to be used by the head of each such department or agency to—

''(A) identify critical functions with respect to the unique missions and structure of that department or agency; and

''(B) identify each position within that department or agency that, while the position may not exercise an inherently governmental function, nevertheless should only be performed by officers or employees of the Federal Government or members of the Armed Forces to ensure the department or agency maintains control of its mission and operations;

''(4) in addition to the actions described under paragraphs (1), (2), and (3), provide criteria that would identify positions within Federal departments and agencies that are to be performed by officers or employees of the Federal Government or members of the Armed Forces to ensure that the head of each Federal department or agency—

''(A) develops and maintains sufficient organic expertise and technical capability;

''(B) develops guidance to implement the definition of inherently governmental as described in paragraph (2) and the criteria for critical functions as described in paragraph (3) in a manner that is consistent with agency missions and operational goals; and

''(C) develops guidance to manage internal decisions regarding staffing in an integrated manner to ensure officers or employees of the Federal Government or members of the Armed Forces are filling critical management roles by identifying—

''(i) functions, activities, or positions, or some combination thereof, or

''(ii) additional mechanisms and factors, including the management or oversight of awarded contracts, statutory mandates, and international obligations; and

''(5) solicit the views of the public regarding the matters identified in this section.

''(b) DEFINITIONS OF INHERENTLY GOVERNMENTAL FUNCTION.—The definitions of inherently governmental function described in this subsection are the definitions of such term that are contained in—

''(1) the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note);

''(2) section 2383 of title 10, United States Code [now 10 U.S.C. 4508];

''(3) Office of Management and Budget Circular A–76;

''(4) the Federal Acquisition Regulation; and

''(5) any other relevant Federal law or regulation, as determined by the Director of the Office of Management and Budget in consultation with the Chief Acquisition Officers Council and the Chief Human Capital Officers Council.

''(c) REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act [Oct. 14, 2008], the Director of the Office of Management and Budget, in consultation with the Chief Acquisition Officers Council and the Chief Human Capital Officers Council, shall submit to the Committees on Armed Services of the Senate and House of Representatives, the Committee on Homeland Security and Governmental Affairs in the Senate, and the Committee on Oversight and Government Reform [now Committee on Oversight and Accountability] of the House of Representatives a report on the actions taken by the Director under this section. Such report shall contain each of the following:

''(1) A description of the actions taken by the Director under this section to develop a single definition of inherently governmental function and criteria for critical functions.

''(2) Such legislative recommendations as the Director determines are necessary to further the purposes of this section.

''(3) A description of such steps as may be necessary—

''(A) to ensure that the single definition and criteria developed under this section are consistently applied through all Federal regulations, circulars, policy letters, agency guidance, and other documents;

''(B) to repeal any existing Federal regulations, circular, policy letters, agency guidance and other documents determined to be superseded by the definition and criteria developed under this section; and

''(C) to develop any necessary implementing guidance under this section for agency staffing and contracting decisions, along with appropriate milestones.

''(d) REGULATIONS.—Not later than 180 days after submission of the report required by subsection (c), the Director of the Office of Management and Budget shall issue regulations to implement actions taken under this section to develop a single definition of inherently governmental function and criteria for critical functions.''

PUBLIC-PRIVATE COMPETITION

Pub. L. 110–161, div. D, title VII, § 739, Dec. 26, 2007, 121 Stat. 2029, as amended by Pub. L. 111–8, div. D, title VII, §§ 735, 736, Mar. 11, 2009, 123 Stat. 689, provided that:

''(a) REQUIREMENT FOR PUBLIC-PRIVATE COMPETITION.—

''(1) Notwithstanding any other provision of law, none of the funds appropriated by this or any other Act shall be available to convert to contractor performance an activity or function of an executive agency that, on or after the date of enactment of this Act [Dec. 26, 2007], is performed by Federal employees unless—

''(A) the conversion is based on the result of a public-private competition that includes a most efficient and cost effective organization plan developed by such activity or function;

''(B) the Competitive Sourcing Official determines that, over all performance periods stated in the solicitation of offers for performance of the activity or function, the cost of performance of the activity or function by a contractor would be less costly to the executive agency by an amount that equals or exceeds the lesser of—

''(i) 10 percent of the most efficient organization's personnel-related costs for performance of that activity or function by Federal employees; or

''(ii) $10,000,000; and

''(C) the contractor does not receive an advantage for a proposal that would reduce costs for the Federal Government by—

''(i) not making an employer-sponsored health insurance plan available to the workers who are to be employed in the performance of that activity or function under the contract;

''(ii) offering to such workers an employer-sponsored health benefits plan that requires the employer to contribute less towards the premium or subscription share than the amount that is paid by the Federal Government for health benefits for civilian employees under chapter 89 of title 5, United States Code; or

''(iii) offering to such workers a retirement benefit that in any year costs less than the annual retirement cost factor applicable to Federal employees under chapter 84 of title 5, United States Code.

''(2) This paragraph shall not apply to—

''(A) the Department of Defense;

''(B) section 44920 of title 49, United States Code;

''(C) a commercial or industrial type function that—

''(i) is included on the procurement list established pursuant to section 2 of the Javits-Wagner-O'Day Act ([former] 41 U.S.C. 47) [now 41 U.S.C. 8503]; or

''(ii) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act [now 41 U.S.C. 8501 et seq.];

''(D) depot contracts or contracts for depot maintenance as provided in sections 2469 and 2474 of title 10, United States Code; or

''(E) activities that are the subject of an ongoing competition that was publicly announced prior to the date of enactment of this Act [Dec. 26, 2007].

''(b) GUIDELINES ON INSOURCING NEW AND CONTRACTED OUT FUNCTIONS.—

''(1) GUIDELINES REQUIRED.—(A) The heads of executive agencies subject to the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note) shall devise and implement guidelines and procedures to ensure that consideration is given to using, on a regular basis, Federal employees to perform new functions and functions that are performed by contractors and could be performed by Federal employees.

''(B) The guidelines and procedures required under subparagraph (A) may not include any specific limitation or restriction on the number of functions or activities that may be converted to performance by Federal employees.

''(2) SPECIAL CONSIDERATION FOR CERTAIN FUNCTIONS.—The guidelines and procedures required under paragraph (1) shall provide for special consideration to be given to using Federal employees to perform any function that—

''(A) is performed by a contractor and—

''(i) has been performed by Federal employees at any time during the previous 10 years;

''(ii) is a function closely associated with the performance of an inherently governmental function;

''(iii) has been performed pursuant to a contract awarded on a non-competitive basis; or

''(iv) has been performed poorly, as determined by a contracting officer during the 5-year period preceding the date of such determination, because of excessive costs or inferior quality; or

''(B) is a new requirement, with particular emphasis given to a new requirement that is similar to a function previously performed by Federal employees or is a function closely associated with the performance of an inherently governmental function.

''(3) EXCLUSION OF CERTAIN FUNCTIONS FROM COMPETITIONS.—The head of an executive agency may not conduct a public-private competition under Office of Management and Budget Circular A–76 or any other provision of law or regulation before—

''(A) in the case of a new agency function, assigning the performance of the function to Federal employees;

''(B) in the case of any agency function described in paragraph (2), converting the function to performance by Federal employees; or

''(C) in the case of an agency function performed by Federal employees, expanding the scope of the function.

''(4) DEADLINE.—(A) The head of each executive agency shall implement the guidelines and procedures required under this subsection by not later than 120 days after the date of the enactment of this subsection [Mar. 11, 2009].

''(B) Not later than 210 days after the date of the enactment of this subsection, the Government Accountability Office shall submit a report on the implementation of this subsection to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Oversight and Government Reform [now Committee on Oversight and Accountability] of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate.

''(5) DEFINITIONS.—In this subsection:

''(A) The term 'inherently governmental functions' has the meaning given such term in subpart 7.5 of part 7 of the Federal Acquisition Regulation.

''(B) The term 'functions closely associated with inherently governmental functions' means the functions described in section 7.503(d) of the Federal Acquisition Regulation.

''(6) APPLICABILITY.—This subsection shall not apply to the Department of Defense.

''(c) BID PROTESTS BY FEDERAL EMPLOYEES IN ACTIONS UNDER OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A–76.—

''(1) ELIGIBILITY TO PROTEST.—

''(A) [Amended section 3551 of this title.]

''(B)(i) [Enacted section 3557 of this title.]

''(ii) [Amended chapter analysis preceding section 3501 of this title.]

''(2) [Amended section 1491 of title 28, Judiciary and Judicial Procedure.]

''(3) APPLICABILITY.—Subparagraph (B) of section 3551(2) of title 31, United States Code (as added by paragraph (1)), and paragraph (5) of section 1491(b) of title 28, United States Code (as added by paragraph (2)), shall apply to—

''(A) protests and civil actions that challenge final selections of sources of performance of an activity or function of a Federal agency that are made pursuant to studies initiated under Office of Management and Budget Circular A–76 on or after January 1, 2004; and

''(B) any other protests and civil actions that relate to public-private competitions initiated under Office of Management and Budget Circular A–76, or a decision to convert a function performed by Federal employees to private sector performance without a competition under Office of Management and Budget Circular A–76, on or after the date of the enactment of this Act [Dec. 26, 2007].

''(d) LIMITATION.—(1) None of the funds available in this Act [titles I to III and V to VII of div. D of Pub. L. 110–161, see Tables for classification] may be used—

''(A) by the Office of Management and Budget to direct or require another agency to take an action specified in paragraph (2); or

''(B) by an agency to take an action specified in paragraph (2) as a result of direction or requirement from the Office of Management and Budget.

''(2) An action specified in this paragraph is the preparation for, undertaking, continuation of, or completion of a public-private competition or direct conversion under Office of Management and Budget Circular A–76 or any other administrative regulation, directive, or policy.

''(e) APPLICABILITY.—This section shall apply with respect to fiscal year 2008 and each succeeding fiscal year.''

COMPETITIVE SOURCING ACTIVITIES

Pub. L. 108–199, div. F, title VI, §647(b), (d), (f), Jan. 23, 2004, 118 Stat. 361, 362, provided that:

''(b) Not later than 120 days following the enactment of this Act [Jan. 23, 2004] and not later than December 31 of each year thereafter, the head of each executive agency shall submit to Congress a report on the competitive sourcing activities on the list required under the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 31 U.S.C. 501 note) that were performed for such executive agency during the previous fiscal year by Federal Government sources. The report shall include—

''(1) the total number of competitions completed;

''(2) the total number of competitions announced, together with a list of the activities covered by such competitions;

''(3) the total number (expressed as a full-time employee equivalent number) of the Federal employees studied under completed competitions;

''(4) the total number (expressed as a full-time employee equivalent number) of the Federal employees that are being studied under competitions announced but not completed;

''(5) the incremental cost directly attributable to conducting the competitions identified under paragraphs (1) and (2), including costs attributable to paying outside consultants and contractors;

''(6) an estimate of the total anticipated savings, or a quantifiable description of improvements in service or performance, derived from completed competitions;

''(7) actual savings, or a quantifiable description of improvements in service or performance, derived from the implementation of competitions completed after May 29, 2003;

''(8) the total projected number (expressed as a full-time employee equivalent number) of the Federal employees that are to be covered by competitions scheduled to be announced in the fiscal year covered by the next report required under this section; and

''(9) a general description of how the competitive sourcing decisionmaking processes of the executive agency are aligned with the strategic workforce plan of that executive agency.

''(d) Hereafter, the head of an executive agency may expend funds appropriated or otherwise made available for any purpose to the executive agency under this or any other Act to monitor (in the administration of responsibilities under Office of Management and Budget Circular A–76 or any related policy, directive, or regulation) the performance of an activity or function of the executive agency that has previously been subjected to a public-private competition under such circular.

''(f) In this section, the term 'executive agency' has the meaning given such term in section 4 of the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 403) [see 41 U.S.C. 133].''

Pub. L. 108–108, title III, §340(a), (b), (f), Nov. 10, 2003, 117 Stat. 1315, 1317, as amended by Pub. L. 108–447, div. E, title III, §332(c), Dec. 8, 2004, 118 Stat. 3100, provided that:

''(a) JUSTIFICATION OF COMPETITIVE SOURCING ACTIVITIES.—(1) In each budget submitted by the President to

Congress under section 1105 of title 31, United States Code, for a fiscal year, beginning with fiscal year 2005, amounts requested to perform competitive sourcing studies for programs, projects, and activities listed in paragraph (2) shall be set forth separately from other amounts requested.

''(2) Paragraph (1) applies to programs, projects, and activities—

''(A) of the Department of the Interior for which funds are appropriated by this Act [see Tables for classification];

''(B) of the Forest Service; and

''(C) of the Department of Energy for which funds are appropriated by this Act.

[(b) Repealed. Pub. L. 108–447, div. E, title III, § 332(c), Dec. 8, 2004, 118 Stat. 3100.]

''(f) COMPETITIVE SOURCING STUDY DEFINED.—In this subsection [probably means ''this section''], the term 'competitive sourcing study' means a study on subjecting work performed by Federal Government employees or private contractors to public-private competition or on converting the Federal Government employees or the work performed by such employees to private contractor performance under the Office of Management and Budget Circular A–76 or any other administrative regulation, directive, or policy.''

STUDY OF POLICIES AND PROCEDURES FOR TRANSFER OF COMMERCIAL ACTIVITIES

Pub. L. 106–398, § 1 [[div. A], title VIII, § 832], Oct. 30, 2000, 114 Stat. 1654, 1654A–221, provided that the Comptroller General was to convene a panel of experts to study the policies and procedures governing the transfer of commercial activities for the Federal Government from Government personnel to Federal contractors and to appoint highly qualified and knowledgeable persons, from appropriate governmental agencies and private industry, to serve on the panel, whose chairman would be the Comptroller General or a designated individual within the GAO, and provided that interested parties would be allowed to participate, that the panel would have access to necessary information from Federal agencies, and that the Comptroller General was to submit a report of the panel on the results of the study to Congress no later than May 1, 2002.

USE OF PRIVATE ENTERPRISES

Pub. L. 106–53, title II, § 227, Aug. 17, 1999, 113 Stat. 298, provided that:

''(a) IN GENERAL.—The Secretary [of the Army] shall comply with the requirements of the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note; Public Law 105–270).

''(b) COMPLIANCE WITH OTHER LAW.—

''(1) INVENTORY AND REVIEW.—In carrying out this section, the Secretary shall inventory and review all activities that are not inherently governmental in nature in accordance with the Federal Activities Inventory Reform Act of 1998.

''(2) ARCHITECTURAL AND ENGINEERING SERVICES.—Any review and conversion by the Secretary to performance by private enterprise of an architectural or engineering service (including a surveying or mapping service) shall be carried out in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.) [now sections 1101–1104 of title 40].''

FEDERAL ACTIVITIES INVENTORY REFORM

Pub. L. 110–28, title VI, § 6201, May 25, 2007, 121 Stat. 171, provided that: ''Hereafter, Federal employees at the National Energy Technology Laboratory shall be classified as inherently governmental for the purpose of the Federal Activities Inventory Reform Act of 1998 [Pub. L. 105–270] (31 U.S.C. 501 note).''

Pub. L. 110–28, title VI, § 6602(b), May 25, 2007, 121 Stat. 178, provided that: ''Hereafter, Federal employees at the Mine Safety and Health Administration shall be classified as inherently governmental for the purpose of the Federal Activities Inventory Reform Act of 1998 [Pub. L. 105–270] (31 U.S.C. 501 note).''

Pub. L. 105–270, Oct. 19, 1998, 112 Stat. 2382, as amended by Pub. L. 108–271, § 8(b), July 7, 2004, 118 Stat. 814; Pub. L. 109–115, div. A, title VIII, § 840, Nov. 30, 2005, 119 Stat. 2505, provided that:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Federal Activities Inventory Reform Act of 1998'.

''SEC. 2. ANNUAL LISTS OF GOVERNMENT ACTIVITIES NOT INHERENTLY GOVERNMENTAL IN NATURE.

''(a) LISTS REQUIRED.—Not later than the end of the third quarter of each fiscal year, the head of each executive agency shall submit to the Director of the Office of Management and Budget a list of activities performed by Federal Government sources for the executive agency that, in the judgment of the head of the executive agency, are not inherently governmental functions. The entry for an activity on the list shall include the following:

''(1) The fiscal year for which the activity first appeared on a list prepared under this section.

''(2) The number of full-time employees (or its equivalent) that are necessary for the performance of the activity by a Federal Government source.

''(3) The name of a Federal Government employee responsible for the activity from whom additional information about the activity may be obtained.

''(b) OMB REVIEW AND CONSULTATION.—The Director of the Office of Management and Budget shall review the executive agency's list for a fiscal year and consult with the head of the executive agency regarding the content of the final list for that fiscal year.

''(c) PUBLIC AVAILABILITY OF LISTS.—

''(1) PUBLICATION.—Upon the completion of the review and consultation regarding a list of an executive agency—

''(A) the head of the executive agency shall promptly transmit a copy of the list to Congress and make the list available to the public; and

''(B) the Director of the Office of Management and Budget shall promptly publish in the Federal Register a notice that the list is available to the public.

''(2) CHANGES.—If the list changes after the publication of the notice as a result of the resolution of a challenge under section 3, the head of the executive agency shall promptly—

''(A) make each such change available to the public and transmit a copy of the change to Congress; and

''(B) publish in the Federal Register a notice that the change is available to the public.

''(d) COMPETITION REQUIRED.—Within a reasonable time after the date on which a notice of the public availability of a list is published under subsection (c), the head of the executive agency concerned shall review the activities on the list. Each time that the head of the executive agency considers contracting with a private sector source for the performance of such an activity, the head of the executive agency shall use a competitive process to select the source (except as may otherwise be provided in a law other than this Act, an Executive order, regulations, or any executive branch circular setting forth requirements or guidance that is issued by competent executive authority). The Director of the Office of Management and Budget shall issue guidance for the administration of this subsection.

''(e) REALISTIC AND FAIR COST COMPARISONS.—For the purpose of determining whether to contract with a source in the private sector for the performance of an executive agency activity on the list on the basis of a comparison of the costs of procuring services from such a source with the costs of performing that activity by the executive agency, the head of the executive agency shall ensure that all costs (including the costs of quality assurance, technical monitoring of the performance of such function, liability insurance, employee retire-

ment and disability benefits, and all other overhead costs) are considered and that the costs considered are realistic and fair.

''SEC. 3. CHALLENGES TO THE LIST.

''(a) CHALLENGE AUTHORIZED.—An interested party may submit to an executive agency a challenge of an omission of a particular activity from, or an inclusion of a particular activity on, a list for which a notice of public availability has been published under section 2.

''(b) INTERESTED PARTY DEFINED.—For the purposes of this section, the term 'interested party', with respect to an activity referred to in subsection (a), means the following:

''(1) A private sector source that—

''(A) is an actual or prospective offeror for any contract, or other form of agreement, to perform the activity; and

''(B) has a direct economic interest in performing the activity that would be adversely affected by a determination not to procure the performance of the activity from a private sector source.

''(2) A representative of any business or professional association that includes within its membership private sector sources referred to in paragraph (1).

''(3) An officer or employee of an organization within an executive agency that is an actual or prospective offeror to perform the activity.

''(4) The head of any labor organization referred to in section 7103(a)(4) of title 5, United States Code, that includes within its membership officers or employees of an organization referred to in paragraph (3).

''(c) TIME FOR SUBMISSION.—A challenge to a list shall be submitted to the executive agency concerned within 30 days after the publication of the notice of the public availability of the list under section 2.

''(d) INITIAL DECISION.—Within 28 days after an executive agency receives a challenge, an official designated by the head of the executive agency shall—

''(1) decide the challenge; and

''(2) transmit to the party submitting the challenge a written notification of the decision together with a discussion of the rationale for the decision and an explanation of the party's right to appeal under subsection (e).

''(e) APPEAL.—

''(1) AUTHORIZATION OF APPEAL.—An interested party may appeal an adverse decision of the official to the head of the executive agency within 10 days after receiving a notification of the decision under subsection (d).

''(2) DECISION ON APPEAL.—Within 10 days after the head of an executive agency receives an appeal of a decision under paragraph (1), the head of the executive agency shall decide the appeal and transmit to the party submitting the appeal a written notification of the decision together with a discussion of the rationale for the decision.

