

116TH CONGRESS  
1ST SESSION

# S. 2618

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

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 17, 2019

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

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## 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”.

6 **SEC. 2. COST SAVINGS ENHANCEMENTS.**

7 (a) IN GENERAL.—

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

1 (A) in the section heading, by striking  
 2 “**Definition**” and inserting “**Definitions**”;  
 3 and

4 (B) in subsection (a)—

5 (i) by striking “this subchapter, the  
 6 term” and inserting the following: “this  
 7 subchapter—

8 “(1) the term”;

9 (ii) by striking the period at the end  
 10 and inserting “; and”; and

11 (iii) by adding at the end the fol-  
 12 lowing:

13 “(2) the term ‘surplus salaries and expenses  
 14 funds’ means amounts made available for the sala-  
 15 ries and expenses account, or equivalent account, of  
 16 an agency—

17 “(A) that are identified by an employee of  
 18 the agency under section 4512(a) as unneces-  
 19 sary;

20 “(B) that the Inspector General of the  
 21 agency or other agency employee designated  
 22 under section 4512(b) determines are not re-  
 23 quired for the purpose for which the amounts  
 24 were made available;

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

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

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

10           (A) in subsection (a)—

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

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

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

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

21           “(c)(1) The Inspector General of an agency or other  
22           agency employee designated under subsection (b) shall  
23           refer to the Chief Financial Officer of the agency any po-  
24           tential surplus salaries and expenses funds identified by  
25           an employee that the Inspector General or other agency

1 employee determines meets the requirements under sub-  
2 paragraphs (B) and (D) of section 4511(a)(2), along with  
3 any recommendations of the Inspector General or other  
4 agency employee.

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

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

19 “(3) The Inspector General or other agency employee  
20 designated under subsection (b) for each agency and the  
21 Chief Financial Officer for each agency shall issue stand-  
22 ards and definitions for purposes of making determina-  
23 tions relating to potential surplus salaries and expenses  
24 funds identified by an employee under this subsection.

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

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

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

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

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

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

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

6           “(B) provides the number and amount of cash  
7           awards by the agency under subsection (a).

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

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

20          “(f) The Director of the Office of Personnel Manage-  
21          ment shall—

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

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

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

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

“4511. Definitions and general provisions.”.

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

17                   (A) section 4511 of title 5, United States  
18                   Code, is amended—

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

22                           (ii) in subsection (a)—

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

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

6 (III) by striking paragraph (2);

7 (B) section 4512 of title 5, United States  
 8 Code, is amended—

9 (i) in subsection (a)—

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

14 (II) in paragraph (2), by striking  
 15 “or identification”; and

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

19 (ii) by striking subsections (c)  
 20 through (g); and

21 (C) the table of sections for subchapter II  
 22 of chapter 45 of title 5, United States Code, is  
 23 amended by striking the item relating to section  
 24 4511 and inserting the following:

“4511. Definition and general provisions.”.

25 (b) OFFICERS ELIGIBLE FOR CASH AWARDS.—



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

3   **“§ 4509. Prohibition of cash award to certain officers**

4       “(a) DEFINITIONS.—In this section, the term ‘agen-  
5   cy’—

6           “(1) has the meaning given that term under  
7       section 551(1); and

8           “(2) includes an entity described in section  
9       4501(1).

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

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

14           “(2) is the head of an agency; or

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

17       (2) TECHNICAL AND CONFORMING AMEND-  
18   MENT.—The table of sections for chapter 45 of title  
19   5, United States Code, is amended by striking the  
20   item relating to section 4509 and inserting the fol-  
21   lowing:

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

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