

Calendar No. 478

116TH CONGRESS
2D SESSION

S. 2618

[Report No. 116–231]

To strengthen employee cost savings suggestions programs within the Federal Government.

IN THE SENATE OF THE UNITED STATES

OCTOBER 17, 2019

Mr. PAUL (for himself, Mr. BENNET, Mr. CORNYN, Ms. ERNST, Mr. LEE, Mr. PORTMAN, Mr. GARDNER, Mr. ENZI, and Mr. TOOMEY) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

JUNE 9, 2020

Reported by Mr. JOHNSON, with amendments

[Omit the part struck through and insert the part printed in *italic*]

A BILL

To strengthen employee cost savings suggestions programs within the Federal Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Bonuses for Cost-Cut-
5 ters Act of 2019”.

1 **SEC. 2. COST SAVINGS ENHANCEMENTS.**

2 (a) IN GENERAL.—

3 (1) DEFINITIONS.—Section 4511 of title 5,
4 United States Code, is amended—

5 (A) in the section heading, by striking
6 “**Definition**” and inserting “**Definitions**”;
7 and

8 (B) in subsection (a)—

9 (i) by striking “this subchapter, the
10 term” and inserting the following: “this
11 subchapter—

12 “(1) the term”;

13 (ii) by striking the period at the end
14 and inserting “; and”; and

15 (iii) by adding at the end the fol-
16 lowing:

17 “(2) the term ‘surplus salaries and expenses
18 funds’ means amounts made available for the sala-
19 ries and expenses account, or equivalent account, of
20 an agency—

21 “(A) that are identified by an employee of
22 the agency under section 4512(a) as unneces-
23 sary;

24 “(B) that the Inspector General of the
25 agency or other agency employee designated
26 under section 4512(b) determines are not re-

1 quired for the purpose for which the amounts
2 were made available;

3 “(C) that the Chief Financial Officer of
4 the agency determines are not required for the
5 purpose for which the amounts were made
6 available; and

7 “(D) the rescission of which would not be
8 detrimental to the full execution of the purposes
9 for which the amounts were made available.”.

10 (2) AUTHORITY.—Section 4512 of title 5,
11 United States Code, is amended—

12 (A) in subsection (a)—

13 (i) in the matter preceding paragraph
14 (1), by inserting “or identification of sur-
15 plus salaries and expenses funds” after
16 “mismanagement”;

17 (ii) in paragraph (2), by inserting “or
18 identification” after “disclosure”; and

19 (iii) in the matter following paragraph
20 (2), by inserting “or identification” after
21 “disclosure”; and

22 (B) by adding at the end the following:

23 “(c)(1) The Inspector General of an agency or other
24 agency employee designated under subsection (b) shall
25 refer to the Chief Financial Officer of the agency any po-

1 tential surplus salaries and expenses funds identified by
2 an employee that the Inspector General or other agency
3 employee determines ~~meets~~ *meet* the requirements under
4 subparagraphs (B) and (D) of section 4511(a)(2), along
5 with any recommendations of the Inspector General or
6 other agency employee.

7 “(2)(A) If the Chief Financial Officer of the agency
8 determines that potential surplus salaries and expenses
9 funds referred under paragraph (1) meet the requirements
10 under section 4511(a)(2), except as provided in subsection
11 (d), the head of the agency shall transfer the amount of
12 the surplus salaries and expenses funds from the applica-
13 ble appropriations account to the general fund of the
14 Treasury.

15 “(B) Any amounts transferred under subparagraph
16 (A) shall be deposited in the Treasury and used for deficit
17 reduction, except that in the case of a fiscal year for which
18 there is no Federal budget deficit, such amounts shall be
19 used to reduce the Federal debt (in such manner as the
20 Secretary of the Treasury considers appropriate).

21 “(3) The Inspector General or other agency employee
22 designated under subsection (b) for each agency and the
23 Chief Financial Officer for each agency shall issue stand-
24 ards and definitions for purposes of making determina-

1 tions relating to potential surplus salaries and expenses
2 funds identified by an employee under this subsection.

3 “(d)(1) The head of an agency may retain not more
4 than 10 percent of amounts to be transferred to the gen-
5 eral fund of the Treasury under subsection (c)(2).

6 “(2) Amounts retained by the head of an agency
7 under paragraph (1) may be—

8 “(A) used for the purpose of paying a cash
9 award under subsection (a) to one or more employ-
10 ees who identified the surplus salaries and expenses
11 funds; and

12 “(B) to the extent amounts remain after paying
13 cash awards under subsection (a), transferred or re-
14 programmed for use by the agency, in accordance
15 with any limitation on such a transfer or reprogram-
16 ming under any other provision of law.