''SEC. 4. APPLICABILITY.

''(a) EXECUTIVE AGENCIES COVERED.—Except as provided in subsection (b), this Act applies to the following executive agencies:

''(1) EXECUTIVE DEPARTMENT.—An executive department named in section 101 of title 5, United States Code.

''(2) MILITARY DEPARTMENT.—A military department named in section 102 of title 5, United States Code.

''(3) INDEPENDENT ESTABLISHMENT.—An independent establishment, as defined in section 104 of title 5, United States Code.

''(b) EXCEPTIONS.—This Act does not apply to or with respect to the following:

''(1) GOVERNMENT ACCOUNTABILITY OFFICE.—The Government Accountability Office.

''(2) GOVERNMENT CORPORATION.—A Government corporation or a Government controlled corporation, as those terms are defined in section 103 of title 5, United States Code.

''(3) NONAPPROPRIATED FUNDS INSTRUMENTALITY.—A part of a department or agency if all of the employees of that part of the department or agency are employees referred to in section 2105(c) of title 5, United States Code.

''(4) CERTAIN DEPOT-LEVEL MAINTENANCE AND REPAIR.—Depot-level maintenance and repair of the Department of Defense (as defined in section 2460 of title 10, United States Code).

''(5) Executive agencies with fewer than 100 full-time employees as of the first day of the fiscal year. However, such an agency shall be subject to section 2 to the extent it plans to conduct a public-private competition for the performance of an activity that is not inherently governmental.

''SEC. 5. DEFINITIONS.

''In this Act:

''(1) FEDERAL GOVERNMENT SOURCE.—The term 'Federal Government source', with respect to performance of an activity, means any organization within an executive agency that uses Federal Government employees to perform the activity.

''(2) INHERENTLY GOVERNMENTAL FUNCTION.—

''(A) DEFINITION.—The term 'inherently governmental function' means a function that is so intimately related to the public interest as to require performance by Federal Government employees.

''(B) FUNCTIONS INCLUDED.—The term includes activities that require either the exercise of discretion in applying Federal Government authority or the making of value judgments in making decisions for the Federal Government, including judgments relating to monetary transactions and entitlements. An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as—

''(i) to bind the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;

''(ii) to determine, protect, and advance United States economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;

''(iii) to significantly affect the life, liberty, or property of private persons;

''(iv) to commission, appoint, direct, or control officers or employees of the United States; or

''(v) to exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of appropriated and other Federal funds.

''(C) FUNCTIONS EXCLUDED.—The term does not normally include—

''(i) gathering information for or providing advice, opinions, recommendations, or ideas to Federal Government officials; or

''(ii) any function that is primarily ministerial and internal in nature (such as building security, mail operations, operation of cafeterias, housekeeping, facilities operations and maintenance, warehouse operations, motor vehicle fleet management operations, or other routine electrical or mechanical services).

''SEC. 6. EFFECTIVE DATE.

''This Act shall take effect on October 1, 1998.''

PURPOSE OF AMENDMENTS BY PUB. L. 104–316

Pub. L. 104–316, title II, §201, Oct. 19, 1996, 110 Stat. 3842, provided that: ''The purpose of this title [see Tables for classification] is to amend provisions of law to reflect, update, and enact transfers and subsequent delegations of functions made under section 211 of the Legislative Branch Appropriations Act, 1996 (Public Law 104–53, 109 Stat. 535) [see Transfer of Functions note above], as in effect immediately before this title takes effect [Oct. 19, 1996].''

DEPARTMENT OF COMMERCE FRANCHISE FUND PILOT

Pub. L. 108–199, div. B, title II, § 206, Jan. 23, 2004, 118 Stat. 73, provided that: ''Hereafter, the Secretary of Commerce may use the Commerce franchise fund for expenses and equipment necessary for the maintenance and operation of such administrative services as the Secretary determines may be performed more advantageously as central services, pursuant to section 403 of Public Law 103–356 [set out below]: *Provided*, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made for the purpose of providing capital shall be used to capitalize such fund: *Provided further*, That such fund shall be paid in advance from funds available to the Department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: *Provided further*, That such fund shall provide services on a competitive basis: *Provided further*, That an amount not to exceed 4 percent of the total annual income to such fund may be retained in the fund for fiscal year 2004 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment, and for the improvement and implementation of department financial management, automated data processing, and other support systems: *Provided further*, That such amounts retained in the fund for fiscal year 2004 and each fiscal year thereafter shall be available for obligation and expenditure only in accordance with section 605 of this Act [118 Stat. 93]: *Provided further*, That no later than 30 days after the end of each fiscal year, amounts in excess of this reserve limitation shall be deposited as miscellaneous receipts in the Treasury.''

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 108–7, div. B, title II, § 207, Feb. 20, 2003, 117 Stat. 77.

Pub. L. 107–77, title II, § 207, Nov. 28, 2001, 115 Stat. 778.

Pub. L. 106–553, § 1(a)(2) [title II, § 208], Dec. 21, 2000, 114 Stat. 2762, 2762A–79.

Pub. L. 106–113, div. B, § 1000(a)(1) [title II, § 209], Nov. 29, 1999, 113 Stat. 1535, 1501A–33.

Pub. L. 105–277, div. A, § 101(b) [title II, § 209], Oct. 21, 1998, 112 Stat. 2681–50, 2681–87.

DEPARTMENT OF THE INTERIOR FRANCHISE FUND PILOT

Pub. L. 104–208, div. A, title I, § 101(d) [title I, § 113], Sept. 30, 1996, 110 Stat. 3009–181, 3009–200, as amended by Pub. L. 108–7, div. F, title I, § 149, Feb. 20, 2003, 117 Stat. 245, provided that: ''There is hereby established in the Treasury a franchise fund pilot, as authorized by section 403 of Public Law 103–356 [set out below], to be available as provided in such section for costs of capitalizing and operating administrative services as the Secretary determines may be performed more advantageously as central services: *Provided*, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made prior to the current year for the purpose of providing capital shall be used to capitalize such fund: *Provided further*, That such fund may be paid in advance from funds available to the Department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automatic data processing (ADP) software and systems (either acquired or donated) and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: *Provided further*, That such fund shall provide services on a competitive basis: *Provided further*, That an amount not to exceed four percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment, and for the improvement and implementation of Department financial management, ADP, and other support systems: *Provided further*, That no later than thirty days after the end of each fiscal year amounts in excess of this reserve limitation shall be transferred to the Treasury: *Provided further*, That such franchise fund pilot shall terminate pursuant to section 403(f) of Public Law 103–356.''

DEPARTMENT OF VETERANS AFFAIRS FRANCHISE FUND PILOT

Pub. L. 108–447, div. I, title I, § 108, Dec. 8, 2004, 118 Stat. 3292, provided that: ''Notwithstanding any other provision of law, the Department of Veterans Affairs shall continue the Franchise Fund pilot program authorized to be established by section 403 of Public Law 103–356 [set out below] until October 1, 2005: *Provided*, That the Franchise Fund, established by title I of Public Law 104–204 [set out as a note under section 301 of Title 38, Veterans' Benefits] to finance the operations of the Franchise Fund pilot program, shall continue until October 1, 2005.''

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 108–199, div. G, title I, § 108, Jan. 23, 2004, 118 Stat. 369.

Pub. L. 108–7, div. K, title I, § 108, Feb. 20, 2003, 117 Stat. 481.

Pub. L. 107–73, title I, § 108, Nov. 26, 2001, 115 Stat. 658.

DEPARTMENT OF HOMELAND SECURITY WORKING CAPITAL FUND

Pub. L. 115–31, div. F, title V, § 504, May 5, 2017, 131 Stat. 425, provided that: ''The Department of Homeland Security Working Capital Fund, established pursuant to section 403 of Public Law 103–356 (31 U.S.C. 501 note), shall continue operations as a permanent working capital fund for fiscal year 2017: *Provided*, That none of the funds appropriated or otherwise made available to the Department of Homeland Security may be used to make payments to the Working Capital Fund, except for the activities and amounts allowed in the President's fiscal year 2017 budget: *Provided further*, That funds provided to the Working Capital Fund shall be available for obligation until expended to carry out the purposes of the Working Capital Fund: *Provided further*, That all departmental components shall be charged only for direct usage of each Working Capital Fund service: *Provided further*, That funds provided to the Working Capital Fund shall be used only for purposes consistent with the contributing component: *Provided further*, That the Working Capital Fund shall be paid in advance or reimbursed at rates which will return the full cost of each service: *Provided further*, That the Committees on Appropriations of the Senate and the House of Representatives shall be notified of any activity added to or removed from the fund: *Provided further*, That for any activity added to the fund, the notification shall identify sources of funds by program, project, and activity: *Provided further*, That the Chief Financial Officer of the Department of Homeland Security shall submit a quarterly execution report with activity-level detail, not later than 30 days after the end of each quarter.''

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 114–113, div. F, title V, § 504, Dec. 18, 2015, 129 Stat. 2512.

Pub. L. 114–4, title V, § 504, Mar. 4, 2015, 129 Stat. 62.

Pub. L. 113–76, div. F, title V, § 504, Jan. 17, 2014, 128 Stat. 270.

Pub. L. 113–6, div. D, title V, § 504, Mar. 26, 2013, 127 Stat. 367.

Pub. L. 112–74, div. D, title V, § 504, Dec. 23, 2011, 125 Stat. 969.

Pub. L. 111–83, title V, § 504, Oct. 28, 2009, 123 Stat. 2169.

Pub. L. 110–329, div. D, title V, § 504, Sept. 30, 2008, 122 Stat. 3680.

Pub. L. 110–161, div. E, title V, § 524, Dec. 26, 2007, 121 Stat. 2074.

Pub. L. 109–295, title V, § 526, Oct. 4, 2006, 120 Stat. 1382.

Pub. L. 118–47, div. C, title V, § 504, Mar. 23, 2024, 138 Stat. 615, provided that:

''(a) Section 504 of the Department of Homeland Security Appropriations Act, 2017 (division F of Public Law 115–31) [set out above], related to the operations of a working capital fund, shall apply with respect to funds made available in this Act [div. C of Pub. L. 118–47, see Tables for classification] in the same manner as such section applied to funds made available in that Act.

''(b) Funds from such working capital fund may be obligated and expended in anticipation of reimbursements from components of the Department of Homeland Security.''

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 117–328, div. F, title V, § 504, Dec. 29, 2022, 136 Stat. 4749.

Pub. L. 117–103, div. F, title V, § 504, Mar. 15, 2022, 136 Stat. 335.

Pub. L. 116–260, div. F, title V, § 504, Dec. 27, 2020, 134 Stat. 1469.

Pub. L. 116–93, div. D, title V, § 504, Dec. 20, 2019, 133 Stat. 2526.

Pub. L. 116–6, div. A, title V, § 504, Feb. 15, 2019, 133 Stat. 38.

Pub. L. 115–141, div. F, title V, § 504, Mar. 23, 2018, 132 Stat. 626.

Pub. L. 109–13, div. A, title VI, § 6025, May 11, 2005, 119 Stat. 287, provided that: ''The Department of Homeland Security shall henceforth provide an appropriations justification for the 'Department of Homeland Security Working Capital Fund' to the Committees on Appropriations of the Senate and House of Representatives: *Provided*, That an annual appropriations justification shall be submitted to the Congress as a part of the President's budget as submitted under section 1105(a) of Title 31, United States Code, and shall contain the same level of detail as the Department's Congressional appropriations justification in support of the President's budget: *Provided further*, That the 'Department of Homeland Security Working Capital Fund' Congressional appropriations justification for fiscal year 2006 shall be submitted within 15 days of enactment of this Act [May 11, 2005]: *Provided further*, That the Chief Financial Officer shall ensure that all planned activities and amounts to be funded by the 'Department of Homeland Security Working Capital Fund', all reimbursable agreements, and all uses of the Economy Act [31 U.S.C. 1535] are explicitly identified in each Congressional appropriations justification in support of the President's budget provided for each agency and component of the Department.''

Pub. L. 108–90, title V, § 506, Oct. 1, 2003, 117 Stat. 1153, provided in part: ''That such fund [Federal Emergency Management Agency Working Capital Fund] shall hereafter be known as the 'Department of Homeland Security Working Capital Fund'.''

Pub. L. 104–204, title III, Sept. 26, 1996, 110 Stat. 2915, as amended by Pub. L. 109–295, title VI, § 612(c), Oct. 4, 2006, 120 Stat. 1410, provided in part: ''For the establishment of a working capital fund for the Federal Emergency Management Agency, to be available without fiscal year limitation, for expenses and equipment necessary for maintenance and operations of such administrative services as the Administrator determines may be performed more advantageously as central services: *Provided*, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made hereafter for the purpose of providing capital, shall be used to capitalize such fund: *Provided further*, That such fund shall be reimbursed or credited with advance payments from applicable appropriations and funds of the Federal Emergency Management Agency, other Federal agencies, and other sources authorized by law for which such centralized services are performed, including supplies, materials, and services, at rates that will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing (ADP) software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve as determined by the Administrator: *Provided further*, That income of such fund may be retained, to remain available until expended, for purposes of the fund: *Provided further*, That fees for services shall be established by the Administrator at a level to cover the total estimated costs of providing such services, such fees to be deposited in the fund shall remain available until expended for purposes of the fund: *Provided further*, That such fund shall terminate in a manner consistent with section 403(f) of Public Law 103–356 [set out below].''

[For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 6, Domestic Security.]

[For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.]

FRANCHISE FUND PILOT PROGRAMS

Pub. L. 103–356, title IV, § 403, Oct. 13, 1994, 108 Stat. 3413, as amended by Pub. L. 104–208, div. A, title I, § 101(f) [title VI, § 627], Sept. 30, 1996, 110 Stat. 3009–314, 3009–360; Pub. L. 107–67, title VI, § 634, Nov. 12, 2001, 115 Stat. 553; Pub. L. 108–7, div. J, title VI, § 633, Feb. 20, 2003, 117 Stat. 471; Pub. L. 108–136, div. A, title XIV, § 1426, Nov. 24, 2003, 117 Stat. 1670; Pub. L. 108–199, div. F, title VI, § 632, Jan. 23, 2004, 118 Stat. 357; Pub. L. 108–447, div. H, title VI, § 632, Dec. 8, 2004, 118 Stat. 3280; Pub. L. 109–90, title V, § 539, Oct. 18, 2005, 119 Stat. 2088; Pub. L. 109–115, div. A, title VIII, § 831, Nov. 30, 2005, 119 Stat. 2503; Pub. L. 110–161, div. D, title VII, § 730, Dec. 26, 2007, 121 Stat. 2026, provided that:

''(a) ESTABLISHMENT.—There is authorized to be established on a pilot program basis in each of six executive agencies a franchise fund. The Director of the Office of Management and Budget, after consultation with the chairman and ranking members of the Committees on Appropriations and Governmental Affairs of the Senate, and the Committees on Appropriations and Government Operations [now Committee on Oversight and Accountability] of the House of Representatives, shall designate the agencies.

''(b) USES.—Each such fund may provide, consistent with guidelines established by the Director of the Office of Management and Budget, such common administrative support services to the agency and to other agencies as the head of such agency, with the concurrence of the Director, determines can be provided more efficiently through such a fund than by other means. To provide such services, each such fund is authorized to acquire the capital equipment, automated data processing systems, and financial management and management information systems needed. Services shall be provided by such funds on a competitive basis.

''(c) FUNDING.—(1) There are authorized to be appropriated to the franchise fund of each agency designated under subsection (a) such funds as are necessary to carry out the purposes of the fund, to remain available

until expended. To the extent that unexpended balances remain available in other accounts for the purposes to be carried out by the fund, the head of the agency may transfer such balances to the fund.

''(2) Fees for services shall be established by the head of the agency at a level to cover the total estimated costs of providing such services. Such fees shall be deposited in the agency's fund to remain available until expended, and may be used to carry out the purposes of the fund.

''(3) Existing inventories, including inventories on order, equipment, and other assets or liabilities pertaining to the purposes of the fund may be transferred to the fund.

''(d) REPORT ON PILOT PROGRAMS.—Within 6 months after the end of fiscal year 1997, the Director of the Office of Management and Budget shall forward a report on the results of the pilot programs to the Committees on Appropriations of the Senate and of the House of Representatives, and to the Committee on Governmental Affairs [now Committee on Homeland Security and Governmental Affairs] of the Senate and the Committee on Government Operations [now Committee on Oversight and Accountability] of the House of Representatives. The report shall contain the financial and program performance results of the pilot programs, including recommendations for—

''(1) the structure of the fund;

''(2) the composition of the funding mechanism;

''(3) the capacity of the fund to promote competition; and

''(4) the desirability of extending the application and implementation of franchise funds to other Federal agencies.

''(e) PROCUREMENT.—Nothing in this section shall be construed as relieving any agency of any duty under applicable procurement laws.

''(f) TERMINATION OF CERTAIN AUTHORITY.—The authority of the Secretary of Homeland Security to carry out a pilot program under this section shall terminate on October 1, 2008.''

[Pub. L. 109–289, div. B, title II, § 21068, as added by Pub. L. 110–5, § 2, Feb. 15, 2007, 121 Stat. 57, provided that: ''Section 403(f) of Public Law 103–356 (31 U.S.C. 501 note) shall be applied by substituting the date specified in section 106 of this division [Sept. 30, 2007] for 'October 1, 2006'.'']

[Pub. L. 109–115, div. A, title VIII, § 831, Nov. 30, 2005, 119 Stat. 2503, provided in part: ''That this provision [amending section 403(f) of Pub. L. 103–356, set out above, by substituting ''October 1, 2006'' for ''October 1, 2005''] shall not apply to the Department of Homeland Security.'']

[Pub. L. 109–90, title V, § 539, Oct. 18, 2005, 119 Stat. 2088, amended section 403(f) of Pub. L. 103–356, set out above, by substituting ''October 1, 2006'' for ''October 1, 2005'', for activities related to the Department of Homeland Security Working Capital Fund.]

[Pub. L. 108–199, div. F, title VI, § 632, Jan. 23, 2004, 118 Stat. 357, which directed the amendment of subsec. (f) of section 403 of Pub. L. 103–356, set out above, by substituting ''October 1, 2004'' for ''October 1, 2003'', was executed by making the substitution for ''December 31, 2004'' to reflect the probable intent of Congress.]

SIMPLIFICATION OF MANAGEMENT REPORTING PROCESS

Pub. L. 103–356, title IV, § 404, Oct. 13, 1994, 108 Stat. 3414, as amended by Pub. L. 104–208, div. A, title I, § 101(f) [title VI, § 646], Sept. 30, 1996, 110 Stat. 3009–314, 3009–366; Pub. L. 106–113, div. B, § 1000(a)(5) [title II, § 241], Nov. 29, 1999, 113 Stat. 1536, 1501A–303, provided that:

''(a) IN GENERAL.—To improve the efficiency of executive branch performance in implementing statutory requirements for financial management reporting to the Congress and its committees, the Director of the Office of Management and Budget may adjust the frequency and due dates of or consolidate any statutorily required reports of agencies to the Office of Management and Budget or the President and of agencies or the Office of Management and Budget to the Congress under any laws for which the Office of Management and Budget has financial management responsibility, including—

''(1) chapters 5, 9, 11, 33, 35, 37, 39, 75, and 91 of title 31, United States Code;

''(2) the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note; Public Law 101–410; 104 Stat. 890).

''(b) APPLICATION.—The authority provided in subsection (a) shall apply only to reports of agencies to the Office of Management and Budget or the President and of agencies or the Office of Management and Budget to the Congress required by statute to be submitted between January 1, 1995, and April 30, 2000.

''(c) ADJUSTMENTS IN REPORTING.—The Director may consolidate or adjust the frequency and due dates of any statutorily required reports under subsections (a) and (b) only after—

''(1) consultation with the Chairman of the Senate Committee on Governmental Affairs [now Committee on Homeland Security and Governmental Affairs] and the Chairman of the House of Representatives Committee on Government Operations [now Committee on Oversight and Accountability]; and

''(2) written notification to the Congress, no later than February 8 of each fiscal year covered under subsection (b) for those reports required to be submitted during that fiscal year.''

