

[Discussion Draft]
AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. _____
OFFERED BY MRS. CAROLYN B. MALONEY OF
NEW YORK

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Strengthening Tools
3 to Obstruct and Prevent Fraud Act of 2022” or the
4 “STOP Fraud Act”.

5 **SEC. 2. FEDERAL REAL ANTI-FRAUD UNIFIED DIREC-**
6 **TORATE.**

7 Subchapter I of chapter 5 of title 31, United States
8 Code, is amended by adding at the end the following:

9 **“§ 508. Federal Real Anti-fraud Unified Directorate**

10 **“(a) ESTABLISHMENT.—**

11 **“(1) IN GENERAL.—**There is established within
12 the Office of Management and Budget an office to
13 be known as the Federal Real Anti-fraud Unified
14 Directorate or the FRAUD.

1 “(2) ADMINISTRATOR.—There shall be at the
2 head of the FRAUD an Administrator who shall
3 be—

4 “(A) appointed by the President; and

5 “(B) compensated at the rate of pay in ef-
6 fect for level III of the Executive Schedule
7 under section 5314.

8 “(b) DUTIES.—The Administrator shall do the fol-
9 lowing:

10 “(1) Carry out the duties prescribed to the Ad-
11 ministrator under section 3360.

12 “(2) Coordinate activities related to reducing
13 and preventing fraud and improper payments by—

14 “(A) sharing leading practices and tools
15 with agencies;

16 “(B) providing technical assistance to
17 agencies in implementing the fraud risk man-
18 agement activities described in the study of the
19 Government Accountability Office titled
20 ‘Framework for Managing Fraud Risks in Fed-
21 eral Programs’ (published on July 28, 2015);
22 and

23 “(C) assisting agencies in the collection
24 and use of data to prevent and reduce fraud

1 and improper payments, including by assisting
2 agencies in—

3 “(i) working to overcome data sharing
4 barriers; and

5 “(ii) establishing metrics and meth-
6 odologies to measure the effectiveness of
7 programs and activities employed by agen-
8 cies to prevent and reduce fraud and im-
9 proper payments.

10 “(3) Establish an online, publicly accessible
11 dashboard on the implementation of proactive ana-
12 lytics in programs designated as susceptible to sig-
13 nificant improper payments under section 3359
14 that—

15 “(A) promotes transparency;

16 “(B) assists in the oversight of the imple-
17 mentation of proactive analytics in such pro-
18 grams; and

19 “(C) tracks cost savings, cost avoidance,
20 and the administrative burden attributable to
21 such programs.

22 “(4) Refer any fraud, waste, or abuse discov-
23 ered by the Administrator to the appropriate Inspec-
24 tor General.

1 “(5) Carry out any additional duties that may
2 be prescribed by the Director.

3 “(c) ADDITIONAL AUTHORITIES.—The Adminis-
4 trator may—

5 “(1) require agencies administering programs
6 susceptible to significant improper payments to sub-
7 mit information as may be necessary to administer
8 the dashboard required to be established by sub-
9 section (b)(3), and promulgate regulations that set
10 standards for—

11 “(A) the type of information to be sub-
12 mitted; and

13 “(B) the format in which such information
14 is to be submitted;

15 “(2) provide technical assistance to agencies ad-
16 ministering a high-priority program, including by—

17 “(A) working on behalf of an agency ad-
18 ministering the program to overcome any issues
19 that prevent the agency from receiving or using
20 data from other governmental and non-govern-
21 mental entities, including by notifying Congress
22 on behalf of the agency of any Federal laws
23 that prevent the agency from receiving or using
24 such data; and

1 “(B) facilitating the collection of data to
2 implement proactive analytics, including by—

3 “(i) identifying governmental or com-
4 mercial solutions to facilitate such collec-
5 tion; and

6 “(ii) supporting the agency in identi-
7 fying potential sources of funding to facili-
8 tate such collection;

9 “(C) providing non-reimbursable or reim-
10 bursable services to agencies administering the
11 programs; and

12 “(D) identifying strategies that may help
13 the program hire individuals with the requisite
14 skills to implement proactive analytics.

