

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 428
OFFERED BY MR. COMER OF KENTUCKY

Strike all after the enacting clause and insert the following:

1 **SEC. 1. SHORT TITLE.**

2 This Act may be cited as the “Bonuses for Cost-Cut-
3 ters and Fraud Preventers Act of 2025”.

4 **SEC. 2. COST SAVINGS ENHANCEMENTS.**

5 (a) DEFINITIONS.—Section 4511 of title 5, United
6 States Code, is amended—

7 (1) in the section heading, by striking “**Defi-**
8 **nition**” and inserting “**Definitions**”; and

9 (2) in subsection (a)—

10 (A) by striking the period at the end and
11 inserting a semicolon;

12 (B) by striking “this subchapter, the
13 term” and inserting the following: “this sub-
14 chapter—

15 “(1) the term”; and

16 (C) by adding at the end the following:

1 “(2) the terms ‘improper payment’ and ‘pay-
2 ment’ have the meanings given such terms, respec-
3 tively, in section 3351 of title 31; and

4 “(3) the term ‘wasteful expenses’ means
5 amounts made available for salaries and expenses
6 accounts, operations and maintenance accounts, or
7 other equivalent accounts—

8 “(A) that are identified by an employee of
9 the agency under section 4512(a) as wasteful;
10 and

11 “(B) that the Chief Financial Officer of
12 the agency determines are not required for the
13 purpose for which the amounts were made
14 available.”.

15 (b) AUTHORITY.—Section 4512 of title 5, United
16 States Code, is amended—

17 (1) in the heading, by inserting “**and im-**
18 **proper payment**” before “**disclosures**”;

19 (2) in subsection (a)—

20 (A) by striking “whose disclosure of fraud,
21 waste, or mismanagement to the Inspector Gen-
22 eral of the agency, or to such other designated
23 agency employee, has resulted in cost savings
24 for the agency” and inserting “whose disclosure
25 to the Inspector General of the agency, or to

1 such other designated agency employee, pre-
2 vents a payment that, if made, would be an im-
3 proper payment resulting in financial loss to the
4 Government. The head of an agency may pay a
5 cash award to any employee of such agency
6 whose identification of wasteful expenses to the
7 Chief Financial Officer of such agency, through
8 a process determined by the head of such agen-
9 cy, has resulted in cost savings for the agency
10 or prevented a payment that, if made, would be
11 an improper payment resulting in financial loss
12 to the Government.”;

13 (B) in paragraph (1) by striking
14 “\$10,000” and inserting “\$20,000”;

15 (C) in paragraph (2)—

16 (i) by inserting “or prevented im-
17 proper payments” after “cost savings”;

18 (ii) by inserting “Chief Financial Offi-
19 cer,” after “Inspector General,”;

20 (iii) by striking “subsection (b)” and
21 inserting “subsection (b) or (c), as applica-
22 ble,”; and

23 (iv) by inserting “or identification”
24 after “disclosure”; and

1 (D) in the matter following paragraph

2 (2)—

3 (i) by inserting “, Chief Financial Of-
4 ficer,” after “Inspector General”;

5 (ii) by inserting “or prevented im-
6 proper payments” after “cost savings”;

7 and

8 (iii) by inserting “or identification”
9 after “disclosure”; and

10 (3) by adding at the end the following:

11 “(c)(1) If the Chief Financial Officer of an agency
12 determines that potential wasteful expenses identified by
13 an employee meet the requirements of section
14 4511(a)(3)(B), the head of such agency shall notify the
15 President.

16 “(2) If the Chief Financial Officer of an agency de-
17 termines that a payment identified by an employee would,
18 if made, be an improper payment resulting in financial
19 loss to the Government, the head of such agency shall no-
20 tify the Secretary of the Treasury of such payment for
21 purposes of preventing similar improper payments.

22 “(3) In the case of an agency for which there is no
23 Chief Financial Officer, the head of the agency shall des-
24 ignate an agency employee who shall have the authority
25 to make the determinations for identification of wasteful

1 expenses or prevented improper payments under this sec-
2 tion.