FINDINGS AND PURPOSES OF CHIEF FINANCIAL OFFICERS ACT OF 1990

Pub. L. 101–576, title I, § 102, Nov. 15, 1990, 104 Stat. 2838, provided that:

''(a) FINDINGS.—The Congress finds the following:

''(1) General management functions of the Office of Management and Budget need to be significantly enhanced to improve the efficiency and effectiveness of the Federal Government.

''(2) Financial management functions of the Office of Management and Budget need to be significantly enhanced to provide overall direction and leadership in the development of a modern Federal financial management structure and associated systems.

''(3) Billions of dollars are lost each year through fraud, waste, abuse, and mismanagement among the hundreds of programs in the Federal Government.

''(4) These losses could be significantly decreased by improved management, including improved central coordination of internal controls and financial accounting.

''(5) The Federal Government is in great need of fundamental reform in financial management requirements and practices as financial management systems are obsolete and inefficient, and do not provide complete, consistent, reliable, and timely information.

''(6) Current financial reporting practices of the Federal Government do not accurately disclose the current and probable future cost of operating and investment decisions, including the future need for cash or other resources, do not permit adequate comparison of actual costs among executive agencies, and do not provide the timely information required for efficient management of programs.

''(b) PURPOSES.—The purposes of this Act [see Short Title of 1990 Amendment note above] are the following:

''(1) Bring more effective general and financial management practices to the Federal Government through statutory provisions which would establish in the Office of Management and Budget a Deputy Director for Management, establish an Office of Federal Financial Management headed by a Controller, and designate a Chief Financial Officer in each executive department and in each major executive agency in the Federal Government.

''(2) Provide for improvement, in each agency of the Federal Government, of systems of accounting, financial management, and internal controls to assure the issuance of reliable financial information and to deter fraud, waste, and abuse of Government resources.

''(3) Provide for the production of complete, reliable, timely, and consistent financial information for use by the executive branch of the Government and the Congress in the financing, management, and evaluation of Federal programs.''

DUTIES AND FUNCTIONS OF DEPARTMENT OF THE TREASURY

Pub. L. 101–576, title II, § 204, Nov. 15, 1990, 104 Stat. 2842, provided that: ''Nothing in this Act [see Short Title of 1990 Amendment note above] shall be construed to interfere with the exercise of the functions, duties, and responsibilities of the Department of the Treasury, as in effect immediately before the enactment of this Act [Nov. 15, 1990].''

Executive Documents

EMERGENCY PREPAREDNESS FUNCTIONS

For assignment of certain emergency preparedness functions to Director of the Office of Management and Budget, see Parts 1, 2, and 28 of Ex. Ord. No. 12656, Nov. 18, 1988, 53 F.R. 47491, set out as a note under section 5195 of Title 42, The Public Health and Welfare.

REORGANIZATION PLAN NO. 2 OF 1970

Eff. July 1, 1970, 35 F.R. 7959, 84 Stat. 2085, as amended Pub. L. 97–258, § 5(b), Sept. 13, 1982, 96 Stat. 1068, 1085

Prepared by the President and Transmitted to the Senate and the House of Representatives in Congress Assembled March 12, 1970, Pursuant to the Provisions of Chapter 9 of Title 5 of the United States Code.

OFFICE OF MANAGEMENT AND BUDGET; DOMESTIC COUNCIL

PART I. OFFICE OF MANAGEMENT AND BUDGET

SECTION 101. TRANSFER OF FUNCTIONS TO THE PRESIDENT

There are hereby transferred to the President of the United States all functions vested by law (including reorganization plan) in the Bureau of the Budget or the Director of the Bureau of the Budget.

SEC. 102. OFFICE OF MANAGEMENT AND BUDGET

[Repealed. Pub. L. 97–258, § 5(b), Sept. 13, 1982, 96 Stat. 1068, 1085. Section designated the Bureau of the Budget as the Office of Management and Budget, provided for the officers and their duties, and provided for performance of the duties of the Director in the event of absence or disability or a vacancy in the office of Director.]

SEC. 103. RECORDS, PROPERTY, PERSONNEL, AND FUNDS

[Repealed. Pub. L. 97–258, § 5(b), Sept. 13, 1982, 96 Stat. 1068, 1085. Section provided that the records, property, personnel, and unexpended balances etc., of the Bureau of the Budget shall become those of the Office of Management and Budget.]

PART II. DOMESTIC COUNCIL

SEC. 201. ESTABLISHMENT OF THE COUNCIL

(a) There is hereby established in the Executive Office of the President a Domestic Council, hereinafter referred to as the Council.

(b) The Council shall be composed of the following:
The President of the United States
The Vice President of the United States
The Attorney General
Secretary of Agriculture
Secretary of Commerce
Secretary of Health, Education, and Welfare
Secretary of Housing and Urban Development
Secretary of the Interior
Secretary of Labor
Secretary of Transportation
Secretary of the Treasury
and such other officers of the Executive Branch as the President may from time to time direct.

(c) The President of the United States shall preside over meetings of the Council: *Provided*, That, in the event of his absence, he may designate a member of the Council to preside.

SEC. 202. FUNCTIONS OF THE COUNCIL

The Council shall perform such functions as the President may from time to time delegate or assign thereto.

SEC. 203. EXECUTIVE DIRECTOR

The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President designated by the President. The Executive Director shall perform such functions as the President may from time to time direct.

PART III. TAKING EFFECT

SEC. 301. EFFECTIVE DATE

The provisions of this reorganization plan shall take effect as provided by section 906(a) of title 5 of the United States Code, or on July 1, 1970, whichever is later.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

We in government often are quick to call for reform in other institutions, but slow to reform ourselves. Yet nowhere today is modern management more needed than in government itself.

In 1939, President Franklin D. Roosevelt proposed and the Congress accepted a reorganization plan that laid the groundwork for providing managerial assistance for a modern Presidency.

The plan placed the Bureau of the Budget within the Executive Office of the President. It made available to the President direct access to important new management instruments. The purpose of the plan was to improve the administration of the Government—to ensure that the Government could perform ''promptly, effectively, without waste or lost motion.''

Fulfilling that purpose today is far more difficult—and more important—than it was 30 years ago.

Last April, I created a President's Advisory Council on Executive Organization and named to it a distinguished group of outstanding experts headed by Roy L. Ash. I gave the Council a broad charter to examine ways in which the Executive Branch could be better organized. I asked it to recommend specific organizational changes that would make the Executive Branch a more vigorous and more effective instrument for creating and carrying out the programs that are needed today. The Council quickly concluded that the place to begin was in the Executive Office of the President itself. I agree.

The past 30 years have seen enormous changes in the size, structure and functions of the Federal Government. The budget has grown from less than $10 billion to $200 billion. The number of civilian employees has risen from one million to more than two and a half million. Four new Cabinet departments have been created, along with more than a score of independent agencies. Domestic policy issues have become increasingly complex. The interrelationships among Government programs have become more intricate. Yet the organization of the President's policy and management arms has not kept pace.

Over three decades, the Executive Office of the President has mushroomed but not by conscious design. In many areas it does not provide the kind of staff assistance and support the President needs in order to deal with the problems of government in the 1970s. We confront the 1970s with a staff organization geared in large measure to the tasks of the 1940s and 1950s.

One result, over the years, has been a tendency to enlarge the immediate White House staff—that is, the President's personal staff, as distinct from the institutional structure—to assist with management functions for which the President is responsible. This has blurred the distinction between personal staff and management institutions; it has left key management functions to be performed only intermittently and some not at all. It has perpetuated outdated structures.

Another result has been, paradoxically, to inhibit the delegation of authority to Departments and agencies.

A President whose programs are carefully coordinated, whose information system keeps him adequately informed, and whose organizational assignments are plainly set out, can delegate authority with security and confidence. A President whose office is deficient in these respects will be inclined, instead, to retain close control of operating responsibilities which he cannot and should not handle.

Improving the management processes of the President's own office, therefore, is a key element in improving the management of the entire Executive Branch, and in strengthening the authority of its Departments and agencies. By providing the tools that are needed to reduce duplication, to monitor performance and to promote greater efficiency throughout the Executive Branch, this also will enable us to give the country not only more effective but also more economical government—which it deserves.

To provide the management tools and policy mechanisms needed for the 1970s, I am today transmitting to the Congress Reorganization Plan No. 2 of 1970, prepared in accordance with Chapter 9 of Title 5 of the United States Code.

This plan draws not only on the work of the Ash Council itself, but also on the work of others that preceded—including the pioneering Brownlow Committee of 1936, the two Hoover Commissions, the Rockefeller Committee, and other Presidential task forces.

Essentially, the plan recognizes that two closely connected but basically separate functions both center in the President's office: policy determination and executive management. This involves (1) what government should do, and (2) how it goes about doing it.

My proposed reorganization creates a new entity to deal with each of these functions:

—It establishes a Domestic Council, to coordinate policy formulation in the domestic area. This Cabinet group would be provided with an institutional staff, and to a considerable degree would be a domestic counterpart to the National Security Council.

—It establishes an Office of Management and Budget, which would be the President's principal arm for the exercise of his managerial functions.

The Domestic Council will be primarily concerned with what we do; the Office of Management and Budget will be primarily concerned with *how* we do it, and *how well* we do it.

DOMESTIC COUNCIL

The past year's experience with the Council for Urban Affairs has shown how immensely valuable a Cabinet-level council can be as a forum for both discussion and action on policy matters that cut across departmental jurisdictions.

The Domestic Council will be chaired by the President. Under the plan, its membership will include the Vice President, and the Secretaries of the Treasury, Interior, Agriculture, Commerce, Labor, Health, Education and Welfare, Housing and Urban Development, and Transportation, and the Attorney General. I also intend to designate as members the Director of the Office of Economic Opportunity and, while he remains a member of the Cabinet, the Postmaster General. (Although I continue to hope that the Congress will adopt my proposal to create, in place of the Post Office Department, a self-sufficient postal authority.) The President could add other Executive Branch officials at his discretion.

The Council will be supported by a staff under an Executive Director who will also be one of the President's assistants. Like the National Security Council staff, this staff will work in close coordination with the President's personal staff but will have its own institutional identity. By being established on a permanent, institutional basis, it will be designed to develop and employ the ''institutional memory'' so essential if continuity is to be maintained, and if experience is to play its proper role in the policy-making process.

There does not now exist an organized, institutionally-staffed group charged with advising the President on the total range of domestic policy. The Domestic Council will fill that need. Under the President's direction, it will also be charged with integrating the various aspects of domestic policy into a consistent whole.

Among the specific policy functions in which I intend the Domestic Council to take the lead are these:

—Assessing national needs, collecting information and developing forecasts, for the purpose of defining national goals and objectives.

—Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.

—Providing rapid response to Presidential needs for policy advice on pressing domestic issues.

—Coordinating the establishment of national priorities for the allocation of available resources.

—Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

Much of the Council's work will be accomplished by temporary, ad hoc project committees. These might take a variety of forms, such as task forces, planning groups or advisory bodies. They can be established with varying degrees of formality, and can be set up to deal either with broad program areas or with specific problems. The committees will draw for staff support on Department and agency experts, supplemented by the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council draws on the experience gained during the past year with the Council for Urban Affairs, the Cabinet Committee on the Environment and the Council for Rural Affairs. The principal key to the operation of these Councils has been the effective functioning of their various subcommittees. The Councils themselves will be consolidated into the Domestic Council; Urban, Rural and Environment subcommittees of the Domestic Council will be strengthened, using access to the Domestic Council staff.

Overall, the Domestic Council will provide the President with a streamlined, consolidated domestic policy arm, adequately staffed, and highly flexible in its operation. It also will provide a structure through which departmental initiatives can be more fully considered, and expert advice from the Departments and agencies more fully utilized.

OFFICE OF MANAGEMENT AND BUDGET

Under the reorganization plan, the technical and formal means by which the Office of Management and Budget is created is by re-designating the Bureau of the Budget as the Office of Management and Budget. The functions currently vested by law in the Bureau, or in its director, are transferred to the President, with the provision that he can then re-delegate them.

As soon as the reorganization plan takes effect, I intend to delegate those statutory functions to the Director of the new Office of Management and Budget, including those under section 212 of the Budget and Accounting Act, 1921 [31 U.S.C. 1113].

However, creation of the Office of Management and Budget represents far more than a mere change of name for the Bureau of the Budget. It represents a basic change in concept and emphasis, reflecting the broader management needs of the Office of the President.

The new Office will still perform the key function of assisting the President in the preparation of the annual

Federal budget and overseeing its execution. It will draw upon the skills and experience of the extraordinarily able and dedicated career staff developed by the Bureau of the Budget. But preparation of the budget as such will no longer be its dominant, overriding concern.

While the budget function remains a vital tool of management, it will be strengthened by the greater emphasis the new office will place on fiscal analysis. The budget function is only one of several important management tools that the President must now have. He must also have a substantially enhanced institutional staff capability in other areas of executive management—particularly in program evaluation and coordination, improvement of Executive Branch organization, information and management systems, and development of executive talent. Under this plan, strengthened capability in these areas will be provided partly through internal reorganization, and it will also require additional staff resources.

The new Office of Management and Budget will place much greater emphasis on the evaluation of program performance: on assessing the extent to which programs are actually achieving their intended results, and delivering the intended services to the intended recipients. This is needed on a continuing basis, not as a one-time effort. Program evaluation will remain a function of the individual agencies as it is today. However, a single agency cannot fairly be expected to judge overall effectiveness in programs that cross agency lines—and the difference between agency and Presidential perspectives requires a capacity in the Executive Office to evaluate program performance whenever appropriate.

The new Office will expand efforts to improve interagency cooperation in the field. Washington-based coordinators will help work out interagency problems at the operating level, and assist in developing efficient coordinating mechanisms throughout the country. The success of these efforts depends on the experience, persuasion, and understanding of an Office which will be an expediter and catalyst. The Office will also respond to requests from State and local governments for assistance on intergovernmental programs. It will work closely with the Vice President and the Office of Intergovernmental Relations.

Improvement of Government organization, information and management systems will be a major function of the Office of Management and Budget. It will maintain a continuous review of the organizational structures and management processes of the Executive Branch, and recommend needed changes. It will take the lead in developing new information systems to provide the President with the performance and other data that he needs but does not now get. When new programs are launched, it will seek to ensure that they are not simply forced into or grafted onto existing organizational structures that may not be appropriate. Resistance to organizational change is one of the chief obstacles to effective government; the new Office will seek to ensure that organization keeps abreast of program needs.

The new Office will also take the lead in devising programs for the development of career executive talent throughout the Government. Not the least of the President's needs as Chief Executive is direct capability in the Executive Office for insuring that talented executives are used to the full extent of their abilities. Effective, coordinated efforts for executive manpower development have been hampered by the lack of a system for forecasting the needs for executive talent and appraising leadership potential. Both are crucial to the success of an enterprise—whether private or public.

The Office of Management and Budget will be charged with advising the President on the development of new programs to recruit, train, motivate, deploy, and evaluate the men and women who make up the top ranks of the civil service, in the broadest sense of that term. It will not deal with individuals, but will rely on the talented professionals of the Civil Service Commission and the Departments and agencies themselves to administer these programs. Under the leadership of the Office of Management and Budget there will be joint efforts to see to it that all executive talent is well utilized wherever it may be needed throughout the Executive Branch, and to assure that executive training and motivation meet not only today's needs but those of the years ahead.

Finally, the new Office will continue the Legislative Reference functions now performed by the Bureau of the Budget, drawing together agency reactions on all proposed legislation, and helping develop legislation to carry out the President's program. It also will continue the Bureau's work of improving and coordinating Federal statistical services.

SIGNIFICANCE OF THE CHANGES

The people deserve a more responsive and more effective Government. The times require it. These changes will help provide it.

Each reorganization included in the plan which accompanies this message is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. In particular, the plan is responsive to Section 901(a)(1), ''to promote the better execution of the laws, the more effective management of the Executive Branch and of its agencies and functions, and the expeditious administration of the public business;'' and Section 901(a)(3), ''to increase the efficiency of the operations of the Government to the fullest extent practicable.''

The reorganizations provided for in this plan make necessary the appointment and compensation of new officers, as specified in Section 102(c) of the plan. The rates of compensation fixed for these officers are comparable to those fixed for other officers in the Executive Branch who have similar responsibilities.

While this plan will result in a modest increase in direct expenditures, its strengthening of the Executive Office of the President will bring significant indirect savings, and at the same time will help ensure that people actually receive the return they deserve for every dollar the Government spends. The savings will result from the improved efficiency these changes will provide throughout the Executive Branch—and also from curtailing the waste that results when programs simply fail to achieve their objectives. It is not practical, however, to itemize or aggregate these indirect expenditure reductions which will result from the reorganization.

I expect to follow with other reorganization plans, quite possibly including ones that will affect other activities of the Executive Office of the President. Our studies are continuing. But this by itself is a reorganization of major significance, and a key to the more effective functioning of the entire Executive Branch.

These changes would provide an improved system of policy making and coordination, a strengthened capacity to perform those functions that are now the central concerns of the Bureau of the Budget, and a more effective set of management tools for the performance of other functions that have been rapidly increasing in importance.

The reorganization will not only improve the staff resources available to the President, but will also strengthen the advisory roles of those members of the Cabinet principally concerned with domestic affairs. By providing a means of formulating integrated and systematic recommendations on major domestic policy issues, the plan serves not only the needs of the President but also the interests of the Congress.

This reorganization plan is of major importance to the functioning of modern government. The national interest requires it. I urge that the Congress allow it to become effective.

RICHARD NIXON.

THE WHITE HOUSE, MARCH 12, 1970.

ABOLITION OF DOMESTIC COUNCIL

Domestic Council, established by Reorg. Plan No. 2 of 1970, § 201, eff. July 1, 1970, 35 F.R. 7959, 84 Stat. 2086, set

out above, abolished by Reorg. Plan No. 1 of 1977, §3, 42 F.R. 56101, 91 Stat. 1633, set out in the Appendix to Title 5, Government Organization and Employees, effective on or before Apr. 1, 1978, at such time as specified by President. Section 5D of Reorg. Plan No. 1 of 1977 transferred all functions vested in Domestic Council to President with power to delegate performance of such transferred functions within Executive Office of President.

EX. ORD. NO. 11541. PRESCRIBING DUTIES OF OFFICE OF MANAGEMENT AND BUDGET AND DOMESTIC COUNCIL

Ex. Ord. No. 11541, July 1, 1970, 35 F.R. 10737, as amended by Ex. Ord. No. 12013, Oct. 7, 1977, 42 F.R. 54931; Ex. Ord. No. 12027, Dec. 5, 1977, 42 F.R. 61851; Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 1055; Ex. Ord. No. 12318, Aug. 21, 1981, 46 F.R. 42833, provided:

By virtue of the authority vested in me by the Constitution and statutes of the United States, including section 301 of Title 3 of the United States Code, and pursuant to Reorganization Plan No. 2 of 1970 (hereinafter referred to as ''the Plan'') [set out as a note under this section], it is ordered as follows:

SECTION 1. (a) All functions transferred to the President of the United States by Part I of the Plan (including the function vested by section 102(f) of designating the officials of the Office of Management and Budget who shall act as Director during the absence or disability of the Deputy Director or in the event of a vacancy in the office of Deputy Director) are hereby delegated to the Director of the Office of Management and Budget in the Executive Office of the President. Such functions shall be carried out by the Director under the direction of the President and pursuant to such further instructions as the President from time to time may issue.

(b) All outstanding delegations, rules, regulations, orders, circulars, bulletins, or other forms of Executive or administrative action issued or taken by or relating to the Bureau of the Budget or the Director of the Bureau of the Budget prior to the effective date of this order shall, until amended or revoked, remain in full force and effect as if issued or taken by or relating to the Office of Management and Budget or the Director of the Office of Management and Budget.

(c) The delegation to the Director of the Office of Management and Budget, pursuant to subsection (a) of this Section, of the functions vested in the Director of the Bureau of the Budget by Section 103 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 18b) [31 U.S.C. 1104(d)] and subsequently transferred to the President by Part I of Reorganization Plan No. 2 of 1970 (5 U.S.C. App.), shall be implemented in accord with Section 3(a) of the Paperwork Reduction Act of 1980 (94 Stat. 2825; 44 U.S.C. 3503 note), to the extent that provision is applicable.