15 “(d) DEFINITIONS.—In this section, the terms ‘ad-
16 ministrative burden’, ‘agency administering a high-priority
17 program’, ‘agency administering a program susceptible to
18 significant improper payments’, ‘anti-fraud control’,
19 ‘data’, and ‘proactive analytics’ have the meanings given
20 those terms in section 3360.”.

1 **SEC. 3. ANTI-FRAUD CONTROLS FOR PROGRAMS SUSCEP-**
2 **TIBLE TO SIGNIFICANT IMPROPER PAY-**
3 **MENTS AND HIGH-PRIORITY PROGRAMS.**

4 Subchapter IV of chapter 33 of title 31, United
5 States Code, is amended by adding at the end the fol-
6 lowing:

7 **“§ 3359. Proactive analytics with respect to programs**
8 **susceptible to significant improper pay-**
9 **ments**

10 “(a) DESIGNATION OF PROGRAMS SUSCEPTIBLE TO
11 SIGNIFICANT IMPROPER PAYMENTS.—Not later than Oc-
12 tober 1 of each year, for that fiscal year and the next fiscal
13 year, the head of each executive agency shall designate as
14 a program susceptible significant improper payments each
15 program that meets the following criteria:

16 “(1) With respect any program of the agency
17 established during the preceding two fiscal years,
18 any such program with outlays expected to exceed
19 \$100,000,000 each fiscal year.

20 “(2) For any program of the agency not estab-
21 lished during the preceding two fiscal years, any
22 such program that had outlays that exceeded
23 \$1,500,000,000 in the preceding fiscal year.

24 “(b) IMPLEMENTATION OF PROACTIVE ANALYTICS
25 FOR AREA OF PROGRAM.—An agency administering a pro-
26 gram susceptible to significant improper payments shall—

1 “(1) establish a goal to reduce improper pay-
2 ments and fraud for the program by specific per-
3 centage or dollar amount; and

4 “(2) implement proactive analytics for one area
5 of the program.

6 “(c) REPORTS ON ACTIONS TO REDUCE IMPROPER
7 PAYMENTS.—Not later than two years after a head of an
8 agency has designated a program as susceptible to im-
9 proper payments, the head of the agency administering the
10 program shall submit a report on efforts of the agency
11 to reduce and prevent improper payments and fraud with
12 respect to the program, including the following:

13 “(1) With respect to a program that is not a
14 high-priority program at the time of the submission
15 of the report, the following:

16 “(A) A description of—

17 “(i) the goal established by the agency
18 to reduce improper payments and fraud for
19 the program; and

20 “(ii) proactive analytics implemented
21 in the two fiscal years preceding the sub-
22 mission of the report to reduce improper
23 payments and fraud.

24 “(B) Metrics demonstrating the effective-
25 ness of the proactive analytics implemented.

1 “(C) An analysis of whether the agency
2 anticipates the program will be redesignated as
3 a program susceptible to significant improper
4 payments in the future.

5 “(D) A plan for—

6 “(i) how the agency intends to achieve
7 the goal described under subparagraph
8 (A);

9 “(ii) continuing to use proactive ana-
10 lytics with respect to that program;

11 “(iii) improving the proactive ana-
12 lytics used with respect to that program;
13 and

14 “(iv) identifying, in consultation with
15 the Administrator, additional fraud and
16 improper payment mitigation strategies,
17 that could be employed by the agency if
18 the program is redesignated as a program
19 susceptible to significant improper pay-
20 ments.

21 “(2) With respect to a program that is a high-
22 priority program at the time of the submission of
23 the report, the following:

24 “(A) A copy of the plan approved under
25 section 3360 for the program, including the

1 goal for reducing improper payments and fraud
2 in such plan.

3 “(B) Analysis of whether implementation
4 of that plan has reduced and prevented im-
5 proper payments and fraud.