17 “(e)(1) Not later than October 1 of each fiscal year,
18 the head of each agency shall submit to the Secretary of
19 the Treasury a report identifying the total savings
20 achieved during the previous fiscal year through disclo-
21 sures of possible fraud, waste, or mismanagement and
22 identifications of surplus salaries and expenses funds by
23 an employee.

1 “(2) Not later than September 30 of each fiscal year,
2 the head of each agency shall submit to the Secretary of
3 the Treasury a report that, for the previous fiscal year—

4 “(A) describes each disclosure of possible fraud,
5 waste, or mismanagement or identification of poten-
6 tially surplus salaries and expenses funds by an em-
7 ployee of the agency determined by the agency to
8 have merit; and

9 “(B) provides the number and amount of cash
10 awards *paid* by the agency under subsection (a).

11 “(3) The head of each agency shall include the infor-
12 mation described in paragraphs (1) and (2) in each budget
13 request of the agency submitted to the Office of Manage-
14 ment and Budget as part of the preparation of the budget
15 of the President submitted to Congress under section
16 1105(a) of title 31.

17 “(4) The Secretary of the Treasury shall submit to
18 the Committee on Appropriations of the Senate, the Com-
19 mittee on Appropriations of the House of Representatives,
20 and the Government Accountability Office an annual re-
21 port on Federal cost saving and awards based on the re-
22 ports submitted under paragraphs (1) and (2).

23 “(f) The Director of the Office of Personnel Manage-
24 ment shall—

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

3 “(2) submit to Congress an annual certification
4 indicating whether the cash award program of each
5 agency complies with this section.

6 “(g) Not later than 3 years after the date of enact-
7 ment of this subsection, and every 3 years thereafter, the
8 Comptroller General of the United States shall submit to
9 Congress a report on the operation of the cost savings and
10 awards program under this section, including any rec-
11 ommendations for legislative changes.”.

12 (3) TECHNICAL AND CONFORMING AMEND-
13 MENT.—The table of sections for subchapter II of
14 chapter 45 of title 5, United States Code, is amend-
15 ed by striking the item relating to section 4511 and
16 inserting the following:

“4511. Definitions and general provisions.”.

17 (4) SUNSET.—Effective 6 years after the date
18 of enactment of this Act—

19 (A) section 4511 of title 5, United States
20 Code, is amended—

21 (i) in the section heading, by striking
22 “**Definitions**” and inserting “**Defini-**
23 **tion**”; and

24 (ii) in subsection (a)—

1 (I) in paragraph (1), by striking
2 “; and” and inserting a period;

3 (II) by striking “this sub-
4 chapter—” and all that follows
5 through “the term ‘agency’ means”
6 and inserting “this subchapter, the
7 term ‘agency’ means”; and

8 (III) by striking paragraph (2);

9 (B) section 4512 of title 5, United States
10 Code, is amended—

11 (i) in subsection (a)—

12 (I) in the matter preceding para-
13 graph (1), by striking “or identifica-
14 tion of surplus salaries and expenses
15 funds”;

16 (II) in paragraph (2), by striking
17 “or identification”; and

18 (III) in the matter following
19 paragraph (2), by striking “or identi-
20 fication”; and

21 (ii) by striking subsections (c)
22 through (g); and

23 (C) the table of sections for subchapter II
24 of chapter 45 of title 5, United States Code, is

1 amended by striking the item relating to section
 2 4511 and inserting the following:

“4511. ~~Definitions~~*Definition* and general provisions.”.

3 (b) OFFICERS ELIGIBLE FOR CASH AWARDS.—

4 (1) IN GENERAL.—Section 4509 of title 5,
 5 United States Code, is amended to read as follows:

6 “§ 4509. **Prohibition of cash award to certain officers**

7 “(a) ~~DEFINITIONS~~*DEFINITION*.—In this section, the
 8 term ‘agency’—

9 “(1) has the meaning given that term under
 10 section 551(1); and

11 “(2) includes an entity described in section
 12 4501(1).

13 “(b) PROHIBITION.—An officer may not receive a
 14 cash award under this subchapter if the officer—

15 “(1) serves in a position at level I of the Execu-
 16 tive Schedule;

17 “(2) is the head of an agency; or

18 “(3) is a commissioner, board member, or other
 19 voting member of an independent establishment.”.

20 (2) TECHNICAL AND CONFORMING AMEND-
 21 MENT.—The table of sections for *supchapter I* of
 22 chapter 45 of title 5, United States Code, is amend-
 23 ed by striking the item relating to section 4509 and
 24 inserting the following:

“4509. Prohibition of cash award to certain officers.”.

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