(d) The delegation to the Director of the Office of Management and Budget of the following executive development and personnel functions (which have been transferred to the Office of Personnel Management) is terminated on December 4, 1977:

(1) Providing overall Executive Branch leadership, regulation, and guidance in executive personnel selection, development and management.

(2) Studying and reporting on issues relating to position classification and the compensation of Federal civilian employees, including linkages among pay systems, and providing reports on average grade levels, work-years and personnel costs of Federal civilian employees.

(3) Providing primary Executive Branch leadership in (i) developing and reviewing a program of policy guidance to departments and agencies for the organization of management responsibility under the Federal Labor Relations program; and (ii) monitoring issues and trends in labor management relations for referral to appropriate Executive Branch officials including the Federal Labor Relations Council.

SEC. 2. (a) Under the direction of the President and subject to such further instructions as the President from time to time may issue, the Domestic Council in the Executive Office of the President shall (1) receive and develop information necessary for assessing national domestic needs and defining national domestic goals, and develop for the President alternative proposals for reaching those goals; (2) collaborate with the Office of Management and Budget and others in the determination of national domestic priorities for the allocation of available resources; (3) collaborate with the Office of Management and Budget and others to assure a continuing review of ongoing programs from the standpoint of their relative contributions to national goals as compared with their use of available resources; and (4) provide policy advice to the President on domestic issues.

(b) The organizations listed herein are terminated and the functions heretofore assigned to them shall be performed by the Domestic Council:

Council for Urban Affairs (Executive Order No. 11452 of January 23, 1969)

Cabinet Committee on the Environment (Executive Order No. 11472 of May 29, 1969, as amended by Executive Order No. 11514 of March 5, 1970)

Council for Rural Affairs (Executive Order No. 11493 of November 13, 1969)

SEC. 3. This order shall be effective July 1, 1970.

SUPERSEDURE OF EX. ORD. NO. 11541

Supersedure of Ex. Ord. No. 11541 to the extent that it is inconsistent with Ex. Ord. No. 11609, July 22, 1971, 36 F.R. 13747, see section 11(6) of Ex. Ord. No. 11609, set out as a note under section 301 of Title 3, The President; with Ex. Ord. No. 11713, Apr. 21, 1973, 38 F.R. 10069, see section 3 of Ex. Ord. No. 11713, set out as a note under section 301 of Title 3; with Ex. Ord. No. 11717, May 9, 1973, 38 F.R. 12315, see section 5 of Ex. Ord. No. 11717, set out below.

EXECUTIVE ORDER NO. 11647

Ex. Ord. No. 11647, Feb. 10, 1972, 37 F.R. 3167, as amended by Ex. Ord. No. 11731, July 23, 1973, 38 F.R. 19903; Ex. Ord. No. 11892, Dec. 31, 1975, 41 F.R. 751; Ex. Ord. No. 12038, Feb. 3, 1978, 43 F.R. 4957, which established Federal Regional Councils, was revoked by section 1–307 of Ex. Ord. No. 12149, July 20, 1979, 44 F.R. 43248.

EX. ORD. NO. 11717. TRANSFER OF CERTAIN FUNCTIONS FROM OFFICE OF MANAGEMENT AND BUDGET TO GENERAL SERVICES ADMINISTRATION AND DEPARTMENT OF COMMERCE

Ex. Ord. No. 11717, May 9, 1973, 38 F.R. 12315, provided:

By virtue of the authority vested in me as President by the Constitution and Statutes of the United States, particularly by section 301 of title 3 of the United States Code, the Federal Property and Administrative Services Act of 1949, as amended, the Budget and Accounting Act, 1921, as amended, the Budget and Accounting Procedures Act of 1950, as amended, and Reorganization Plan No. 2 of 1970 [set out as a note above], it is hereby ordered as follows:

SECTION 1. There are hereby transferred to the Administrator of General Services all functions that were being performed in the Office of Management and Budget on April 13, 1973 by:

(1) The Financial Management Branch, the Procurement and Property Management Branch, and the Management Systems Branch of the Organization and Management Systems Division; and

(2) the Management Information and Computer Systems Division with respect to policy control over automatic data processing (except those functions relating to the establishment of Government-wide automatic data-processing standards).

SEC. 2. There are hereby transferred to the Secretary of Commerce all functions being performed on the date of this order in the Office of Management and Budget relating to the establishment of Government-wide automatic data processing standards, including the

function of approving standards on behalf of the President pursuant to section 111(f)(2) of the Federal Property and Administrative Services Act of 1949, as amended [former 40 U.S.C. 759(f)(2)].

SEC. 3. (a) The functions transferred to the Administrator of the General Services Administration and to the Secretary of Commerce by this order do not include those performed in connection with the general oversight responsibilities of the Director of the Office of Management and Budget, as the head of that agency and as Assistant to the President for executive management, and the functions transferred by this order shall be performed subject to such general oversight to the same extent that other functions of the General Services Administration and the Department of Commerce, respectively, are so performed.

(b) The functions vested in the President by the first sentence of section 111(g) of the Federal Property and Administrative Services Act of 1949, as amended [former 40 U.S.C. 759(g)], with respect to fiscal control of automatic data processing activities shall continue to be performed by the Director of the Office of Management and Budget. No function vested by statute in the Director shall be deemed to be affected by the provisions of this order.

SEC. 4. So much of the personnel, property, records and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available, in connection with the functions transferred by this order as the Director of the Office of Management and Budget shall determine, shall be transferred to the Department of Commerce and the General Services Administration, respectively, at such times as the Director shall specify.

SEC. 5. Executive Order No. 11541 of July 1, 1970, is hereby superseded to the extent that it is inconsistent with this order.

SEC. 6. This order shall be effective as of April 15, 1973.

RICHARD NIXON.

SUPERSEDURE OF EX. ORD. NO. 11717

Ex. Ord. No. 11717 superseded to the extent that it is inconsistent with Ex. Ord. No. 11893, Dec. 31, 1975, 41 F.R. 1040, see section 4 of Ex. Ord. No. 11893, set out as a note under section 4252 of Title 42, The Public Health and Welfare.

EXECUTIVE ORDER NO. 12013

Ex. Ord. No. 12013, Oct. 7, 1977, 42 F.R. 54931, which related to transfer of certain statistical functions and the establishment of the Statistical Policy Coordination Committee, was revoked by section 4(a) of Ex. Ord. No. 12318, Aug. 21, 1981, 46 F.R. 42833, set out below.

EX. ORD. NO. 12027. TRANSFER OF CERTAIN EXECUTIVE DEVELOPMENT AND OTHER PERSONNEL FUNCTIONS

Ex. Ord. No. 12027, Dec. 5, 1977, 42 F.R. 61851, as amended by Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 1055, provided:

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Reorganization Plan No. 2 of 1970 (5 U.S.C. App.), Section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c) [31 U.S.C. 1531], and Section 301 of Title 3 of the United States Code, and as President of the United States of America, in order to transfer certain functions from the Director of the Office of Management and Budget to the Office of Personnel Management, it is hereby ordered as follows:

SECTION 1. The following functions which heretofore have been performed by the Director of the Office of Management and Budget, either alone or in conjunction with the Office of Personnel Management, are hereby reassigned and delegated to the Office of Personnel Management:

(a) Providing overall Executive Branch leadership, regulation, and guidance in executive personnel selection, development, and management including:

(1) Devising and establishing programs and encouraging agencies to devise and establish programs to forecast the need for career executive talent and to select, train, develop, motivate, deploy and evaluate the men and women who make up the top ranks of Federal civil service;

(2) Initiating and leading efforts to ensure that potential executive talent is identified, developed and well utilized throughout the Executive Branch and;

(3) Ensuring that executive training and motivation meet current and future needs.

(b) Studying and reporting on issues relating to position classification and the compensation of Federal civilian employees, including linkages among pay systems, and providing reports on average grade levels, work-years and personnel costs of Federal civilian employees.

(c) Providing primary Executive Branch leadership in (1) developing and reviewing a program of policy guidance to departments and agencies for the organization of management's responsibility under the Federal Labor Relations program; and (2) monitoring issues and trends in labor management relations for referral to appropriate Executive Branch officials including the Federal Labor Relations Council.

SEC. 2. Section 1 of Executive Order No. 11541, as amended [set out above], is further amended by adding thereto the following new subsection:

''(d) The delegation to the Director of the Office of Management and Budget of the following executive development and personnel functions (which have been transferred to the Office of Personnel Management) is terminated on December 4, 1977:

''(1) Providing overall Executive Branch leadership, regulation, and guidance in executive personnel selection, development and management.

''(2) Studying and reporting on issues relating to position classification and the compensation of Federal civilian employees, including linkages among pay systems, and providing reports on average grade levels, work-years and personnel costs of Federal civilian employees.

''(3) Providing primary Executive Branch leadership in (i) developing and reviewing a program of policy guidance to departments and agencies for the organization of management responsibility under the Federal Labor Relations program; and (ii) monitoring issues and trends in labor management relations for referral to appropriate Executive Branch officials including the Federal Labor Relations Council.''.

SEC. 3. Executive Order No. 11491, as amended [5 U.S.C. 7101 note], is further amended by amending Section 25(a) to read as follows:

''The Office of Personnel Management, in conjunction with the Director of the Office of Management and Budget, shall establish and maintain a program for the policy guidance of agencies on labor-management relations in the Federal service and shall periodically review the implementation of these policies. The Office of Personnel Management shall be responsible for the day-to-day policy guidance under that program. The Office of Personnel Management also shall continuously review the operation of the Federal labor-management relations program to assist in assuring adherence to its provisions and merit system requirements; implement technical advice and information programs for the agencies; assist in the development of programs for training agency personnel and management officials in labor-management relations; and, from time to time, report to the Council on the state of the program with any recommendations for its improvement.''.

SEC. 4. Section 5(a) of Executive Order No. 11636 of December 17, 1971 [formerly set out as a note under 22 U.S.C. 801], establishing an Employee-Management Relations Commission as a committee of the Board of the Foreign Service, is amended by deleting: ''The representative of the Office of Management and Budget shall be the Chairman of the Commission'' and substituting therefor ''The representative of the Office of Personnel Management shall be the Chairman of the Commission''.

SEC. 5. The records, property, personnel, and unexpended balances of appropriations, available or to be made available, which relate to the functions transferred or reassigned by this Order from the Office of Management and Budget to the Office of Personnel Management, are hereby transferred to the Office of Personnel Management.

SEC. 6. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfers or reassignments provided by this Order, including the transfer of funds, records, property, and personnel.

SEC. 7. This Order shall be effective December 4, 1977.

JIMMY CARTER.

EXECUTIVE ORDER NO. 12074

Ex. Ord. No. 12074, Aug. 16, 1978, 43 F.R. 36875, which related to urban and community impact analyses, was revoked by Ex. Ord. No. 12350, Mar. 9, 1982, 47 F.R. 10503.

EXECUTIVE ORDER NO. 12149

Ex. Ord. No. 12149, July 20, 1979, 44 F.R. 43247, which established Federal Regional Councils, was revoked by section 4(b) of Ex. Ord. No. 12314, July 22, 1981, 46 F.R. 38330.

EXECUTIVE ORDER NO. 12301

Executive Order No. 12301, Mar. 26, 1981, 46 F.R. 19211, as amended by Ex. Ord. No. 13118, §10(5), Mar. 31, 1999, 64 F.R. 16598, which established the President's Council on Integrity and Efficiency in Federal programs, was revoked by Ex. Ord. No. 12625, Jan. 27, 1988, 53 F.R. 2812, formerly set out below.

EXECUTIVE ORDER NO. 12314

Ex. Ord. No. 12314, July 22, 1981, 46 F.R. 38329, which established Federal Regional Councils, was revoked by Ex. Ord. No. 12407, Feb. 22, 1983, 48 F.R. 7717.

EX. ORD. NO. 12318. TRANSFER OF CERTAIN STATISTICAL POLICY FUNCTIONS

Ex. Ord. No. 12318, Aug. 21, 1981, 46 F.R. 42833, provided:

By virtue of the authority vested in me as President by the Constitution and statutes of the United States, including Reorganization Plan No. 2 of 1970 (5 U.S.C. App.), Section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c) [31 U.S.C. 1531], Section 3(a) of the Paperwork Reduction Act of 1980 (Public Law 96–511, 94 Stat. 2825, 44 U.S.C. 3503 note), and Section 301 of Title 3 of the United States Code, and in order to transfer, redelegate, and reassign certain statistical policy functions from the Secretary of Commerce to the Director of the Office of Management and Budget, and to require redelegation of certain functions to the Administrator for the Office of Information and Regulatory Affairs, it is hereby ordered as follows:

SECTION 1. Sec. 1(c) of Executive Order No. 11541 of July 1, 1970, as amended [set out as a note above], is amended by deleting the last phrase ''is terminated on October 9, 1977'' and substituting therefor ''shall be implemented in accord with Section 3(a) of the Paperwork Reduction Act of 1980 (94 Stat. 2825; 44 U.S.C. 3503 note), to the extent that provision is applicable''.

SEC. 2. Executive Order No. 10253 of July 11, 1951, as amended [31 U.S.C. 1104 note], is further amended as follows:

(a) ''Secretary of Commerce'' is deleted in Section 1 and ''Director of the Office of Management and Budget'' is substituted therefor.

(b) ''Secretary'' is deleted wherever it appears in Sections 1, 2, 4, 5, and 6 and ''Director'' is substituted therefor.

(c) ''Department of Commerce'' is deleted in Section 6 and ''Office of Management and Budget'' is substituted therefor.

(d) Section 7 is deleted and a new Section 7 is substituted therefor as follows:

''SEC. 7. As required by Section 3(a) of the Paperwork Reduction Act of 1980 (94 Stat. 2825; 44 U.S.C. 3503 note), the Director shall redelegate to the Administrator for the Office of Information and Regulatory Affairs, Office of Management and Budget, all functions, authority, and responsibility under Section 103 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 18b) [31 U.S.C. 1104(d)] which have been vested in the Director by this Order.''

(e) Section 8 is revoked.

SEC. 3. Executive Order No. 10033, as amended [22 U.S.C. 286f note], is further amended as follows:

(a) ''Secretary of Commerce, hereinafter referred to as the Secretary,'', is deleted in Section 1 and ''Director of the Office of Management and Budget, hereinafter referred to as the Director,'', is substituted therefor.

(b) ''Secretary'' is deleted wherever it appears in Sections 2(a), 2(b), 2(c), 3, 4, and 5 and ''Director'' is substituted therefor.

(c) Section 7 is revoked.

SEC. 4. (a) Executive Order No. 12013 is revoked.

(b) Section 4 of Executive Order No. 11961, as amended [22 U.S.C. 3101 note], is further amended by deleting ''the Secretary of Commerce shall perform the functions set forth in Sections 4(a)(3) and 5(c) of the Act'' [22 U.S.C. 3103(a)(3), 3104(c)], and substituting therefor ''the Secretary of Commerce shall perform the function of making periodic reports to the Committees of the Congress as set forth in Section 4(a)(3) of the Act'' [22 U.S.C. 3103(a)(3)].

SEC. 5. The records, property, personnel, and unexpended balances of appropriations, available or to be made available, which relate to the functions transferred or reassigned from the Secretary of Commerce to the Director of the Office of Management and Budget by the delegations made in this Order, are hereby transferred to the Director of the Office of Management and Budget.

SEC. 6. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all steps necessary or appropriate to ensure or effectuate the transfers or reassignments provided by this Order, including the transfer of funds, records, property, and personnel.

SEC. 7. Any rules, regulations, orders, directives, circulars, or other actions taken pursuant to the functions transferred or reassigned from the Secretary of Commerce to the Director of the Office of Management and Budget by the delegations made in this Order, shall remain in effect until amended, modified, or revoked pursuant to the delegations made in this Order.

SEC. 8. This Order shall be effective August 23, 1981.

RONALD REAGAN.

EXECUTIVE ORDER NO. 12479

Ex. Ord. No. 12479, May 24, 1984, 49 F.R. 22243, which established President's Council on Management Improvement, assigned functions of Council and responsibilities of Chairman, and provided for administrative support, was revoked by Ex. Ord. No. 12816, Oct. 14, 1992, 57 F.R. 47562, formerly set below.

EXECUTIVE ORDER NO. 12552

Ex. Ord. No. 12552, Feb. 25, 1986, 51 F.R. 7041, which provided for establishment of a comprehensive program for improvement of productivity throughout all Executive departments and agencies, was superseded by Ex. Ord. No. 12637, Apr. 27, 1988, 53 F.R. 15349, formerly set out below, and was revoked by Ex. Ord. No. 13048, §5, June 10, 1997, 62 F.R. 32469, set out below.

EX. ORD. NO. 12615. PERFORMANCE OF COMMERCIAL ACTIVITIES

Ex. Ord. No. 12615, Nov. 19, 1987, 52 F.R. 44853, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to facilitate ongoing efforts to ensure that

the Federal Government acquires needed goods and services in the most economical and efficient manner, it is hereby ordered as follows:

SECTION 1. The head of each Executive department and agency shall, to the extent permitted by law:

(a) Ensure that new Federal Government requirements for commercial activities are provided by private industry, except where statute or national security requires government performance or where private industry costs are unreasonable;

(b) Identify by April 29, 1988, in cooperation with the Director of the Office of Management and Budget all commercial activities currently performed by government. The department and agency heads are encouraged to consult with the President's Commission on Privatization in making such identification;

(c) Schedule, by June 30, 1988, all commercial activities identified pursuant to subsection (b) for study in accordance with the procedures of OMB Circular No. A–76, as revised, and the Supplement thereto, to determine whether they could be performed more economically by private industry;

(d) Meet the study goals for Fiscal Year 1988 set forth in ''Management of the United States Government, Fiscal Year 1988''; and thereafter, beginning with Fiscal Year 1989, conduct annual studies of not less than 3 percent of the department or agency's total civilian population, until all identified potential commercial activities have been studied;

(e) Include in each annual budget proposal to the Office of Management and Budget estimates of expected yearly budget savings from the privatization of commercial activities projected to be accomplished following the completion of scheduled studies, unless an exception is authorized by the Director of the Office of Management and Budget. These estimates shall be based on analysis of savings under previous studies and estimated savings to be achieved from future conversions to contract. A department or agency proposal may reflect retention of expected first-year savings as negotiated with the Office of Management and Budget for use as incentive compensation to reward employees covered by the studies for their productivity efforts, or for use in other productivity enhancement projects;

(f) Develop and maintain an effective job placement program for government employees affected by privatization initiatives and cooperate fully in interagency placement efforts;

(g) Designate a senior-level official to coordinate the OMB Circular No. A–76 studies and other privatization efforts; and

(h) Report to the President on progress each quarter, through the Director of the Office of Management and Budget.

SEC. 2. The Director of the Office of Management and Budget shall, to the extent permitted by law:

(a) Issue guidance to departments and agencies to implement this Order. Such guidance shall be designed to ensure an equitable cost comparison of government-operated commercial activities with private industry performance of the same activities, and to improve the efficiency in the conduct of studies;

(b) Publish for public review (i) not later than 30 days after its completion, the inventory of commercial activities identified pursuant to section 1(b) and the activities scheduled for study by departments and agencies in Fiscal Year 1988 pursuant to section 1(c); and (ii) not later than 30 days before the start of each successive fiscal year, the list of activities to be reviewed during that year pursuant to section 1(d); and

(c) Establish a tracking system to monitor, on a quarterly basis, progress by departments and agencies in carrying out this Order.

SEC. 3. The Director of the Office of Personnel Management, in consultation with the heads of other Executive departments and agencies, shall review and revise, as necessary and to the extent permitted by law, personnel policies and regulations in order (a) to ensure that government managers have the flexibility to organize in the most effective and efficient manner to achieve levels of productivity comparable with those of private industry, and (b) to reduce any adverse effects of productivity improvements on employees.

SEC. 4. For purposes of this Order, the terms ''commercial activity,'' ''conversion to contract,'' and ''cost comparison'' shall have the meanings set forth in OMB Circular No. A–76, as revised.