6 “(C) If the agency has not met the goal of
7 the agency to reduce improper payments or
8 fraud in the plan approved under section
9 3360—

10 “(i) an explanation of why the plan
11 has not reduced or prevented improper
12 payments or fraud; and

13 “(ii) a new plan, developed in con-
14 sultation with the Administrator of the
15 FRAUD, that includes a new goal and
16 strategy to reduce or prevent improper
17 payments or fraud.

18 “(D) A statement of whether the agency
19 has what is needed with respect to internal con-
20 trols, human capital, and information systems
21 and other infrastructure, to implement the re-
22 quirements described in this section and section
23 3360.

24 “(E) Estimates of—

1 “(i) any costs avoided and dollars
2 saved by the implementation of this section
3 and section 3360;

4 “(ii) any change in administrative
5 burden because of the implementation of
6 this section and section 3360; and

7 “(iii) the number of persons eligible to
8 obtain a thing of value that did not receive
9 such thing of value because of the imple-
10 mentation of this section and section 3360.

11 “(3) Whether the information technology (as
12 defined in section 11101 of title 40) used by the
13 agency with respect to the program is capable of de-
14 livering data—

15 “(A) to the Administrator for inclusion in
16 the dashboard required to be established by sec-
17 tion 508(b)(3); and

18 “(B) for the purpose of implementing
19 proactive analytics, as required under sub-
20 section (b) and section 3360.

21 “(4) A description of the quality of any im-
22 proper payment estimates and methodology of the
23 agency relating to the program, including—

24 “(A) challenges to accurately estimating
25 improper payments for the program; and

1 “(B) plans to improve the quality of the
2 estimates.

3 “(d) DEFINITIONS.—In this section, the terms ‘Ad-
4 ministrator’, ‘Administrative burden’, ‘data’, ‘fraud’, and
5 ‘proactive analytics’ have the meaning given those terms
6 in section 3360.

7 **“§ 3360. Anti-fraud controls for High-priority pro-**
8 **grams**

9 “(a) DESIGNATION.—By January 31 of each fiscal
10 year, the Administrator shall designate for the remainder
11 of that fiscal year and the next full fiscal year, any pro-
12 gram with outlays in an amount equal to or in excess of
13 \$50,000,000,000 with respect to the preceding fiscal year
14 as a high-priority program.

15 “(b) PLAN TO IMPLEMENT ANTI-FRAUD POLICY FOR
16 EACH HIGH-PRIORITY PROGRAM.—

17 “(1) PLAN.—The head of an agency admin-
18 istering a high-priority program shall develop a plan
19 to implement anti-fraud controls for that program,
20 that—

21 “(A) at a minimum includes a goal to re-
22 duce improper payment and fraud by specific
23 percentage or dollar amount and a strategy to
24 meet that goal using—

1 “(i) any solution that verifies and au-
2 thenticates identity, known as ‘digital iden-
3 tity-proofing solutions’, if determined nec-
4 essary by the Administrator to effectively
5 reduce and prevent fraud and improper
6 payments in the high-priority program;

7 “(ii) threat intelligence, including
8 open source intelligence and intelligence
9 collected from locations on the internet re-
10 ferred to as the ‘deep web’ and ‘dark web’,
11 to identify and mitigate emerging fraud
12 threats; and

13 “(iii) proactive analytics; and

14 “(B) takes into consideration the adminis-
15 trative burden of implementing such anti-fraud
16 controls, including considering the fraud risk
17 profile (as defined in the study of the Govern-
18 ment Accountability Office titled ‘Framework
19 for Managing Fraud Risks in Federal Pro-
20 grams’ (published on July 28, 2015)) of the
21 program.

22 “(2) INITIAL SUBMISSION OF PLAN TO ADMIN-
23 ISTRATOR FOR APPROVAL.—

24 “(A) INITIAL SUBMISSION.—Not later than
25 90 days after the date on which a program is

1 designated as a high-priority program under
2 subsection (a), the agency administering the
3 high-priority program shall submit to the Ad-
4 ministrator the plan developed under paragraph
5 (1).

