

# Union Calendar No. 707

114<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 1576

**[Report No. 114–695, Part I]**

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2015

Referred to the Committee on Oversight and Government Reform

JULY 21, 2016

Reported and referred to the Committee on the Judiciary for a period ending not later than December 31, 2016, for consideration of such provisions of the bill as fall within that committee's jurisdiction under clause 1(I) of Rule X

DECEMBER 30, 2016

The Committee on the Judiciary discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

# **A BILL**

To amend title 5, United States Code, to prevent fraud  
by representative payees.

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 “Representative Payee  
 5       Fraud Prevention Act of 2015”.

6       **SEC. 2. REPRESENTATIVE PAYEE FRAUD.**

7       (a) IN GENERAL.—

8               (1) CSRS.—Subchapter III of chapter 83 of  
 9       title 5, United States Code, is amended by inserting  
 10      after section 8345 the following:

11     **“§ 8345a. Embezzlement or conversion of payments**

12       “(a) IN GENERAL.—It shall be unlawful for any per-  
 13      son that is authorized by the Office under section 8345(e)  
 14      to receive payments on behalf of a minor or an individual  
 15      mentally incompetent or under other legal disability to em-  
 16      bezzle or in any manner convert all or any part of the  
 17      amounts received from such payments to a use other than  
 18      for the use and benefit of such minor or individual.

19       “(b) PENALTY.—Any person who violates subsection  
 20      (a) shall be fined under title 18, imprisoned for not more  
 21      than 5 years, or both.

22       “(c) PRIMA FACIE EVIDENCE.—Any willful neglect  
 23      or refusal to make and file proper accountings or reports  
 24      concerning the amounts received from payments author-  
 25      ized under section 8345(e) as required by law shall be

1 taken to be sufficient evidence prima facie of the embezzle-  
 2 ment or conversion of such amounts.”.

3 (2) FERS.—Subchapter VI of chapter 84 of  
 4 title 5, United States Code, is amended by inserting  
 5 after section 8466 the following:

6 **“§ 8466a. Embezzlement or conversion of payments**

7 “(a) IN GENERAL.—It shall be unlawful for any per-  
 8 son that is authorized by the Office under section 8466(c)  
 9 to receive payments on behalf of a minor or an individual  
 10 mentally incompetent or under other legal disability to em-  
 11 bezzle or in any manner convert all or any part of the  
 12 amounts received from such payments to a use other than  
 13 for the use and benefit of such minor or individual.

14 “(b) PENALTY.—Any person who violates subsection  
 15 (a) shall be fined under title 18, imprisoned for not more  
 16 than 5 years, or both.

17 “(c) PRIMA FACIE EVIDENCE.—Any willful neglect  
 18 or refusal to make and file proper accountings or reports  
 19 concerning the amounts received from payments author-  
 20 ized under section 8466(c) as required by law shall be  
 21 taken to be sufficient evidence prima facie of the embezzle-  
 22 ment or conversion of such amounts.”.

23 (3) TECHNICAL AND CONFORMING AMEND-  
 24 MENTS.—

1           (A) The table of sections for chapter 83 of  
 2           title 5, United States Code, is amended by in-  
 3           serting after the item relating to section 8345  
 4           the following:

“8345a. Embezzlement or conversion of payments.”.

5           (B) The table of sections for chapter 84 of  
 6           title 5, United States Code, is amended by in-  
 7           serting after the item relating to section 8466  
 8           the following:

“8466a. Embezzlement or conversion of payments.”.

9           (b) LIMITATIONS ON APPOINTMENTS OF REP-  
 10          RESENTATIVE PAYEES.—

11          (1) CSRS.—Section 8345 of title 5, United  
 12          States Code, is amended by inserting after sub-  
 13          section (e) the following:

14          “(f) The Office may not authorize a person to receive  
 15          payments on behalf of a minor or individual of legal dis-  
 16          ability under subsection (e) if that person has been con-  
 17          victed of a violation of—

18               “(1) section 8345a or 8466a;

19               “(2) section 208 or 1632 of the Social Security  
 20          Act (42 U.S.C. 408 and 1383a); or

21               “(3) section 6101 of title 38, United States  
 22          Code.”.

1           (2) FERS.—Section 8466 of title 5, United  
2       States Code, is amended by adding at the end the  
3       following:

4       “(d) The Office may not authorize a person to receive  
5       payments on behalf of a minor or individual of legal dis-  
6       ability under subsection (c) if that person has been con-  
7       victed of a violation of—

8           “(1) section 8345a or 8466a;

9           “(2) section 208 or 1632 of the Social Security  
10      Act (42 U.S.C. 408 and 1383a); or

11          “(3) section 6101 of title 38, United States  
12      Code.”.



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