SEC. 5. Nothing in this Order shall be construed to confer a private right of action on any person, or to add in any way to applicable procurement procedures required by existing law.

RONALD REAGAN.

EXECUTIVE ORDER NO. 12625

Ex. Ord. No. 12625, Jan. 27, 1988, 53 F.R. 2812, which established President's Council on Integrity and Efficiency as an interagency committee, was revoked by Ex. Ord. No. 12805, May 11, 1992, 57 F.R. 20627, formerly set out below.

EXECUTIVE ORDER NO. 12637

Ex. Ord. No. 12637, Apr. 27, 1988, 53 F.R. 15349, which established a productivity improvement program for the Federal Government, was revoked by Ex. Ord. No. 13048, §5, June 10, 1997, 62 F.R. 32469, set out below.

EX. ORD. NO. 12803. INFRASTRUCTURE PRIVATIZATION

Ex. Ord. No. 12803, Apr. 30, 1992, 57 F.R. 19063, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that the United States achieves the most beneficial economic use of its resources, it is hereby ordered as follows:

SECTION 1. *Definitions*. For purposes of this order:

(a) ''Privatization'' means the disposition or transfer of an infrastructure asset, such as by sale or by long-term lease, from a State or local government to a private party.

(b) ''Infrastructure asset'' means any asset financed in whole or in part by the Federal Government and needed for the functioning of the economy. Examples of such assets include, but are not limited to: roads, tunnels, bridges, electricity supply facilities, mass transit, rail transportation, airports, ports, waterways, water supply facilities, recycling and wastewater treatment facilities, solid waste disposal facilities, housing, schools, prisons, and hospitals.

(c) ''Originally authorized purposes'' means the general objectives of the original grant program; however, the term is not intended to include every condition required for a grantee to have obtained the original grant.

(d) ''Transfer price'' means: (i) the amount paid or to be paid by a private party for an infrastructure asset, if the asset is transferred as a result of competitive bidding; or (ii) the appraised value of an infrastructure asset, as determined by the head of the executive department or agency and the Director of the Office of Management and Budget, if the asset is not transferred as a result of competitive bidding.

(e) ''State and local governments'' means the government of any State of the United States, the District of Columbia, any commonwealth, territory, or possession of the United States, and any county, municipality, city, town, township, local public authority, school district, special district, intrastate district, regional or interstate governmental entity, council of governments, and any agency or instrumentality of a local government, and any federally recognized Indian Tribe.

SEC. 2. *Fundamental Principles*. Executive departments and agencies shall be guided by the following objectives and principles: (a) Adequate and well-maintained infrastructure is critical to economic growth. Consistent with the principles of federalism enumerated in Executive Order No. 12612 [formerly set out under section 601 of Title 5, Government Organization and Employees], and in order to allow the private sector to provide for infrastructure modernization and expansion, State and

local governments should have greater freedom to privatize infrastructure assets.

(b) Private enterprise and competitively driven improvements are the foundation of our Nation's economy and economic growth. Federal financing of infrastructure assets should not act as a barrier to the achievement of economic efficiencies through additional private market financing or competitive practices, or both.

(c) State and local governments are in the best position to assess and respond to local needs. State and local governments should, subject to assuring continued compliance with Federal requirements that public use be on reasonable and nondiscriminatory terms, have maximum possible freedom to make decisions concerning the maintenance and disposition of their federally financed infrastructure assets.

(d) User fees are generally more efficient than general taxes as a means to support infrastructure assets. Privatization transactions should be structured so as not to result in unreasonable increases in charges to users.

SEC. 3. *Privatization Initiative*. To the extent permitted by law, the head of each executive department and agency shall undertake the following actions:

(a) Review those procedures affecting the management and disposition of federally financed infrastructure assets owned by State and local governments and modify those procedures to encourage appropriate privatization of such assets consistent with this order;

(b) Assist State and local governments in their efforts to advance the objectives of this order; and

(c) Approve State and local governments' requests to privatize infrastructure assets, consistent with the criteria in section 4 of this order and, where necessary, grant exceptions to the disposition requirements of the ''Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments'' common rule, or other relevant rules or regulations, for infrastructure assets; provided that the transfer price shall be distributed, as paid, in the following manner: (i) State and local governments shall first recoup in full the unadjusted dollar amount of their portion of total project costs (including any transaction and fix-up costs they incur) associated with the infrastructure asset involved; (ii) if proceeds remain, then the Federal Government shall recoup in full the amount of Federal grant awards associated with the infrastructure asset, less the applicable share of accumulated depreciation on such asset (calculated using the Internal Revenue Service accelerated depreciation schedule for the categories of assets in question); and (iii) finally, the State and local governments shall keep any remaining proceeds.

SEC. 4. *Criteria*. To the extent permitted by law, the head of an executive department or agency shall approve a request in accordance with section 3(c) of this order only if the grantee: (a) Agrees to use the proceeds described in section 3(c)(iii) of this order only for investment in additional infrastructure assets (after public notice of the proposed investment), or for debt or tax reduction; and

(b) Demonstrates that a market mechanism, legally enforceable agreement, or regulatory mechanism will ensure that: (i) the infrastructure asset or assets will continue to be used for their originally authorized purposes, as long as needed for those purposes, even if the purchaser becomes insolvent or is otherwise hindered from fulfilling the originally authorized purposes; and (ii) user charges will be consistent with any current Federal conditions that protect users and the public by limiting the charges.

SEC. 5. *Government-wide Coordination and Review*. In implementing Executive Order Nos. 12291 and 12498 [formerly set out under section 601 of Title 5, Government Organization and Employees] and OMB Circular No. A–19, the Office of Management and Budget, to the extent permitted by law and consistent with the provisions of those authorities, shall take action to ensure that the policies of the executive department and agencies are consistent with the principles, criteria, and requirements of this order. The Office of Management and Budget shall review the results of implementing this order and report thereon to the President 1 year after the date of this order.

SEC. 6. *Preservation of Existing Authority*. Nothing in this order is in any way intended to limit any existing authority of the heads of executive departments and agencies to approve privatization proposals that are otherwise consistent with law.

SEC. 7. *Judicial Review*. This order is intended only to improve the internal management of the executive branch, and is not intended to create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE BUSH.

EXECUTIVE ORDER NO. 12805

Ex. Ord. No. 12805, May 11, 1992, 57 F.R. 20627, which related to integrity and efficiency in Federal programs, was omitted from the Code pursuant to Pub. L. 110–409, § 7(c)(2), Oct. 14, 2008, 122 Stat. 4313, formerly set out as a note under section 11 of the Inspector General Act of 1978, Pub. L. 95–452, in the Appendix to Title 5, Government Organization and Employees, which provided that Ex. Ord. No. 12805, as in effect before Oct. 14, 2008, was to have no force or effect on and after the earlier of either the date on which the Council of the Inspectors General on Integrity and Efficiency becomes effective and operational or the last day of the 180-day period beginning on Oct. 14, 2008.

EXECUTIVE ORDER NO. 12816

Ex. Ord. No. 12816, Oct. 14, 1992, 57 F.R. 47562, which established the President's Council on Management Improvement and provided for its membership, functions, etc., was revoked by Ex. Ord. No. 13048, § 5, June 10, 1997, 62 F.R. 32469, set out below.

EX. ORD. NO. 12837. DEFICIT CONTROL AND PRODUCTIVITY IMPROVEMENT IN THE ADMINISTRATION OF THE FEDERAL GOVERNMENT

Ex. Ord. No. 12837, Feb. 10, 1993, 58 F.R. 8205, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Budget and Accounting Act of 1921, as amended (31 U.S.C. 1101 *et seq.*), and section 301 of title 3, United States Code, and in order to assist in the control of the Federal deficit and improve the administrative productivity of the Federal Government, it is hereby ordered as follows:

SECTION 1. All executive departments and agencies shall include a separate category for ''administrative expenses'' when submitting their appropriation requests to the Office of Management and Budget (OMB) for fiscal years 1994 through 1997. The Director of OMB (Director), in consultation with the agencies, shall establish and revise as necessary a definition of administrative expenses for the agencies. All questions regarding the definition of administrative expenses shall be resolved by the Director.

SEC. 2. The purpose of this order is to achieve real reductions in the administrative costs of Federal agencies. In order to accomplish that goal, agencies shall submit budgets that reflect the following reductions from the fiscal year 1993 baseline:

(a) For fiscal year 1994, all agencies shall submit budget requests that reflect no less than a 3 percent reduction in administrative expenses from the amount made available for fiscal year 1993 adjusted for inflation;

(b) For fiscal year 1995, all agencies shall submit budget requests that reflect no less than a 6 percent reduction in administrative expenses from the amounts made available for fiscal year 1993 adjusted for inflation;

(c) For fiscal year 1996, all agencies shall submit budget requests that reflect no less than a 9 percent re-

duction in administrative expenses from the amounts made available for fiscal year 1993 adjusted for inflation;

(d) For fiscal year 1997, all agencies shall submit budget requests that reflect no less than a 14 percent reduction in administrative expenses from the amounts made available for fiscal year 1993 adjusted for inflation.

SEC. 3. The Director shall review agency requests for administrative expenses. The Director shall ensure that all agency requests for such expenses are reduced in accordance with section 2. To the extent that any agency fails to comply with the mandates of section 2, the Director is authorized to reduce the request for administrative expenses in that agency's budget to achieve the appropriate reduction.

SEC. 4. All independent regulatory commissions and agencies are requested to comply with the provisions of this order.

WILLIAM J. CLINTON.

EX. ORD. NO. 12862. SETTING CUSTOMER SERVICE STANDARDS

Ex. Ord. No. 12862, Sept. 11, 1993, 58 F.R. 48257, provided:

Putting people first means ensuring that the Federal Government provides the highest quality service possible to the American people. Public officials must embark upon a revolution within the Federal Government to change the way it does business. This will require continual reform of the executive branch's management practices and operations to provide service to the public that matches or exceeds the best service available in the private sector.

NOW, THEREFORE, to establish and implement customer service standards to guide the operations of the executive branch, and by the authority vested in me as President by the Constitution and the laws of the United States, it is hereby ordered:

SECTION 1. *Customer Service Standards.* In order to carry out the principles of the National Performance Review, the Federal Government must be customer-driven. The standard of quality for services provided to the public shall be: Customer service equal to the best in business. For the purposes of this order, ''customer'' shall mean an individual or entity who is directly served by a department or agency. ''Best in business'' shall mean the highest quality of service delivered to customers by private organizations providing a comparable or analogous service.

All executive departments and agencies (hereinafter referred to collectively as ''agency'' or ''agencies'') that provide significant services directly to the public shall provide those services in a manner that seeks to meet the customer service standard established herein and shall take the following actions:

(a) identify the customers who are, or should be, served by the agency;

(b) survey customers to determine the kind and quality of services they want and their level of satisfaction with existing services;

(c) post service standards and measure results against them;

(d) benchmark customer service performance against the best in business;

(e) survey front-line employees on barriers to, and ideas for, matching the best in business;

(f) provide customers with choices in both the sources of service and the means of delivery;

(g) make information, services, and complaint systems easily accessible; and

(h) provide means to address customer complaints.

SEC. 2. *Report on Customer Service Surveys.* By March 8, 1994, each agency subject to this order shall report on its customer surveys to the President. As information about customer satisfaction becomes available, each agency shall use that information in judging the performance of agency management and in making resource allocations.

SEC. 3. *Customer Service Plans.* By September 8, 1994, each agency subject to this order shall publish a customer service plan that can be readily understood by its customers. The plan shall include customer service standards and describe future plans for customer surveys. It also shall identify the private and public sector standards that the agency used to benchmark its performance against the best in business. In connection with the plan, each agency is encouraged to provide training resources for programs needed by employees who directly serve customers and by managers making use of customer survey information to promote the principles and objectives contained herein.

SEC. 4. *Independent Agencies.* Independent agencies are requested to adhere to this order.

SEC. 5. *Judicial Review.* This order is for the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

WILLIAM J. CLINTON.

EX. ORD. NO. 12893. PRINCIPLES FOR FEDERAL INFRASTRUCTURE INVESTMENTS

Ex. Ord. No. 12893, Jan. 26, 1994, 59 F.R. 4233, provided:

A well-functioning infrastructure is vital to sustained economic growth, to the quality of life in our communities, and to the protection of our environment and natural resources. To develop and maintain its infrastructure facilities, our Nation relies heavily on investments by the Federal Government.

Our Nation will achieve the greatest benefits from its infrastructure facilities if it invests wisely and continually improves the quality and performance of its infrastructure programs. Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. *Scope.* The principles and plans referred to in this order shall apply to Federal spending for infrastructure programs. For the purposes of this order, Federal spending for infrastructure programs shall include direct spending and grants for transportation, water resources, energy, and environmental protection.

SEC. 2. *Principles of Federal Infrastructure Investment.*

Each executive department and agency with infrastructure responsibilities (hereinafter referred to collectively as ''agencies'') shall develop and implement plans for infrastructure investment and management consistent with the following principles:

(a) *Systematic Analysis of Expected Benefits and Costs.* Infrastructure investments shall be based on systematic analysis of expected benefits and costs, including both quantitative and qualitative measures, in accordance with the following:

(1) Benefits and costs should be quantified and monetized to the maximum extent practicable. All types of benefits and costs, both market and nonmarket, should be considered. To the extent that environmental and other nonmarket benefits and costs can be quantified, they shall be given the same weight as quantifiable market benefits and costs.

(2) Benefits and costs should be measured and appropriately discounted over the full life cycle of each project. Such analysis will enable informed tradeoffs among capital outlays, operating and maintenance costs, and nonmonetary costs borne by the public.

(3) When the amount and timing of important benefits and costs are uncertain, analyses shall recognize the uncertainty and address it through appropriate quantitative and qualitative assessments.

(4) Analyses shall compare a comprehensive set of options that include, among other things, managing demand, repairing facilities, and expanding facilities.

(5) Analyses should consider not only quantifiable measures of benefits and costs, but also qualitative measures reflecting values that are not readily quantified.

(b) *Efficient Management*. Infrastructure shall be managed efficiently in accordance with the following:

(1) The efficient use of infrastructure depends not only on physical design features, but also on operational practices. To improve these practices, agencies should conduct periodic reviews of the operation and maintenance of existing facilities.

(2) Agencies should use these reviews to consider a variety of management practices that can improve the return from infrastructure investments. Examples include contracting practices that reward quality and innovation, and design standards that incorporate new technologies and construction techniques.

(3) Agencies also should use these reviews to identify the demand for different levels of infrastructure services. Since efficient levels of service can often best be achieved by properly pricing infrastructure, the Federal Government—through its direct investments, grants, and regulations—should promote consideration of market-based mechanisms for managing infrastructure.

(c) *Private Sector Participation*. Agencies shall seek private sector participation in infrastructure investment and management. Innovative public-private initiatives can bring about greater private sector participation in the ownership, financing, construction, and operation of the infrastructure programs referred to in section 1 of this order. Consistent with the public interest, agencies should work with State and local entities to minimize legal and regulatory barriers to private sector participation in the provision of infrastructure facilities and services.

(d) *Encouragement of More Effective State and Local Programs*. To promote the efficient use of Federal infrastructure funds, agencies should encourage the State and local recipients of Federal grants to implement planning and information management systems that support the principles set forth in section 2(a) through (c) of this order. In turn, the Federal Government should use the information from the State and local recipients' management systems to conduct the system-level reviews of the Federal Government's infrastructure programs that are required by this order.

SEC. 3. *Submission of Plans*. Agencies shall submit initial plans to implement these principles to the Director of the Office of Management and Budget (''OMB'') by March 15, 1994. Agency plans shall list the actions that will be taken to provide the data and analysis necessary for supporting infrastructure-related proposals in future budget submissions. Agency implementation plans should be consistent with OMB Circular A–94 that outlines the analytical methods required under the principles set forth in section 2 of this order.

SEC. 4. *Application to Budget Submissions*. Beginning with the fiscal year 1996 budget submission to OMB, each agency should use these principles to justify major infrastructure investment and grant programs. Major programs are defined as those programs with annual budgetary resources in excess of $50 million.

SEC. 5. *Application to Legislative Proposals*. Beginning March 15, 1994, agencies shall employ the principles set forth in section 2 of this order and, at the request of OMB, shall provide supporting analyses when requesting OMB clearance for legislative proposals that would authorize or reauthorize infrastructure programs.

SEC. 6. *Guidance*. The Office of Management and Budget shall provide guidance to the agencies on the implementation of this order.

SEC. 7. *Judicial Review*. This order is intended only to improve the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

WILLIAM J. CLINTON.

EX. ORD. NO. 13048. IMPROVING ADMINISTRATIVE MANAGEMENT IN THE EXECUTIVE BRANCH

Ex. Ord. No. 13048, June 10, 1997, 62 F.R. 32467, as amended by Ex. Ord. No. 13284, § 7, Jan. 23, 2003, 68 F.R. 4075, provided:

Improvement of Government operations is a continuing process that benefits from interagency activities. One group dedicated to such activities is the President's Council on Management Improvement (PCMI), established by Executive Order 12479 in 1984, reestablished by Executive Order 12816 in 1992. In the intervening years, some activities of the PCMI have been assumed by the President's Management Council, the Chief Financial Officers Council, and the Chief Information Officers Council. These organizations are also focussed on improving agencies' use of quality management principles. Other functions have been assigned to individual agencies. Nonetheless, remaining administrative management matters deserve attention across agency lines.

By the authority vested in me as President by the Constitution and the laws of the United States of America and in order to improve agency administrative and management practices throughout the executive branch, I hereby direct the following:

SECTION 1. *Interagency Council on Administrative Management*.

(a) *Purpose and Membership*. An Interagency Council on Administrative Management (''Council'') is established as an interagency coordination mechanism. The Council shall be composed of the Deputy Director for Management of the Office of Management and Budget, who shall serve as Chair, and one senior administrative management official from each of the following agencies:

1. Department of State;
2. Department of the Treasury;
3. Department of Defense;
4. Department of Justice;
5. Department of the Interior;
6. Department of Agriculture;
7. Department of Commerce;
8. Department of Labor;
9. Department of Health and Human Services;
10. Department of Housing and Urban Development;
11. Department of Transportation;
12. Department of Energy;
13. Department of Education;
14. Department of Veterans Affairs;
15. Department of Homeland Security;
16. Environmental Protection Agency;
17. Federal Emergency Management Agency;
18. Central Intelligence Agency;
19. Small Business Administration;
20. Department of the Army;
21. Department of the Navy;
22. Department of the Air Force;
23. National Aeronautics and Space Administration;
24. Agency for International Development;
25. General Services Administration;
26. National Science Foundation; and
27. Office of Personnel Management.

Department and agency heads shall advise the Chair of their selections for membership on the Council. Council membership shall also include representatives of the Chief Financial Officers Council, the Chief Information Officers Council, the Federal Procurement Council, the Interagency Advisory Group of Federal Personnel Directors, and the Small Agency Council, as well as at-large members appointed by the Chair, as he deems appropriate. The Chair shall invite representatives of the Social Security Administration to participate in the Council's work, as appropriate. The Council shall select a Vice Chair from among the Council's membership.

(b) The Council shall plan, promote, and recommend improvements in Government administration and operations and provide advice to the Chair on matters pertaining to the administrative management of the Federal Government. The Council shall:

(1) explore opportunities for more effective use of Government resources;

(2) support activities and initiatives of the President's Management Council, the Chief Financial Officers Council, the Chief Information Officers Council,

the Federal Procurement Council, and the Interagency Advisory Group of Federal Personnel Directors designed to develop, review, revise, and implement Governmentwide administrative management policies; and

(3) identify successful administrative management practices, including quality management practices, and assist in their Governmentwide dissemination and implementation.

SEC. 2. *Responsibilities of the Chair*. The Chair or, if the Chair chooses, the Vice Chair shall:

(1) convene meetings of the Council;

(2) preside at formal council meetings;

(3) establish committees or working groups of the Council, as necessary for efficient conduct of Council functions; and

(4) appoint, to the extent permitted by law and consistent with personnel practices, other full-time officers or employees of the Federal Government to the Council as at-large members for specific terms, not exceeding 2 years, to provide expertise to the Council.