6 “(B) APPROVAL OR DENIAL OF PLAN.—
7 Not later than 60 days after the date on which
8 the plan is submitted pursuant to subparagraph
9 (A), the Administrator shall approve or deny
10 such plan.

11 “(3) RESUBMISSION OF PLAN TO ADMINIS-
12 TRATOR FOR APPROVAL IN CASE OF DENIAL.—

13 “(A) IN GENERAL.—An agency that sub-
14 mits a plan that is denied by the Administrator
15 under paragraph (2) shall, until such time as
16 the Administrator approves the plan—

17 “(i) revise the plan; and

18 “(ii) submit the plan as revised under
19 clause (i) to the Administrator.

20 “(B) APPROVAL OR DENIAL OF REVISED
21 PLAN.—The Administrator shall approve or
22 deny a plan submitted under subparagraph (A)
23 not later than 60 days after the Administrator
24 receives the plan.

1 “(C) TECHNICAL ASSISTANCE.—The Ad-
2 ministrator may provide technical assistance to
3 any agency required to revise a plan under sub-
4 paragraph (A).

5 “(4) CRITERIA FOR THE APPROVAL OR DENIAL
6 OF PLAN.—Not later than January 31 of each year,
7 the Administrator shall provide to each agency ad-
8 ministering a high-priority program criteria on the
9 basis of which the Administrator will approve or
10 deny a plan under this subsection.

11 “(5) REPORT TO CONGRESS.—An agency re-
12 quired to submit a plan for approval under this sub-
13 section with respect a high-priority program, and
14 has such plan denied by the Administrator three
15 times, shall submit a report to Congress on why the
16 plan has not been approved by the Administrator.

17 “(c) PROGRAM INTEGRITY FUND.—

18 “(1) ESTABLISHMENT.—There is established in
19 the Treasury of the United States a fund to be
20 known as the Program Integrity Fund.

21 “(2) USE OF FUND.—Amounts in the fund may
22 be allocated by the Administrator to agencies to im-
23 plement plans approved by the Administrator under
24 subsection (b).

1 “(3) MANAGEMENT OF THE PROGRAM INTEG-
2 RITY FUND.—

3 “(A) APPLICATION PROCESS.—Not later
4 than 90 days after the date of the enactment of
5 this paragraph, the Administrator shall—

6 “(i) establish a process through which
7 the head of an agency may request that
8 funds be allocated from the Program In-
9 tegrity Fund to the agency; and

10 “(ii) submit to Congress a report that
11 describes the process established pursuant
12 to clause (i).

13 “(B) AWARD OF FUNDS.—In determining
14 the amount, if any, of funds to be allocated to
15 an agency from the Program Integrity Fund
16 under paragraph (2), the Administrator shall
17 consider the extent to which the plan approved
18 by the Administrator under subsection (b) of
19 the agency—

20 “(i) implements the use of proactive
21 analytics;

22 “(ii) is likely to significantly reduce or
23 prevent improper payments and fraud; and

24 “(iii) considers the administrative bur-
25 den of implementing the plan, including

1 whether there is a clear indication that the
2 agency considered whether there are any
3 anti-fraud controls other than the anti-
4 fraud controls to be implemented under the
5 plan that could be implemented by the
6 agency with less of an administrative bur-
7 den on individuals who interact with the
8 program.

9 “(4) AUTHORIZATION OF APPROPRIATIONS.—
10 There are authorized to be appropriated
11 \$1,000,000,000 for fiscal year 2023 for the Program
12 Integrity Fund, to remain available until expended.

13 “(d) DEFINITIONS.—In this section:

14 “(1) ADMINISTRATOR.—The term ‘Adminis-
15 trator’ means the Administrator of the FRAUD.

