

Presidential Documents

Executive Order 12976 of October 5, 1995

Compensation Practices of Government Corporations

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, and sections 1105, 1108, and 1111 of title 31, United States Code, it is hereby ordered as follows:

Section 1. *Statement of Presidential Principles.*

Government corporations subject to this order should not pay bonuses in excess of those authorized by sections 4501 through 4507 of title 5, United States Code, except as otherwise specifically provided by law.

Sec. 2. *Administration Review.* (a) Before taking action to approve any bonus in excess of those authorized in section 4502 of title 5, United States Code, each corporation subject to this section (as provided in section 6 of this order) shall submit information to the Director of the Office of Management and Budget (OMB) relating to such bonuses as provided in subsection (b). Such corporation shall refrain from approving any such bonus until the Director of OMB has had an opportunity to review the information provided by the corporation.

(b) The Director of OMB shall issue instructions to the corporations subject to this section specifying when information is to be submitted, and the content and form of such information.

Sec. 3. *Information Reporting Requirements.* (a) Government corporations subject to this order will provide information to the Director of OMB relating to the compensation practices for senior executives of such corporations as provided in subsection (c).

(b) Information submitted shall include the following with respect to senior executives of each corporation subject to this section:

- (1) the compensation plan, procedures, and structure of such corporation;
- (2) base salary levels, annual bonuses, and other compensation; and
- (3) information supporting the senior executive compensation plan and levels.

(c) The Director of OMB shall issue instructions to the corporations subject to this section specifying when information is to be submitted, and the content and form of such information.

Sec. 4. *Review.* (a) OMB, in consultation with the Department of Labor, will review the information submitted pursuant to section 3, taking into consideration:

- (1) consistency with statutory requirements;
- (2) consistency with corporate mission;
- (3) standards of Federal management and efficiency; and
- (4) equivalent private sector compensation practices.

Sec. 5. *Public Dissemination Requirement.* Government corporations subject to this order shall make available through public dissemination the information submitted pursuant to section 3 of this order.

Sec. 6. Coverage. This order will apply to all mixed-ownership and wholly owned corporations listed in section 9101 (2) and (3) of title 31, United States Code. Section 2 shall apply only to wholly owned corporations except such corporations that have specific authority to approve bonuses in excess of those authorized under sections 4501 through 4507 of title 5, United States Code.

Sec. 7. Administration. All corporations subject to this order shall provide any information in the manner and form, and at the time, requested pursuant to this order by the Director of OMB.

Sec. 8. 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 at law by a party against the United States, its agencies, its officers, or any other person.



THE WHITE HOUSE,
October 5, 1995.