SEC. 3. *Responsibilities of Agency Heads*. To the extent permitted by law, heads of departments or agencies represented on the Council shall provide their representatives with administrative support needed to support Council activities.

SEC. 4. *Judicial Review*. This order is for the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

SEC. 5. *Revocation*. Executive Order 12816 (creating the President's Council on Management Improvement), Executive Order 12552 (establishing the executive branch productivity improvement program) and Executive Order 12637 (revising the executive branch productivity improvement program) are revoked.

EX. ORD. NO. 13571. STREAMLINING SERVICE DELIVERY AND IMPROVING CUSTOMER SERVICE

Ex. Ord. No. 13571, Apr. 27, 2011, 76 F.R. 24339, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to improve the quality of service to the public by the Federal Government, it is hereby ordered as follows:

SECTION 1. *Policy*. The public deserves competent, efficient, and responsive service from the Federal Government. Executive departments and agencies (agencies) must continuously evaluate their performance in meeting this standard and work to improve it. To this end, Executive Order 12862 (Setting Customer Service Standards), issued on September 11, 1993, requires agencies that provide significant services directly to the public to identify and survey their customers, establish service standards and track performance against those standards, and benchmark customer service performance against the best in business. This effort to ''put people first'' was an important step. It was reinforced by a Presidential Memorandum for the Heads of Executive Departments and Agencies issued on March 22, 1995 (Improving Customer Service), and a further Presidential Memorandum issued on March 3, 1998 (Conducting ''Conversations with America'' to Further Improve Customer Service).

However, with advances in technology and service delivery systems in other sectors, the public's expectations of the Government have continued to rise. The Government must keep pace with and even exceed those expectations. Government must also address the need to improve its services, not only to individuals, but also to private and Governmental entities to which the agency directly provides significant services. Government managers must learn from what is working in the private sector and apply these best practices to deliver services better, faster, and at lower cost. Such best practices include increasingly popular lower-cost, self-service options accessed by the Internet or mobile phone and improved processes that deliver services faster and more responsively, reducing the overall need for customer inquiries and complaints. The Federal Government has a responsibility to streamline and make more efficient its service delivery to better serve the public.

SEC. 2. *Agency Customer Service Plans and Activities*. Within 180 days of the date of this order, each agency shall develop, in consultation with the Office of Management and Budget (OMB), a Customer Service Plan (plan) to address how the agency will provide services in a manner that seeks to streamline service delivery and improve the experience of its customers. As used in this order, the term ''customer'' refers to any individual or to any entity, including a business, tribal, State or local government, or other agency, to which the agency directly provides significant services. The plan shall set forth the agency's approach, intended benefits, and an implementation timeline for the following actions:

(a) establishing one major initiative (signature initiative) that will use technology to improve the customer experience;

(b) establishing mechanisms to solicit customer feedback on Government services and using such feedback regularly to make service improvements;

(c) setting clear customer service standards and expectations, including, where appropriate, performance goals for customer service required by the GPRA (Government Performance and Results) Modernization Act of 2010 (Public Law 111–352);

(d) improving the customer experience by adopting proven customer service best practices and coordinating across service channels (such as online, phone, in-person, and mail services);

(e) streamlining agency processes to reduce costs and accelerate delivery, while reducing the need for customer calls and inquiries; and

(f) identifying ways to use innovative technologies to accomplish the customer service activities above, thereby lowering costs, decreasing service delivery times, and improving the customer experience.

SEC. 3. *Publication of Agency Customer Service Plans*. Each agency shall publish its plan on its Open Government web page.

SEC. 4. *Assistance in Implementation*. In consultation with the heads of executive departments and agencies, the Chief Performance Officer, who also serves as the Deputy Director for Management of the OMB, shall develop guidance for implementing the activities outlined in this order. Such guidance shall include, among other things, the nature and scope of services to which the order's requirements will apply. The Office of Management and Budget, the General Services Administration, and the Office of Science and Technology Policy shall assist and support agencies in developing customer service standards and plans, online posting of customer service metrics and best practices, expediting review for customer feedback mechanisms under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), improving the design and management of agency websites providing services or information to the public in compliance with section 508 of the Rehabilitation Act [of 1973] (29 U.S.C. 794d), and using innovative technologies to improve customer service at lower costs.

SEC. 5. *Independent Agencies*. Independent agencies are requested to adhere to this order.

SEC. 6. *Privileged Information*. Nothing in this order shall compel or authorize the disclosure of privileged information, law enforcement information, information affecting national security, or information the disclosure of which is prohibited by law.

SEC. 7. *General Provisions*. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) authority granted by law to an executive department, agency, or the head thereof; or

(ii) functions of the Director of the OMB relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.

EX. ORD. NO. 13576. DELIVERING AN EFFICIENT, EFFECTIVE, AND ACCOUNTABLE GOVERNMENT

Ex. Ord. No. 13576, June 13, 2011, 76 F.R. 35297, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to cut waste, streamline Government operations, and reinforce the performance and management reform gains my Administration has achieved, it is hereby ordered as follows:

SECTION 1. *Policy*. My Administration is committed to ensuring that the Federal Government serves the American people with the utmost effectiveness and efficiency. Over the last 2 years, we have made good progress and have saved taxpayer dollars by cutting waste and increasing the efficiency of Government operations by curbing uncontrolled growth in contract spending, terminating poorly performing information technology projects, deploying state of the art fraud detection tools to crack down on waste, focusing agency leaders on achieving ambitious improvements in high priority areas, and opening Government up to the public to increase accountability and accelerate innovation.

The American people must be able to trust that their Government is doing everything in its power to stop wasteful practices and earn a high return on every tax dollar that is spent. To strengthen that trust and deliver a smarter and leaner Government, my Administration will reinforce the performance and management reform gains achieved thus far; systematically identify additional reforms necessary to eliminate wasteful, duplicative, or otherwise inefficient programs; and publicize these reforms so that they may serve as a model across the Federal Government.

The implementation of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) (Recovery Act) has seen unprecedented transparency. The Recovery Accountability and Transparency Board (RATB) has developed innovative technologies and approaches for preventing and identifying fraud and abuse that have the potential to improve performance across all of Government spending.

SEC. 2. *Accountable Government Initiative*. (a) On September 14, 2010, in a Memorandum to the Senior Executive Service, my Administration introduced goals for the Accountable Government Initiative (Initiative). The mission of the Initiative is to monitor and promote agency progress in making Government work better, faster, and more efficiently. To hold executive departments and agencies (agencies) accountable for obtaining results consistent with this mission, the Vice President shall convene periodic meetings in which Cabinet members and the Director of the Office of Management and Budget (OMB) report to him on improvements implemented under their direction.

(b) The Federal Chief Performance Officer (CPO), who also serves as the Deputy Director for Management of OMB and the Chair of the President's Management Council (PMC), shall work with the PMC to support agencies' performance and management reform and cost-cutting efforts. The CPO will lead OMB and the PMC in identifying practices that should be adopted across agencies and in facilitating reforms that require cross-agency coordination and cooperation. The CPO shall work with agencies to ensure that each area identified as critical to performance improvement has robust performance metrics in place, and that these metrics are frequently analyzed and reviewed by agency leadership. Agencies shall update these metrics quarterly, as appropriate, on the website performance.gov.

(c) In accordance with the GPRA Modernization Act of 2010 (31 U.S.C. 1115 *et seq.*), each agency's Chief Operating Officer (COO) shall be designated as the Senior Accountable Official responsible for leading performance and management reform efforts, and for reducing wasteful or ineffective programs, policies, and procedures. In discharging this responsibility, this official shall be accountable for conducting frequent data-driven reviews of agency progress toward goals in the areas that OMB identifies as being critical to performance improvement across agencies or that the agency head identifies as top near-term priorities. These goals may include reforming information technology, reducing improper payments, leveraging the Federal Government's purchasing scale, reducing high-risk contracting practices, improving the management of Federal real estate, enhancing customer service, and achieving agency and Federal Government priority goals identified pursuant to the GPRA Modernization Act of 2010.

(d) The Director of OMB shall provide guidance to agencies as part of the Fiscal Year 2013 budget process for identifying areas of program overlap and duplication within and across agencies, and for proposing consolidations and reductions to address those inefficiencies.

(e) The Chief Financial Officers (CFOs) at all agencies shall be responsible for achieving agency cost savings. This will include each agency's share of the $2.1 billion in administrative cost savings identified in my Fiscal Year 2012 Budget, and for achieving those savings as quickly as possible. The CFOs are encouraged to realize these cost savings by targeting wasteful practices and by reducing, and identifying alternatives to, discretionary travel, the use of consultants, and other administrative expenses. The Federal CFO Council shall provide a monthly report on these efforts to the PMC, with relevant findings and progress reported on performance.gov.

SEC. 3. *Government Accountability and Transparency Board*. (a) There is hereby established a Government Accountability and Transparency Board (Board) to provide strategic direction for enhancing the transparency of Federal spending and advance efforts to detect and remediate fraud, waste, and abuse in Federal programs. The Board shall be composed of 11 members designated by the President from among agency Inspectors General, agency Chief Financial Officers or Deputy Secretaries, a senior official of OMB, and such other members as the President shall designate. The President shall designate a Chair from among the members. Building on the lessons learned from the successful implementation of the Recovery Act, the Board shall work with the RATB to apply the approaches developed by the RATB across Government spending.

(b) Not later than 6 months after the date of this order, the Board shall submit a report to the President that identifies implementation guidelines for integrating systems that support the collection and display of Government spending data, ensuring the reliability of those data, and broadening the deployment of fraud detection technologies, including those proven successful during the implementation of the Recovery Act.

(c) The Director of OMB, in consultation with the Board, shall be responsible for assisting executive agencies in achieving objectives in the guidelines identified in subsection (b) above.

(d) The Chair of the Board, in consultation with the Director of OMB, shall provide monthly updates to the Vice President on the progress obtained under this order.

SEC. 4. *General Provisions*. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) authority granted by law to a department or agency, or the head thereof; or

(ii) functions of the Director of the Office of Management and Budget related to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.

EX. ORD. NO. 14058. TRANSFORMING FEDERAL CUSTOMER EXPERIENCE AND SERVICE DELIVERY TO REBUILD TRUST IN GOVERNMENT

Ex. Ord. No. 14058, Dec. 13, 2021, 86 F.R. 71357, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. *Purpose*. Our Government must recommit to being ''of the people, by the people, [and] for the people'' in order to solve the complex 21st century challenges our Nation faces. Government must be held accountable for designing and delivering services with a focus on the actual experience of the people whom it is meant to serve. Government must also work to deliver services more equitably and effectively, especially for those who have been historically underserved. Strengthening the democratic process requires providing direct lines of feedback and mechanisms for engaging the American people in the design and improvement of Federal Government programs, processes, and services.

As the United States faces critical challenges, including recovering from a global pandemic, promoting prosperity and economic growth, advancing equity, and tackling the climate crisis, the needs of the people of the United States, informed by, in particular, an understanding of how they experience Government, should drive priorities for service delivery improvements. In recent years, the annual paperwork burden imposed by executive departments and agencies (agencies) on the public has been in excess of 9 billion hours. That number is too high. Agencies must work with the Congress; the private sector and nonprofit organizations; State, local, Tribal, and territorial governments; and other partners to design experiences with the Federal Government that effectively reduce administrative burdens, simplify both public-facing and internal processes to improve efficiency, and empower the Federal workforce to solve problems.

The Federal Government must design and deliver services in a manner that people of all abilities can navigate. We must use technology to modernize Government and implement services that are simple to use, accessible, equitable, protective, transparent, and responsive for all people of the United States. When a disaster survivor, single parent, immigrant, small business owner, or veteran waits months for the Government to process benefits to which they are entitled, that lost time is a significant cost not only for that individual, but in the aggregate, for our Nation as a whole. This lost time operates as a kind of tax—a ''time tax''—and it imposes a serious burden on our people as they interact with the Government. Improving Government services should also make our Government more efficient and effective overall.

Every interaction between the Federal Government and the public, whether it involves renewing a passport or calling for a status update on a farm loan application, should be seen as an opportunity for the Government to save an individual's time (and thus reduce ''time taxes'') and to deliver the level of service that the public expects and deserves. By demonstrating that its processes are effective and efficient, in addition to being fair, protective of privacy interests, and transparent, the Federal Government can build public trust. Further, the Federal Government's management of its customer experience and service delivery should be driven fundamentally by the voice of the customer through human-centered design methodologies; empirical customer research; an understanding of behavioral science and user testing, especially for digital services; and other mechanisms of engagement.

Executive Order 12862 of September 11, 1993 (Setting Customer Service Standards) [set out above], required agencies that provide significant services directly to the public to identify and gather feedback from customers; establish service standards and measure performance against those standards; and benchmark customer service performance against the best customer experience provided in the private sector. Executive Order 13571 of April 27, 2011 (Streamlining Service Delivery and Improving Customer Service) [set out above], further required agencies to develop a ''Customer Service Plan...to address how the agency will provide services in a manner that seeks to streamline service delivery and improve the experience of its customers.'' Executive Order 13707 of September 15, 2015 (Using Behavioral Science Insights To Better Serve the American People) [5 U.S.C. 601 note], called for the use of empirical findings in behavioral science fields to deliver better results for the American people, including by identifying ''opportunities to help qualifying individuals, families, communities, and businesses access public programs and benefits.'' And Executive Order 13985 of January 20, 2021 (Advancing Racial Equity and Support for Underserved Communities Through the Federal Government) [5 U.S.C. 601 note], established the policy of the Federal Government to ''pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality.'' Consistent with these aims, agencies have begun assessing whether, and to what extent, their programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups. These previous actions have laid an important foundation for the policies and procedures set forth in this order. However, more is required to establish the sustained system for Federal Government accountability and performance necessary to drive an ongoing focus on improved delivery and results for the people of the United States.

SEC. 2. *Policy*. It is the policy of the United States that, in a Government of the people, by the people, and for the people, improving service delivery and customer experience should be fundamental priorities. The Government's performance must be measured empirically and by on-the-ground results for the people of the United States, especially for their experiences with services delivered. The means of Government—such as its budget, policy, financial management, procurement, and human resources practices—must work to achieve those ends. Agencies should continually improve their understanding of their customers, reduce administrative hurdles and paperwork burdens to minimize ''time taxes,'' enhance transparency, create greater efficiencies across Government, and redesign compliance-oriented processes to improve customer experience and more directly meet the needs of the people of the United States. Consistent with the purpose described in section 1 of this order, agencies' efforts to improve customer experience should include systematically identifying and resolving the root causes of customer experience challenges, regardless of whether the source of such challenges is statutory, regulatory, budgetary, technological, or process-based. Furthermore, to engender public trust, agencies must ensure that their efforts appropriately maintain or enhance protections afforded under law and policy, including those related to civil rights, civil liberties, privacy, confidentiality, and information security.

SEC. 3. *Definitions*. For purposes of this order:

(a) The term ''customer'' means any individual, business, or organization (such as a grantee or State, local, or Tribal entity) that interacts with an agency or program, either directly or through a federally-funded program administered by a contractor, nonprofit, or other Federal entity.

(b) The term ''customer experience'' means the public's perceptions of and overall satisfaction with interactions with an agency, product, or service.

(c) The term ''customer life experience'' means each important point in a person's life at which that person interacts with one or more entities of Government.

(d) The term ''equity'' means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, Indigenous and Native American persons, Asian Americans and Pacific Islanders, and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

(e) The term ''High Impact Service Provider'' (HISP) means a Federal entity, as designated by the Director of the Office of Management and Budget (OMB), that provides or funds customer-facing services, including Federal services administered at the State or local level, that have a high impact on the public, whether because of a large customer base or a critical effect on those served.

(f) The term ''human-centered design'' means an interdisciplinary methodology of putting people, including those who will use or be impacted by what one creates, at the center of any process to solve challenging problems.

(g) The term ''service delivery'' means actions by the Federal Government related to providing a benefit or service to a customer of a Federal Government entity. Such actions pertain to all points of the Government-to-customer delivery process, including when a customer applies for a benefit or loan, receives a service such as health care or small business counseling, requests a document such as a passport or Social Security card, files taxes or declares goods, uses resources such as a park or historical site, or seeks information such as notices about public health or consumer protection.

SEC. 4. *Agency Actions to Improve Customer Experience.*

(a) The Secretary of State shall design and deliver a new online passport renewal experience that does not require any physical documents to be mailed.

(b) The Secretary of the Treasury shall design and deliver new online tools and services to ease the payment of taxes and provide the option to schedule customer support telephone call-backs. The Secretary of the Treasury should consider whether such tools and services might include expanded automatic direct deposit refunds based on prior year tax returns, tax credit eligibility tools, and expanded electronic filing options.

(c) The Secretary of the Interior shall redesign the website of the Fish and Wildlife Service, FWS.gov, in compliance with the 21st Century Integrated Digital Experience Act (Public Law 115–336) [44 U.S.C. 3501 note], and shall support a centralized, modernized electronic permitting system to accept and process applications for permits. Such a system might include special use permits for the National Wildlife Refuge System and for at least five high-volume permit application forms required for individuals and businesses who import or export fish, wildlife, and plants and their products internationally.

(d) The Secretary of Agriculture shall:

(i) test the use of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) benefits for online purchasing;

(ii) identify opportunities to reduce individuals' and families' burdens by simplifying enrollment and recertification for nutrition assistance programs such as the Supplemental Nutrition Assistance Program (SNAP) and the WIC, including expanding the use of direct certification; and

(iii) design and implement a simplified direct farm loan application process.

(e) The Secretary of Labor shall:

(i) update existing rules and policies, consistent with applicable law and to the extent practicable, to allow individuals entitled to medical treatment under their workers' compensation plans to conduct their routine medical treatment appointments using telehealth platforms; and

(ii) update rules, policies, and procedures to eliminate, consistent with applicable law and to the extent practicable, requirements for workers' compensation claimants to submit physical documents, but to retain the option for physical submission for claimants who cannot otherwise submit them.

(f) The Secretary of Health and Human Services shall:

(i) continue to design and deliver new, personalized online tools and expanded customer support options for Medicare enrollees;

(ii) strengthen requirements for maternal health quality measurement, including measuring perinatal quality and patient care experiences, and evaluating the measurements by race and ethnicity to aim to better identify inequities in maternal health care delivery and outcomes;

(iii) to the maximum extent permitted by law, support coordination between benefit programs to ensure applicants and beneficiaries in one program are automatically enrolled in other programs for which they are eligible;

(iv) to the maximum extent permitted by law, support streamlining State enrollment and renewal processes and removing barriers, including by eliminating face-to-face interview requirements and requiring prepopulated electronic renewal forms, to ensure eligible individuals are automatically enrolled in and retain access to critical benefit programs;

(v) develop guidance for entities regulated pursuant to the Health Insurance Portability and Accountability Act [of 1996] (HIPAA) [Pub. L. 104–191, see Tables for classification] on providing telehealth in compliance with HIPAA rules, to improve patient experience and convenience following the end of the COVID–19 public health emergency; and

(vi) test methods to automate patient access to electronic prenatal, birth, and postpartum health records (including lab results, genetic tests, ultrasound images, and clinical notes) to improve patient experiences in maternity care, health outcomes, and equity.

(g) The Secretary of Education shall:

(i) consider providing eligible recipients of student aid under Title IV of the Higher Education Act of 1965 (Public Law 89–329) [20 U.S.C. 1070 et seq.], as amended, with the option to receive information about certain benefits and services for which they may qualify; and

(ii) design and deliver a repayment portal capability on StudentAid.gov for Direct Loan borrowers.

(h) The Secretary of Veterans Affairs shall:

(i) provide digital services through a single, integrated, and equitable digital platform on VA.gov and the VA mobile app; and

(ii) provide on-demand customer support through the channels that work best for customers, including personalized online chat with a virtual or live agent.

(i) The Secretary of Homeland Security shall:

(i) test the use of innovative technologies at airport security checkpoints to reduce passenger wait times;

(ii) provide new opportunities for customers to connect with the Transportation Security Administration, including as appropriate, online chat, improved communication during additional screenings, and additional mechanisms to provide customer feedback;

(iii) design and deliver a streamlined, online disaster assistance application; and

(iv) work with States to proactively update existing rules and policies on supporting documentation needed for disaster assistance processes to reduce burden and increase accessibility.