16 “(2) ADMINISTRATIVE BURDEN.—The term ‘ad-
17 ministrative burden’ means a cost that a person in-
18 curs in interacting with the agency to obtain a thing
19 of value from the agency, including the following:

20 “(A) The amount of time and effort ex-
21 pended by the person to learn about—

22 “(i) the nature of the thing of value;

23 and

24 “(ii) how to gain access to the thing
25 of value, including—

1 “(I) any program or service of
2 the agency through which the person
3 may obtain the thing of value from
4 the agency; and

5 “(II) any requirement and condi-
6 tion that must be satisfied for the
7 person to obtain and maintain posses-
8 sion of the thing of value from the
9 government program or service.

10 “(B) The amount of time it takes to—

11 “(i) provide information and docu-
12 mentation to satisfy requirements to obtain
13 and maintain possession of the thing of
14 value; and

15 “(ii) respond to discretionary requests
16 of program administrators for the purpose
17 of obtaining and maintaining possession of
18 the thing of value.

19 “(C) Any financial cost to access services
20 that may be necessary to receive the thing of
21 value (such as fees, legal representation, and
22 travel costs).

23 “(3) AGENCY ADMINISTERING A PROGRAM SUS-
24 CEPTIBLE TO SIGNIFICANT IMPROPER PAYMENTS.—

25 The term ‘agency administering a program suscep-

1 tible to significant improper payments’ means an
2 agency that is responsible for administering at least
3 one program that is designated as susceptible to sig-
4 nificant improper payments under section 3359.

5 “(4) AGENCY ADMINISTERING A HIGH-PRIORITY
6 PROGRAM.—The term ‘agency administering a high-
7 priority program’ means an agency that is respon-
8 sible for administering at least one program that is
9 designated as high-priority under this section.

10 “(5) ANTI-FRAUD CONTROL.—The term ‘anti-
11 fraud control’ means a process, system, or tech-
12 nology that can be implemented to prevent fraud
13 and improper payments.

14 “(6) DATA.—The term ‘data’ has the meaning
15 given the term in section 3502 of title 44.

16 “(7) DEVICE METADATA.—The term ‘device
17 metadata’ means structural or descriptive data
18 about a connected device (as defined in section
19 902(a) of the Consolidated Appropriations Act, 2021
20 (47 U.S.C. 1306(a))), such as data about the type,
21 model, IP address, and geolocation of the device.

22 “(8) FRAUD.—The term ‘fraud’ means obtain-
23 ing a thing of value through willful misrepresenta-
24 tion.

1 “(9) PROACTIVE ANALYTICS.—The term
2 ‘proactive analytics’ means the collection and anal-
3 ysis of data (including data that is device metadata,
4 administrative data controlled by the agency, and
5 data from other governmental and non-governmental
6 sources) to prevent fraud and improper payments
7 from occurring, including by identifying anomalous
8 or suspicious patterns that might warrant further
9 investigation.”.

10 **SEC. 4. AMENDMENTS RELATED TO IMPROPER PAYMENTS**
11 **PROVISIONS.**

12 (a) IN GENERAL.—Chapter 33 of subtitle III of title
13 31, United States Code, is amended—

14 (1) in section 3351—

15 (A) in paragraph (2), by adding at the end
16 the following:

17 “(D) has implemented proactive analytics
18 for one high-risk area in accordance with sec-
19 tion 3359(b); and

20 “(E) has satisfied the requirements of sec-
21 tion 3360 with respect to each high-priority
22 program administered by the agency.”;

23 (B) by redesignating paragraphs (4), (5),
24 (6), (7), and (8) as paragraphs (5), (6), (8),
25 (9), and (10), respectively;

1 (C) by inserting after paragraph (3) the
2 following:

3 “(4) HIGH-PRIORITY PROGRAM.—The term
4 ‘high-priority program’ means a program designated
5 under section 3360(a).”;

6 (D) by inserting after paragraph (6), as so
7 redesignated, the following:

8 “(7) PROGRAM SUSCEPTIBLE TO SIGNIFICANT
9 IMPROPER PAYMENTS.—The term ‘program suscep-
10 tible to significant improper payments’ means a pro-
11 gram designated under section 3359(a).”;