3 “(d) The head of each agency shall make available,
4 along with, and in the same manner and form as, the pro-
5 vision of information required under section 1116 of title
6 31, information on disclosures of wasteful expenses or pre-
7 vented improper payments pursuant to which an award
8 was made under this section, including—

9 “(1) a description of each disclosure of possible
10 wasteful expenses or improper payments identified
11 by an employee and determined by the agency to
12 have merit; and

13 “(2) the number and amount of cash awards
14 provided by the agency under subsection (a).

15 “(e) An individual may not receive a cash award
16 under this subchapter if the individual is—

17 “(1) an officer or employee of the Office of the
18 Inspector General of an agency; or

19 “(2) ineligible for a cash award under section
20 4509.

21 “(f) The Director of the Office of Personnel Manage-
22 ment, in coordination with the Director of the Office of
23 Management and Budget and the Secretary of the Treas-
24 ury, shall—

1 “(1) ensure that the cash award program of
2 each agency under this section complies with this
3 section; and

4 “(2) submit to the Committee on Oversight and
5 Government Reform of the House of Representatives
6 and the Committee on Homeland Security and Gov-
7 ernmental Affairs of the Senate an annual certifi-
8 cation indicating whether the cash award program of
9 each agency under this section complies with this
10 section.

11 “(g) Not later than 3 years after the date of enact-
12 ment of the Bonuses for Cost-Cutters and Fraud Pre-
13 venters Act of 2025, and every 2 years thereafter for 4
14 years, the Comptroller General of the United States shall
15 submit to the Committee on Oversight and Government
16 Reform of the House of Representatives and the Com-
17 mittee on Homeland Security and Governmental Affairs
18 of the Senate a report on the operation of the cost savings
19 and awards program under this section, including any rec-
20 ommendations for legislative changes.”.

21 (c) OFFICE OF MANAGEMENT AND BUDGET GUID-
22 ANCE.—

23 (1) IN GENERAL.—Not later than six months
24 after the date of the enactment of this Act, the Di-
25 rector of the Office of Management and Budget, in

1 coordination with the Director of the Office of Per-
2 sonnel Management and the Secretary of the Treas-
3 ury, shall issue guidance to Federal agencies on im-
4 plementing the amendments made by this Act.

5 (2) CONTENTS.—The Director of the Office of
6 Management and Budget shall include in the guid-
7 ance required by paragraph (1) the following:

8 (A) Guidelines for employees of Federal
9 agencies to identify and report within the agen-
10 cy of such employee a wasteful expense or im-
11 proper payment.

12 (B) Guidelines for Federal agencies to
13 make a determination as to whether an identi-
14 fication of a wasteful expense or improper pay-
15 ment is appropriate.

16 (C) Guidelines for determining an appro-
17 priate cash award for an employee of a Federal
18 agency who identifies and reports a wasteful ex-
19 pense or improper payment, including any con-
20 siderations for such employee's grade, locality
21 pay, and other considerations that may factor
22 into the aggregate compensation limit applica-
23 ble to such employee in a given calendar year.

24 (D) Procedures for reporting actions taken
25 under the amendments made by this Act to the

1 Office of Management and Budget, the Depart-
2 ment of the Treasury, and the Office of Per-
3 sonnel Management, as appropriate.

4 (d) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect on the date that is one year
6 after the date of the enactment of this Act.

7 (e) TECHNICAL AND CONFORMING AMENDMENT.—
8 The table of sections for subchapter II of chapter 45 of
9 title 5, United States Code, is amended—

10 (1) by striking the item relating to section 4511
11 and inserting the following:

“4511. Definitions and general provisions.”; and

12 (2) by striking the item relating to section 4512
13 and inserting the following:

“4512. Agency awards for cost savings and improper payment disclosures.”.

Amend the long title to read as follows: “To amend title 5, United States Code, to enhance the authority under which Federal agencies may pay cash awards to employees for making cost saving and improper payment disclosures, and for other purposes.”