(j) The Administrator of the Small Business Administration shall:

(i) establish baseline experience measures for key small business application processes in areas such as loans, grants, and certifications; and

(ii) design and deliver a streamlined online disaster assistance application experience.

(k) The Commissioner of Social Security shall:

(i) within 120 days of the date of this order [Dec. 13, 2021], provide a report to the Director of OMB that analyzes all services of the Social Security Administration that currently require original or physical documentation or in-person appearance as an element of identity or evidence authentication, and that identifies potential opportunities for policy reforms that can support modernized customer experiences while ensuring original or physical documentation requirements remain where there is a statutory or strong policy rationale;

(ii) develop a mobile-accessible, online process so that any individual applying for or receiving services from the Social Security Administration can upload forms, documentation, evidence, or correspondence associated with their transaction without the need for service-specific tools or traveling to a field office;

(iii) consistent with applicable law and to the extent practicable, maintain a public policy of technology neutrality with respect to acceptable forms of electronic signatures;

(iv) consistent with applicable law and to the extent practicable, revise any necessary regulations, forms, instructions, or other sources of guidance (to include the Program Operations Manual System of the Social Security Administration) to remove requirements that members of the public provide physical signatures; and

(v) to the maximum extent permitted by law, support applicants and beneficiaries to identify other benefits for which they may be eligible and integrate Social Security Administration data and processes with those of other Federal and State entities whenever possible.

(l) The Administrator of General Services shall:

(i) develop a roadmap for a redesigned USA.gov website that aims to serve as a centralized, digital ''Federal Front Door'' from which customers may navigate to all Government benefits, services, and programs, and features streamlined content, processes, and technologies that use human-centered design to meet customer needs, including consolidating content currently appearing on Benefits.gov, Grants.gov, and other appropriate websites; and

(ii) dedicate multi-disciplinary design and development teams to support priority projects of HISPs that will be selected and funded each fiscal year in consultation with the Director of OMB.

(m) The Administrator of the United States Agency for International Development (USAID) shall review and revise, as appropriate, regulations, forms, instructions, or other sources of guidance relating to the application for grants and cooperative agreements in countries in which USAID works to ensure that such policies are clear and intelligible, do not contain unjustified administrative burdens or excessive paperwork requirements, and do not place undue burdens on local organizations and underserved communities.

(n) Joint Agency Actions:

(i) The Secretary of Veterans Affairs and the Administrator of General Services shall collaborate to provide seamless integration of Login.gov accounts to allow customers to access VA.gov, the VA mobile application, and other customer-facing digital products and to eliminate outdated and duplicate customer sign-in options.

(ii) The Secretary of the Treasury, the Secretary of Defense, the Secretary of Education, and the Director of the Office of Personnel Management shall collaborate to enable a more streamlined Public Service Loan Forgiveness process for eligible borrowers, including those who serve in the United States Armed Forces or as civil servants, or who work for eligible nonprofit organizations.

(iii) The Director of OMB, including through the Administrator of the United States Digital Service, shall collaborate across the Federal Government with multiple agencies and their respective customers in order to conduct human-centered design research and document customer experience challenges related to accessing grant programs to which Tribal governments are entitled, and shall propose ways to streamline processes and reduce administrative burdens on Tribal government customers.

(iv) The Director of OMB, through the Administrator of the United States Digital Service; the Administrator of General Services; and the Postmaster General are encouraged to collaborate on ways to update mailing address records across Government so that members of the public may change their respective mailing addresses for purposes of all Government services only once, through the United States Postal Service.

SEC. 5. *Government-wide Actions to Improve Customer Experience.* Customers often navigate services across multiple agencies in specific moments of need, such as when they are seeking financing for their businesses or experiencing food insecurity. In such situations, relevant agencies should coordinate their service delivery to achieve an integrated experience that meets customer needs through the exchange of data with appropriate privacy protections.

Such coordination may include providing States that administer elements of Federal services with guidance and flexibilities with respect to the elements of Federal programs they administer. Such coordination would allow both Federal and State government entities to maximize their respective expertise and improve efficiency. To further the policy set forth in this section:

(a) Within 90 days of the date of this order, and on a regular basis thereafter, the Deputy Director for Management of OMB and other members of the President's Management Council (PMC) shall work with the Assistant to the President and Chief of Staff, the Assistant to the President for Domestic Policy, and the Assistant to the President for Economic Policy to select a limited number of customer life experiences to prioritize for Government-wide action to improve customer experience.

(b) The Deputy Director for Management of OMB and other members of the PMC, in consultation with the Assistant to the President for Domestic Policy, the Assistant to the President for Economic Policy, and relevant interagency teams coordinated by OMB, shall organize appropriate leadership structures to assess customer life experiences selected pursuant to subsection (a) of this section, work to develop measurable improvements for such customer life experiences that involve multiple agencies, develop prospective plans for rigorously testing that use appropriate empirical methods on which approaches work best, and share lessons learned across the Federal Government.

(c) Within 180 days of the date of this order and every 6 months thereafter, the Deputy Director for Management of OMB and other members of the PMC, through the Deputy Director for Management of OMB, shall report to the Assistant to the President and Chief of Staff on the status of the actions described in subsection (b) of this section.

(d) The Director of OMB shall work with the head of each relevant agency to help resolve issues related to overlapping responsibilities among agencies, work to address barriers to serving customers across multiple agencies, and coordinate activities to improve customer experience or service delivery when primary responsibility among multiple agencies is unclear.

(e) Within 120 days of the date of this order, the Administrator of the Office of Electronic Government and the Administrator of the Office of Information and Regulatory Affairs within OMB, in consultation with relevant interagency councils (including the Chief Information Officers Council, the Federal Privacy Council, the Chief Data Officer Council, the Evaluation Officer Council, and the Interagency Council on Statistical Policy), shall coordinate their current, respective efforts to develop guidance for agencies, ensuring that such guidance incorporates opportunities to:

(i) improve the efficiency and effectiveness of data sharing and support processes among agencies and with State and local governments; and

(ii) streamline the process for agencies to provide services to State and local governments, consistent with applicable law.

(f) Within 120 days of the date of this order, the Administrator of the Office of Information and Regulatory Affairs shall provide guidance for agencies on:

(i) identifying specific steps to reduce information collection burdens on customers to enhance access across agencies; and

(ii) clarifying and updating recommendations and flexibilities under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), including to facilitate stakeholder engagement and feedback processes to support the implementation of this order.

(g) Within 180 days of the date of this order, the Administrator of General Services shall submit to the Director of OMB a roadmap for the development of prioritized common services and standards (such as the United States Web Design System or systems for login and identity management), platforms (such as notification capabilities), and digital products (such as USA.gov) that support increased efficiency, integration, and improved service delivery of designated customer life experiences.

SEC. 6. *Ongoing Accountability for Federal Service Delivery*. (a) The Director of OMB shall designate as HISPs those Federal entities that provide or fund customer-facing services, including Federal services administered at the State or local level, that have a high impact on the public, whether because of a large customer base or a critical effect on those served. The Director of OMB shall maintain a list of designated HISPS and may update this list at any time.

(b) The Secretary of State, the Secretary of the Treasury, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Education, the Secretary of Veterans Affairs, the Secretary of Homeland Security, the Administrator of the Small Business Administration, the Commissioner of Social Security, the Administrator of General Services, the Administrator of the United States Agency for International Development, and the Director of the Office of Personnel Management shall each submit to the Director of OMB a report including an assessment of the improvements needed in each agency's customer experience management and service design capabilities in light of this order, to be prioritized within each agency's respective available and budgeted resources.

(c) The head of each HISP shall, in consultation with the Deputy Director for Management of OMB, annually designate a limited number of services for prioritized improvement (designated services). Identification of designated services should be based on the moments that matter most to the individuals served, as illustrated through human-centered design and other research, and on those services' public-facing nature, the number of individuals served, the volume of transactions, the total Federal dollars spent, the safety and protection of lives, or the critical nature of the services provided in the lives of the individuals they serve.

(d) The Deputy Director for Management of OMB shall issue guidance for HISPs that outlines an annual process for assessing their capacity to manage customer experience, assessing their performance of designated services through meaningful measures from the perspective of the public and planning for the improvement of the customer experience. Assessments should include, as appropriate, the identification of customer experience challenges experienced by customers of the HISP in the form of administrative burdens or other barriers, informed by experiential data (including, as appropriate, through randomized controlled trials or other rigorous program evaluation); ethnographic research; feedback from public engagement; human-centered design methodologies such as journey mapping; operational and administrative data analysis; direct observations; examination, from a customer perspective, of how to navigate the agency's service offerings, apply for a benefit, or comply with a requirement of the agency; observations of customer interaction with the agency's website or application processes and tools; or observations of customer support service delivery such as activities at call centers. Informed by findings from these assessments, plans for improvement should include, as appropriate, actions such as conducting outreach to the public about the agency's programs and other Federal programs for which those served by the agency may be eligible, providing assistance to members of the public enrolling in the agency's programs and other Federal programs, streamlining and improving accessibility of forms and digital experiences, eliminating unnecessary administrative burdens on customers, ensuring the accessibility of services for customers with disabilities and those with limited English proficiency, developing targeted actions to advance equity for communities that face inequitable barriers to service access, or engaging in other efforts to coordinate with other agencies to reduce the need for those they serve to interact separately with multiple agencies.

(e) The Director of OMB shall establish a team within OMB to lead and support agency customer experience initiatives as well as such initiatives that reach across agencies, including by facilitating the decision-making processes needed to achieve the objectives of this order; coordinating HISP activities as outlined in this order; and developing strategies for the integration of services and development of products involving multiple agencies as contemplated in this order.

(f) All agencies, whether identified in this section or not, are urged to apply guidance issued pursuant to subsection (d) of this section to improve their service delivery.

SEC. 7. *Additional Agency Actions to Improve Customer Experience*. The heads of agencies shall:

(a) integrate activities to improve customer experience, as appropriate and consistent with applicable law, into their respective:

(i) agency strategic plans developed pursuant to section 306(a) of title 5, United States Code;

(ii) Agency Performance Plans developed pursuant to sections 1115 and 1116 of title 31, United States Code;

(iii) portions of performance plans relating to human and capital resource requirements to achieve performance goals pursuant to section 1115(g) of title 31, United States Code;

(iv) agency priority goals developed pursuant to section 1120 of title 31, United States Code;

(v) selection of items for their respective regulatory agendas and plans pursuant to subsections 4(b) and (c) of Executive Order 12866 of September 30, 1993 (Regulatory Planning and Review) [5 U.S.C. 601 note], as amended;

(vi) individual performance plans for senior executives consistent with section 4312 of title 5, United States Code, and for other senior employees consistent with section 4302 of title 5, United States Code; and

(vii) as permitted by law, any other agency activities, acquisitions, and strategies that the Director of OMB determines to be appropriate to further the implementation of the policy articulated in this order;

(b) direct all of their respective program offices to apply the guidance from OMB's Office of Information and Regulatory Affairs described in section 5(f) of this order, as well as the requirements of the Paperwork Reduction Act related to collections of information, consistently with guidance contained in the Office of Information and Regulatory Affairs Memorandum of July 22, 2016 (Flexibilities under the Paperwork Reduction Act for Compliance with Information Collection Requirements), which provides that the Paperwork Reduction Act does not apply to agencies' general solicitations of public views and feedback, certain ratings and rankings of Federal services by members of the public using Government websites, or direct observations of users interacting with digital tools and products;

(c) direct all of their respective program offices to identify opportunities to apply policies, including those set forth in subsections 1(a) and (b) of Executive Order 13707, and to engage in promising practices such as the

advance testing of information collections described in the Office of Information and Regulatory Affairs Memorandum of August 9, 2012 (Testing and Simplifying Federal Forms);

(d) identify opportunities, as appropriate and consistent with applicable law, to modify their respective agencies' regulations, internal and public-facing guidance, and policies to include positive and equitable customer experiences and service delivery as part of their respective agencies' missions; issue internal directives or policies on customer experience and service delivery to articulate how their respective agencies' strategies and missions relate to customer experience and service delivery outcomes; and promote coordination within and among their respective agencies concerning those customer life experiences that cut across agency or agency component responsibilities;

(e) improve the digital customer experience for their respective agencies' customers by modernizing agency websites, using human-centered design methodologies, digitizing agency services and forms, modernizing records management, updating network infrastructure and mobility capabilities, and accelerating the use of electronic signatures when aligned with policy priorities, as required by the 21st Century Integrated Digital Experience Act (44 U.S.C. 3501 note); and

(f) identify means by which their respective agencies can improve transparency and accessibility through their compliance with the Plain Writing Act of 2010 (Public Law 111–274) [5 U.S.C. 301 note] and related requirements and guidance.

SEC. 8. *OMB Guidance*. The Director of OMB shall review and update OMB Government-wide guidance and supporting processes (such as information collection reviews or data sharing approvals) as necessary and applicable, to ensure conformity with this order and to assist agencies in improving their service delivery and customer experience.

SEC. 9. *Independent Agencies*. Independent agencies are strongly encouraged to comply with the provisions of this order.

SEC. 10. *General Provisions*. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

J.R. BIDEN, JR.

IMPLEMENTING MANAGEMENT REFORM IN EXECUTIVE BRANCH

Memorandum of President of the United States, Oct. 1, 1993, 58 F.R. 52393, which directed the head of executive departments and agencies, and requested independent agencies, to establish a chief operating officer and implement additional agency management reforms and established the President's Management Council to advise and assist the President and Vice President in ensuring that such reforms were implemented, was revoked by Memorandum of President of the United States, July 11, 2001, 66 F.R. 37105, set out below.

IMPLEMENTING GOVERNMENT REFORM

Memorandum of President of the United States, July 11, 2001, 66 F.R. 37105, provided:

Memorandum for the Heads of Executive Departments and Agencies

Throughout the campaign and in my Budget, I have called for ''active, but limited'' Government: one that empowers States, cities, and citizens to make decisions; ensures results through accountability; and promotes innovation through competition. Thus, if reform is to help the Federal Government adapt to a rapidly changing world, its primary objectives must be a Government that is:

- Citizen-centered—not bureaucracy centered;
- Results-oriented—not process-oriented; and
- Market-based—actively promoting, not stifling, innovation and competition.

In order to establish and implement Government reform throughout the executive branch, I hereby direct the following:

1. *Establish Chief Operating Officers.*

Each agency head shall designate a Chief Operating Officer, who shall be the senior official with agency-wide authority on behalf of the Secretary or agency head. The Chief Operating Officer, the equivalent of the Deputy Secretary, shall report directly to the agency head and shall be responsible for:

(a) implementing the President's and agency head's goals and the agency's mission;

(b) providing overall organization management to improve agency performance;

(c) assisting the agency head in promoting Government reform, developing strategic plans, and measuring results; and

(d) overseeing agency-specific efforts to integrate performance and budgeting, expand competitive sourcing, strengthen their workforce, improve financial management, advance e-government, apply information policy and technology policies, and other Government-wide management reforms.

2. *Implement Additional Agency Reforms.*

Each agency head shall identify and implement additional changes within the agency that will promote the principles of government reform.

3. *Establishment of President's Management Council.*

In order to advise and assist the President in ensuring that Government reform is implemented throughout the executive branch, I hereby establish the President's Management Council (''Council''). The Council shall comprise:

(a) The Deputy Director, Office of Management and Budget;

(b) The Chief Operating Officers from the following agencies:

(1) Department of State;
(2) Department of the Treasury;
(3) Department of Defense;
(4) Department of Justice;
(5) Department of the Interior;
(6) Department of Agriculture;
(7) Department of Commerce;
(8) Department of Labor;
(9) Department of Health and Human Services;
(10) Department of Housing and Urban Development;
(11) Department of Transportation;
(12) Department of Energy;
(13) Department of Education; and
(14) Department of Veterans Affairs.

(c) The following central management agency representatives:

(1) Director of the Office of Personnel Management;
(2) Administrator of General Services;

(d) Chief Operating Officers of the following agencies:

(1) Environmental Protection Agency;
(2) National Aeronautics and Space Administration;
(3) National Science Foundation;
(4) Social Security Administration; and
(5) Federal Emergency Management Agency.

(e) Chief Operating Officers of three other executive branch agencies designated by the Chairperson, in his or her discretion;

(f) Assistant to the President and Cabinet Secretary;

(g) Deputy Assistant to the President for Management and Administration; and

(h) Deputy Chief of Staff to the Vice President; and

(i) Such other officials of the executive departments and agencies as the Director of the Office of Management and Budget or I may, from time to time, designate.

The Deputy Director of the Office of Management and Budget shall serve as Chairperson of the Council. The Chairperson of the Council may appoint a Vice-Chairperson from the Council's membership to assist the Chairperson in conducting affairs of the Council.

The functions of the Council shall include, among others:

(a) improving overall executive branch management, including implementation of the President's Management Agenda;

(b) coordinating management-related efforts to improve Government throughout the executive branch and, as necessary, resolving specific interagency management issues;

(c) ensuring the adoption of new management practices in agencies throughout the executive branch; and

(d) identifying examples of, and providing mechanisms for, interagency exchange of information about best management practices.

The Council shall seek advice and information as appropriate from nonmember Federal agencies, particularly smaller agencies. The Council shall also consider the management reform experience of corporations, nonprofit organizations, State and local governments, Government employees, public sector unions, and customers of Government services.

Agencies shall cooperate with the Council and provide such assistance, information, and advice to the Council as the Council may request, to the extent permitted by law.

4. *Independent Agencies.*

Independent agencies are requested to comply with this memorandum.

5. *Revocation and Judicial Review.*

(a) the memorandum of October 1, 1993, entitled ''Implementing Management Reform in the Executive Branch'' is revoked.

(b) this memorandum is for the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

6. *Publication.*

The Director of the Office of Management and Budget is authorized and directed to publish this memorandum in the Federal Register.

GEORGE W. BUSH.

GOVERNMENT REFORM FOR COMPETITIVENESS AND INNOVATION

Memorandum of President of the United States, Mar. 11, 2011, 76 F.R. 14273, provided:

Memorandum for the Heads of Executive Departments and Agencies

As I outlined in my State of the Union address to the Congress on January 25, 2011, winning the future in the global economy will require reducing our deficit while investing in areas critical to long-term economic growth and competitiveness such as education, innovation, and infrastructure. By out-educating, out-innovating, and out-building our competitors, we will enable our Nation to grow, create jobs, and thrive in the years ahead.

At the same time, we cannot win the future with a government built for the past. We live and do business in the information age, but the organization of the Federal Government has not kept pace. Government agencies have grown without overall strategic planning and duplicative programs have sprung up, making it harder for each to reach its goals. Already, my Administration has taken on this waste and duplication. My current budget proposes more than 200 terminations, reductions, and savings in agency programs totaling approximately $30 billion in fiscal year 2012. And in areas as varied as surface transportation to job training, public health, and education, I have proposed to consolidate scores of programs into more focused, effective, and streamlined initiatives.

But we must go further. Winning the future will take a government that judiciously allocates scarce government resources to maximize its efficiency and effectiveness so that it can best support American competitiveness and innovation. Now is the time to act to consolidate and reorganize the executive branch of the Federal Government in a way that best serves this goal.

By this memorandum, I assign our Nation's first Chief Performance Officer, who also serves as the Deputy Director for Management of the Office of Management and Budget (the ''Chief Performance Officer''), the responsibility of leading the effort to create a plan for the restructuring and streamlining of the executive branch of the Federal Government. The first focus of this effort shall be on the executive departments and agencies and the functions that support one of our most important priorities—increasing trade, exports, and our overall competitiveness (''trade and competitiveness'').

Accordingly, I direct the following:

(1) The Chief Performance Officer shall establish a Government Reform for Competitiveness and Innovation Initiative, led by an Executive Director, to conduct a comprehensive review of the Federal agencies and programs involved in trade and competitiveness, including analyzing their scope and effectiveness, areas of overlap and duplication, unmet needs, and possible cost savings.