12 (2) in section 3352—

13 (A) by striking subsections (a), (b), (d),
14 and (e);

15 (B) by redesignating subsections (c), (f),
16 (g), (h), and (i) as subsections (a), (b), (c), (d),
17 and (e), respectively; and

18 (C) in subsection (a)(1), as so redesign-
19 dated, by striking “With respect to each pro-
20 gram and activity identified under subsection
21 (a)(1), the head of the relevant executive agen-
22 cy shall” and inserting “With respect to each
23 program or activity with outlays exceeding
24 \$1,500,000,000 in the preceding fiscal year, the

1 head of the relevant executive agency shall”;
2 and

3 (D) in subsection (b)(2), as so redesign-
4 nated,—

5 (i) in subparagraph (A), by striking
6 “and recovery actions”;

7 (ii) in subparagraph (D), by striking
8 “; and” and inserting a semicolon;

9 (iii) in subparagraph (E), by striking
10 the period at the end and inserting “;
11 and”; and

12 (iv) by inserting after subparagraph
13 (E), the following:

14 “(F) Governmentwide—

15 “(i) any cost avoided by implementing
16 sections 3359 and 3360;

17 “(ii) any change in administrative
18 burden by implementing sections 3359 and
19 3360; and

20 “(iii) the number of persons eligible to
21 obtain a thing of value that did not receive
22 such thing of value because of the imple-
23 mentation of sections 3359 and 3360.”;

24 (E) in subsection (e), as so redesignated—

1 (i) in paragraph (1)(A), by striking
2 “shall” and inserting “may”;

3 (ii) by striking paragraph (3);

4 (iii) by redesignating paragraphs (4)
5 and (5) as paragraphs (3) and (4), respec-
6 tively; and

7 (iv) in paragraph (4), as so redesign-
8 ated, by striking “paragraph (4)” and in-
9 serting “paragraph (3)”;

10 (3) in section 3353(a)—

11 (A) by striking “ANNUAL” before “COM-
12 PLIANCE”;

13 (B) in paragraph (1), by striking “Each
14 fiscal year” and inserting “Not less frequently
15 than once every 3 fiscal years”;

16 (4) by striking section 3355; and

17 (5) by amending section 3357(d) to read as fol-
18 lows:

19 “(d) REPORTS.—For each fiscal year, the head of
20 each agency shall submit to Congress, in the report con-
21 taining the annual financial statement of the agency, a
22 report that includes the following:

23 “(1) The progress of the agency in—

24 “(A) implementing—

1 “(i) the financial and administrative
2 controls required to be established under
3 subsection (c);

4 “(ii) the fraud risk principles in the
5 standards established by the Government
6 Accountability Office in the Standards for
7 Internal Control in the Federal Govern-
8 ment (commonly known as the Green
9 Book); and

10 “(iii) the requirements in the Office of
11 Management and Budget Circular A-123
12 with respect to the leading practices for
13 managing fraud risk;

14 “(B) identifying fraud risks and
15 vulnerabilities, including with respect to payroll,
16 beneficiary payments, grants, large contracts,
17 and purchase and travel cards; and

18 “(C) establishing strategies, procedures,
19 and other steps to curb fraud.

20 “(2) In accordance with the report of the Gov-
21 ernment Accountability Office titled ‘Framework for
22 Managing Fraud Risks in Federal Programs,’ (pub-
23 lished on July 28, 2015) the following:

24 “(A) An identification of—

1 “(i) the entity of the agency and the
2 personnel of the entity dedicated to leading
3 the fraud risk management activities of the
4 agency;

5 “(ii) roles and responsibilities of the
6 personnel of such entity, including any pro-
7 gram or operation for which the personnel
8 is responsible for overseeing;

9 “(iii) capacity, including any limita-
10 tion, of such entity to strategically manage
11 fraud risks; and

12 “(iv) any program or operation for
13 which there is not personnel dedicated to
14 leading fraud risk management activities,
15 along with a detailed justification for why
16 the agency does not have an dedicated per-
17 sonnel to lead fraud risk management ac-
18 tivities.