(2) As part of this review, the Chief Performance Officer and Executive Director shall confer broadly with the heads and staff of executive departments and agencies, including the offices and agencies within the Executive Office of the President (collectively, the ''agencies''). They should also consult broadly with external stakeholders, including Members of Congress, business leaders, unions, nongovernmental organizations, and government reform experts, to hear their individual and independent perspectives on what we are doing well and where we could improve our effectiveness and efficiency.

(3) Within 90 days from the date of this memorandum, the Chief Performance Officer shall submit recommendations to me for presidential and, ultimately, congressional action to restructure and streamline Federal Government programs focused on trade and competitiveness, based on the following principles:

(a) the functions of the executive branch of the Federal Government involved in trade and competitiveness should be organized so that the Federal Government can most efficiently and effectively facilitate the competitiveness of American businesses, large and small, and American workers in the changing global economy;

(b) the responsibilities, authorities, programs, and requirements of agencies should be transparent, understandable, and easily accessible to the American public; and

(c) agencies and programs should be organized to reduce inefficiencies and overlapping responsibilities or functions, maximize return on taxpayer dollars, and best serve the American public.

(4) Agencies shall provide, consistent with law, information and assistance requested by the Chief Performance Officer and Executive Director to inform their work as directed by this memorandum.

(5) Agencies shall carry out the provisions of this memorandum to the extent permitted by law and consistent with their statutory and regulatory authorities and their enforcement mechanisms.

(6) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(7) The Director of the Office of Management and Budget is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 502. Officers

(a) The head of the Office of Management and Budget is the Director of the Office of Management and Budget. The Director is appointed by the President, by and with the advice and consent of the Senate. Under the direction of the President, the Director shall administer the Office.

(b) The Office has a Deputy Director of the Office of Management and Budget, appointed by the President, by and with the advice and consent of the Senate. The Deputy Director—

(1) shall carry out the duties and powers prescribed by the Director; and

(2) acts as the Director when the Director is absent or unable to serve or when the office of Director is vacant.

(c) The Office has a Deputy Director for Management appointed by the President, by and with the advice and consent of the Senate. The Deputy Director for Management shall be the chief official responsible for financial management in the United States Government.

(d) The Office has 3 Assistant Directors who shall carry out the duties and powers prescribed by the Director.

(e) The Office may have not more than 6 additional officers, each of whom is appointed in the competitive service by the Director, with the approval of the President. Each additional officer shall carry out the duties and powers prescribed by the Director. The Director shall specify the title of each additional officer.

(f) When the Director and Deputy Director are absent or unable to serve or when the offices of Director and Deputy Director are vacant, the President may designate an officer of the Office to act as Director.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 886; Pub. L. 101–576, title II, § 201, Nov. 15, 1990, 104 Stat. 2839.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
502(a)	31:16(2d sentence related to Director).	June 10, 1921, ch. 18, § 207(2d, 3d sentences), 42 Stat. 22; Reorg. Plan No. 1 of 1939, eff. July 1, 1939, § 1, 53 Stat. 1423; July 31, 1953, ch. 302, § 101(1st proviso in par. under heading ''Bureau of the Budget''), 67 Stat. 299; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, § 102(a), (b), (d), (e), (f)(less words between parentheses), 84 Stat. 2085; Mar. 2, 1974, Pub. L. 93–250, § 1, 88 Stat. 11.
502(b)	31:16(2d sentence related to Deputy Director, 3d sentence).	
502(c)	31:16a.	Reorg. Plan No. 1 of 1939, eff. July 1, 1939, § 1, 53 Stat. 1423; July 31, 1953, ch. 302, § 101(last proviso in par. under heading ''Bureau of the Budget''), 67 Stat. 299; Sept. 6, 1966, Pub. L. 89–554, § 8(a), 80 Stat. 657; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, § 102(b), (e), 84 Stat. 2085.
502(d), (e)	31:16c.	Reorg. Plan No. 1 of 1939, eff. July 1, 1939, § 1, 53 Stat. 1423; Aug. 1, 1956, ch. 838, 70 Stat. 887; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, § 102(b), (e), 84 Stat. 2085.
	31:16(note).	Reorg. Plan No. 1 of 1939, eff. July 1, 1939, § 1, 53 Stat. 1423; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, § 102(c)(words before last comma), (e), (f)(words between parentheses), 84 Stat. 2085.

In subsections (a) and (b), the words related to salaries in section 207 of the Budget and Accounting Act, 1921 (ch. 18, 42 Stat. 22), are omitted as covered by 5:5313(11) and 5314(34).

In subsection (a), the text of section 102(d)(1st sentence) of Reorganization Plan No. 2 of 1970 (eff. July 1, 1970, 84 Stat. 2085) is omitted as covered by 3:301 and for consistency in the revised title and with other titles of the United States Code. The word ''administer'' is substituted for ''supervise and direct the administration of'' in section 102(d) of the Reorganization Plan to eliminate unnecessary words.

In subsections (b) and (c), the words ''designated by this reorganization plan'' in section 102(e) of Reorganization Plan No. 2 of 1970 are omitted as executed. The words ''carry out the duties and powers prescribed by'' are substituted for ''perform such functions as'' for consistency in the revised title and with other titles of the Code. The words ''may from time to time direct'' are omitted as unnecessary.

In subsection (c), the words ''the duties and powers prescribed by'' in section 102(e)(related to Assistant Directors) of Reorganization Plan No. 2 of 1970 are substituted for ''such functions as'' for consistency. The words ''may from time to time direct'' are omitted as unnecessary. The words related to compensation in 31:16c are omitted as covered by 5:5315(37).

In subsection (d), the words ''as determined from time to time by the Director of the Office of Management and Budget (hereinafter referred to as the Director)'' in section 102(c)(1st sentence) of Reorganization Plan No. 2 of 1970 are omitted as unnecessary. The words ''in the competitive'' are substituted for ''under the classified civil'' in section 102(c)(2d sentence) of the Reorganization Plan to conform to 5:2102. The words ''The Director shall specify the title of each additional officer'' are substituted for ''shall have such title as the Director shall from time to time determine'' to eliminate unnecessary words. The words ''provided for in subsection (c) of this section'' in section 102(e)(related to officers) of the Reorganization Plan are omitted because of the restatement. The words ''carry out the duties and powers prescribed by'' are substituted for ''perform such functions as'' for consistency in the revised title and with other titles of the Code. The words ''may from time to time direct'' are omitted as unnecessary.

In subsection (e), the words ''When the Director and Deputy Director are absent or unable to serve or when the offices of Director and Deputy Director are vacant'' are substituted for ''or during the absence or disability of the Deputy Director or in the event of a vacancy in the office of Deputy Director'' and ''during the absence or disability of the Director or in the event of a vacancy in the office of Director'' in section 102(f)(words between parentheses) of Reorganization Plan No. 2 of 1970 for clarity and consistency with other titles of the Code. The words ''an officer'' are substituted for ''such other officials'' for clarity and consistency in the chapter. The words ''in such order as'' are omitted as unnecessary. The words ''from time to time'' are eliminated as unnecessary.

Editorial Notes

AMENDMENTS

1990—Subsecs. (c) to (f). Pub. L. 101–576 added subsec. (c) and redesignated former subsecs. (c) to (e) as (d) to (f), respectively.

§ 503. Functions of Deputy Director for Management

(a) Subject to the direction and approval of the Director, the Deputy Director for Management shall establish governmentwide financial management policies for executive agencies and shall perform the following financial management functions:

(1) Perform all functions of the Director, including all functions delegated by the President to the Director, relating to financial management.

(2) Provide overall direction and leadership to the executive branch on financial management matters by establishing financial management policies and requirements, and by monitoring the establishment and operation of Federal Government financial management systems.

(3) Review agency budget requests for financial management systems and operations, and advise the Director on the resources required to develop and effectively operate and maintain Federal Government financial management systems and to correct major deficiencies in such systems.

(4) Review and, where appropriate, recommend to the Director changes to the budget and legislative proposals of agencies to ensure that they are in accordance with financial management plans of the Office of Management and Budget.

(5) Monitor the financial execution of the budget in relation to actual expenditures, including timely performance reports.

(6) Oversee, periodically review, and make recommendations to heads of agencies on the administrative structure of agencies with respect to their financial management activities.

(7) Develop and maintain qualification standards for agency Chief Financial Officers and for agency Deputy Chief Financial Officers appointed under sections 901 and 903, respectively (excluding any officer designated or appointed under section 901(c)).

(8) Provide advice to agency heads with respect to the selection of agency Chief Financial Officers and Deputy Chief Financial Officers (excluding any officer designated or appointed under section 901(c)).

(9) Provide advice to agencies regarding the qualifications, recruitment, performance, and retention of other financial management personnel.

(10) Assess the overall adequacy of the professional qualifications and capabilities of financial management staffs throughout the Government and make recommendations on ways to correct problems which impair the capacity of those staffs.

(11) Settle differences that arise among agencies regarding the implementation of financial management policies.

(12) Chair the Chief Financial Officers Council established by section 302 of the Chief Financial Officers Act of 1990.

(13) Communicate with the financial officers of State and local governments, and foster the exchange with those officers of information concerning financial management standards, techniques, and processes.

(14) Issue such other policies and directives as may be necessary to carry out this section, and perform any other function prescribed by the Director.

(b) Subject to the direction and approval of the Director, the Deputy Director for Management shall establish general management policies for executive agencies and perform the following general management functions:

(1) Coordinate and supervise the general management functions of the Office of Management and Budget.

(2) Perform all functions of the Director, including all functions delegated by the President to the Director, relating to—

(A) managerial systems, including the systematic measurement of performance;

(B) procurement policy;

(C) grant, cooperative agreement, and assistance management;

(D) information and statistical policy;

(E) property management;

(F) human resources management;

(G) regulatory affairs; and

(H) other management functions, including organizational studies, long-range planning, program evaluation, productivity improvement, and experimentation and demonstration programs.

(3) Provide complete, reliable, and timely information to the President, the Congress, and the public regarding the management activities of the executive branch.

(4) Facilitate actions by the Congress and the executive branch to improve the management of Federal Government operations and to remove impediments to effective administration.

(5) Chair the Chief Information Officers Council established under section 3603 of title 44.

(6) Provide leadership in management innovation, through—

(A) experimentation, testing, and demonstration programs; and

(B) the adoption of modern management concepts and technologies.

(7) Work with State and local governments to improve and strengthen intergovernmental relations, and provide assistance to such governments with respect to intergovernmental programs and cooperative arrangements.

(8) Review and, where appropriate, recommend to the Director changes to the budget and legislative proposals of agencies to ensure that they respond to program evaluations by, and are in accordance with general management plans of, the Office of Management and Budget.

(9) Provide advice to agencies on the qualification, recruitment, performance, and retention of managerial personnel.

(10) Perform any other functions prescribed by the Director.

(c) PROGRAM AND PROJECT MANAGEMENT.—

(1) REQUIREMENT.—Subject to the direction and approval of the Director, the Deputy Director for Management or a designee shall—

(A) adopt governmentwide standards, policies, and guidelines for program and project management for executive agencies;

(B) oversee implementation of program and project management for the standards, policies, and guidelines established under subparagraph (A);

(C) chair the Program Management Policy Council established under section 1126(b);

(D) establish standards and policies for executive agencies, consistent with widely accepted standards for program and project management planning and delivery;

(E) engage with the private sector to identify best practices in program and project management that would improve Federal program and project management;

(F) conduct portfolio reviews to address programs identified as high risk by the Government Accountability Office;

(G) not less than annually, conduct portfolio reviews of agency programs in coordination with Project Management Improvement Officers designated under section 1126(a)(1) to assess the quality and effectiveness of program management; and

(H) establish a 5-year strategic plan for program and project management.

(2) APPLICATION TO DEPARTMENT OF DEFENSE.—Paragraph (1) shall not apply to the Department of Defense to the extent that the provisions of that paragraph are substantially similar to or duplicative of—

(A) the provisions of chapter 87 of title 10; or

(B) policy, guidance, or instruction of the Department related to program management.

(Added Pub. L. 101–576, title II, §202(b), Nov. 15, 1990, 104 Stat. 2839; amended Pub. L. 103–272, §4(f)(1)(B), July 5, 1994, 108 Stat. 1361; Pub. L. 106–58, title VI, §638(g), Sept. 29, 1999, 113 Stat. 476; Pub. L. 107–347, title I, §102(b), Dec. 17, 2002, 116 Stat. 2910; Pub. L. 114–264, §2(a)(1), Dec. 14, 2016, 130 Stat. 1371; Pub. L. 114–328, div. A, title VIII, §861(a)(1), Dec. 23, 2016, 130 Stat. 2298; Pub. L. 115–91, div. A, title VIII, §810(a), Dec. 12, 2017, 131 Stat. 1458.)

Editorial Notes

REFERENCES IN TEXT

Section 302 of the Chief Financial Officers Act of 1990 [Pub. L. 101–576], referred to in subsec. (a)(12), is set out as a note under section 901 of this title.

PRIOR PROVISIONS

A prior section 503 was renumbered section 505 of this title.

AMENDMENTS

2017—Subsec. (c). Pub. L. 115–91 repealed second subsec. (c) as added by Pub. L. 114–328. See 2016 Amendment notes below.

2016—Subsec. (c). Pub. L. 114–328 added second identical subsec. (c).

Pub. L. 114–264 added subsec. (c).

2002—Subsec. (b)(5) to (10). Pub. L. 107–347 added par. (5) and redesignated former pars. (5) to (9) as (6) to (10), respectively.

1999—Subsec. (a)(7). Pub. L. 106–58, §638(g)(1), substituted ''respectively (excluding any officer designated or appointed under section 901(c)).'' for ''respectively.''

Subsec. (a)(8). Pub. L. 106–58, §638(g)(2), substituted ''Officers (excluding any officer designated or appointed under section 901(c)).'' for ''Officers.''

1994—Subsec. (b)(9). Pub. L. 103–272 substituted ''Perform'' for ''perform''.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–347 effective 120 days after Dec. 17, 2002, see section 402(a)(1) of Pub. L. 107–347, set out as an Effective Date note under section 3601 of Title 44, Public Printing and Documents.

EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106–58, title VI, §638(h), Sept. 29, 1999, 113 Stat. 476, provided that: ''This section [amending this section and sections 901 and 1105 of this title and enacting provisions set out as a note under section 901 of this title] shall take effect at noon on January 20, 2001.''

ISSUANCE OF STANDARDS, POLICIES, AND GUIDELINES FOR PROGRAM AND PROJECT MANAGEMENT; REGULATIONS

Pub. L. 114–264, §2(a)(2), (3), Dec. 14, 2016, 130 Stat. 1372, provided that:

''(2) DEADLINE FOR STANDARDS, POLICIES, AND GUIDELINES.—Not later than 1 year after the date of enactment of this Act [Dec. 14, 2016], the Deputy Director for Management of the Office of Management and Budget shall issue the standards, policies, and guidelines required under section 503(c) of title 31, United States Code, as added by paragraph (1).

''(3) REGULATIONS.—Not later than 90 days after the date on which the standards, policies, and guidelines are issued under paragraph (2), the Deputy Director for Management of the Office of Management and Budget, in consultation with the Program Management Policy Council established under section 1126(b) of title 31, United States Code, as added by subsection (b)(1), and the Director of the Office of Management and Budget, shall issue any regulations as are necessary to implement the requirements of section 503(c) of title 31, United States Code, as added by paragraph (1).''

Similar provisions were contained in Pub. L. 114–328, div. A, title VIII, §861(a)(2), (3), Dec. 23, 2016, 130 Stat. 2299, prior to repeal by Pub. L. 115–91, div. A, title VIII, §810(c), Dec. 12, 2017, 131 Stat. 1458.

§ 504. Office of Federal Financial Management

(a) There is established in the Office of Management and Budget an office to be known as the ''Office of Federal Financial Management''. The Office of Federal Financial Management, under the direction and control of the Deputy Director for Management of the Office of Management and Budget, shall carry out the financial management functions listed in section 503(a) of this title.

(b) There shall be at the head of the Office of Federal Financial Management a Controller, who shall be appointed by the President, by and with the advice and consent of the Senate. The Controller shall be appointed from among individuals who possess—

(1) demonstrated ability and practical experience in accounting, financial management, and financial systems; and

(2) extensive practical experience in financial management in large governmental or business entities.

(c) The Controller of the Office of Federal Financial Management shall be the deputy and principal advisor to the Deputy Director for Management in the performance by the Deputy Director for Management of functions described in section 503(a).

(Added Pub. L. 101–576, title II, § 203(a), Nov. 15, 1990, 104 Stat. 2841.)

Editorial Notes

PRIOR PROVISIONS

A prior section 504 was renumbered section 506 of this title.

§ 505. Office of Information and Regulatory Affairs

The Office of Information and Regulatory Affairs, established under section 3503 of title 44, is an office in the Office of Management and Budget.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 886, § 503; renumbered § 505, Pub. L. 101–576, title II, § 202(a), Nov. 15, 1990, 104 Stat. 2839.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
503	(no source).	

The section is included to provide in subchapter I of chapter 5 of the revised title a complete list of the organizational units established by law that are in the Office of Management and Budget or are subject to the direction and supervision of the Director of the Office of Management and Budget.

Editorial Notes

AMENDMENTS

1990—Pub. L. 101–576 renumbered section 503 of this title as this section.

§ 506. Office of Federal Procurement Policy

The Office of Federal Procurement Policy, established under section 1101(a) of title 41, is an office in the Office of Management and Budget.

(Added Pub. L. 97–452, § 1(1)(A), Jan. 12, 1983, 96 Stat. 2467, § 504; renumbered § 506, Pub. L. 101–576, title II, § 202(a), Nov. 15, 1990, 104 Stat. 2839; amended Pub. L. 111–350, § 5(h)(1), Jan. 4, 2011, 124 Stat. 3848.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
504	(no source).	

The section is included to provide in subchapter I of chapter 5 of title 31 a complete list of the organizational units established by law that are in the Office of Management and Budget or are subject to the direction and supervision of the Director of the Office of Management and Budget.

Editorial Notes

AMENDMENTS

2011—Pub. L. 111–350 substituted ''section 1101(a) of title 41'' for ''section 5(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 404(a))''.

1990—Pub. L. 101–576 renumbered section 504 of this title as this section.

§ 507. Office of Electronic Government

The Office of Electronic Government, established under section 3602 of title 44, is an office in the Office of Management and Budget.

(Added Pub. L. 107–347, title I, § 102(c)(1), Dec. 17, 2002, 116 Stat. 2910.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective 120 days after Dec. 17, 2002, see section 402(a)(1) of Pub. L. 107–347, set out as a note under section 3601 of Title 44, Public Printing and Documents.

SUBCHAPTER II—ADMINISTRATIVE

§ 521. Employees

The Director of the Office of Management and Budget shall appoint and fix the pay of employees of the Office under regulations prescribed by the President.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 886.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
521	31:17(a)(related to employees).	June 10, 1921, ch. 18, § 208(a)(related to employees), 42 Stat. 22; Reorg. Plan No. 1 of 1939, eff. July 1, 1939, § 1, 53 Stat. 1423; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, § 102(a), 84 Stat. 2085.

The words ''attorneys and other'' are omitted as being included in ''employees''.

§ 522. Necessary expenditures

The Director of the Office of Management and Budget may make necessary expenditures for the Office under regulations prescribed by the President.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 886.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
522	31:17(a)(related to expenses).	June 10, 1921, ch. 18, § 208(a)(related to expenses), 42 Stat. 22; Reorg. Plan No. 1 of 1939, eff. July 1, 1939, § 1, 53 Stat. 1423; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, § 102(a), 84 Stat. 2085.

The words ''for rent in the District of Columbia, printing, binding, telegrams, telephone service, law books, books of reference, periodicals, stationery, furniture, office equipment, other supplies, and'' are omitted as covered by titles 5, 40, and 44, and as being included in ''necessary expenditures''. The words ''within the appropriations made therefor'' are omitted as unnecessary.

CHAPTER 7—GOVERNMENT ACCOUNTABILITY OFFICE

SUBCHAPTER I—DEFINITIONS AND GENERAL ORGANIZATION

Sec.
701. Definitions.
702. Government Accountability Office.