19 “(B) The status of the fraud risk profiles
20 of each program and operation of the agency,
21 including—

22 “(i) the date on which the profiles
23 were last updated; and

24 “(ii) the date on which the agency
25 plans to next update the profile.

1 “(C) Any program or operation for which
2 there is not a fraud risk profile, along with a
3 detailed justification for why such program or
4 operation does not have a fraud risk profile.

5 “(D) The status of any anti-fraud strategy
6 for each program and operation of the agency,
7 including—

8 “(i) the date on which any such strat-
9 egy was last updated; and

10 “(ii) the date on which the agency
11 plans to next update each such strategy.

12 “(E) Any program or operation for which
13 there is not any anti-fraud strategy, along with
14 a detailed justification for why there is not any
15 anti-fraud strategy for such program or oper-
16 ation.”.

17 (b) RECOVERY OF COSTS.—Section 3806(g)(1) of
18 title 31, United States Code, is amended to read as fol-
19 lows:

20 “(1) RECOVERY OF COSTS.—

21 “(A) Except as provided in paragraph
22 (2)—

23 “(i) any amount collected under this
24 chapter or chapter 33 shall be used to re-
25 imburse any authority that obligated funds

1 in support of efforts of the authority to re-
2 duce or prevent improper payments or
3 fraud, including prosecution of the action,
4 any court or hearing costs, investments in
5 information technologies, or the hiring of
6 additional staff related to such efforts; and

7 “(ii) amounts reimbursed under
8 clause (i) shall—

9 “(I) be deposited in—

10 “(aa) the appropriations ac-
11 count of the authority from
12 which the funds described in sub-
13 paragraph (A) were obligated;

14 “(bb) any other similar ap-
15 propriations account of the au-
16 thority; or

17 “(cc) if the authority obli-
18 gated nonappropriated funds, an
19 appropriate account other than
20 any account under item (aa) or
21 (bb); and

22 “(II) remain available until ex-
23 pended.

24 “(B) Any amount remaining after reim-
25 bursements described in subparagraph (A) shall

1 be deposited as miscellaneous receipts in the
2 Treasury of the United States.”.

3 (c) DELEGATION TO FRAUD.—The Director of the
4 Office of Management and Budget shall delegate to the
5 Administrator of the FRAUD any function of the Director
6 under subchapter IV of chapter 33 of title 31, United
7 States Code, relating to the identification, analysis, and
8 reduction of improper payments and fraud.

9 **SEC. 5. TECHNICAL AND CONFORMING AMENDMENTS.**

10 (a) SECTION 3351.—Section 3351 of title 31, United
11 States Code, is amended—

12 (1) in paragraph (2)—

13 (A) in subparagraph (C), by striking “pro-
14 grams and activities identified” and inserting
15 “programs described under”;

16 (B) in subparagraph (F), by striking “sec-
17 tion 3352(c)” and inserting “section 3352(a)”;

18 (C) by striking subparagraphs (B), (D),
19 and (E); and

20 (D) by redesignating subparagraphs (C)
21 and (F) as subparagraphs (B) and (C) respec-
22 tively; and

23 (2) in paragraph (9), by striking “section
24 3352(i)” and inserting “section 3352(e)”.

1 (b) AMENDMENT TO TABLE OF CONTENTS.—The
2 table of contents for—

3 (1) subchapter I of chapter 5 of subtitle I of
4 title 31, United States Code, is amended by adding
5 at the end the following:

“Sec. 508. Federal Real Anti-fraud Unified Directorate.”; and

6 (2) subchapter IV of chapter 33 of subtitle III
7 of title 31, United States Code, is amended by—

8 (A) striking the item related to section
9 3355; and

10 (B) adding at the end the following new
11 item:

“Sec. 3359. Proactive analytics with respect to programs susceptible to significant improper payments.

“Sec. 3360. Anti-fraud controls for High-priority programs.”.

