

Union Calendar No. 597

119TH CONGRESS
2^D SESSION

H. R. 8464

[Report No. 119–684]

To amend title 31, United States Code, to authorize pausing and segmenting payments, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2026

Mr. COMER (for himself and Mr. ARRINGTON) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

JUNE 3, 2026

Additional sponsor: Mr. CALVERT

JUNE 3, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on April 23, 2026]

A BILL

To amend title 31, United States Code, to authorize pausing
and segmenting payments, and for other purposes.

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 “Stopping Fraudulent*
 5 *Payments Act”.*

6 **SEC. 2. AUTHORITY TO PAUSE PAYMENTS FOR FURTHER**
 7 **REVIEW AND CORRECTIVE ACTION.**

8 *(a) TREASURY PAYMENT VOUCHER WAIVER AUTHOR-*
 9 *ITY.—*

10 *(1) AMENDMENT.—Subchapter II of chapter 33*
 11 *of title 31, United States Code, is amended by adding*
 12 *at the end the following:*

13 **“§3337. Authority to pause payments for further re-**
 14 **view and corrective action**

15 **“(a) AGENCY OBLIGATION TO PAUSE DISBURSEMENT**
 16 **REQUESTS FOR CORRECTIVE ACTION.—***The head of an*
 17 *agency shall take a corrective action to temporarily delay,*
 18 *condition, or segment a disbursement request before the cer-*
 19 *tification of a payment voucher under section 3325 if, as*
 20 *determined by an official designated by the head of the*
 21 *agency, the agency—*

22 *“(1) has sufficient reason to determine that the*
 23 *payment presents an elevated risk of fraud based on*
 24 *a fraud-risk indicator or an improper payment re-*
 25 *sulting in financial loss to the Government as esti-*

1 *mated under the requirements of section 3352 in ac-*
2 *cordance with the statutorily-defined eligibility re-*
3 *quirements or other legally-established condition of*
4 *the program for a payee to be eligible to receive pay-*
5 *ment;*

6 *“(2) has sufficient reason to determine, based on*
7 *a notification by the relevant State or local govern-*
8 *ment official in the case of a payment from Federal*
9 *funds disbursed by a State or local government under*
10 *a State-administered and federally-funded program,*
11 *that the payment presents an elevated risk of fraud*
12 *based on a fraud-risk indicator or an improper pay-*
13 *ment resulting in financial loss to the Government as*
14 *estimated under the requirements of section 3352 in*
15 *accordance with the statutorily-defined eligibility re-*
16 *quirements or other legally-established condition of*
17 *the program for a payee to be eligible to receive pay-*
18 *ment; or*

19 *“(3) has been notified of an order from the Sec-*
20 *retary of the Treasury described under subsection (b).*

21 *“(b) TREASURY OBLIGATION TO RETURN PAYMENT*
22 *VOUCHER AND ISSUE CORRECTIVE ACTION ORDER.—Ex-*
23 *cept where otherwise required by law, the Secretary shall*
24 *promptly notify the relevant certifying official of an order*
25 *to return a certified payment voucher submitted to a dis-*

1 *bursing official under section 3325 and issue a corrective*
 2 *action order to the head of an agency not later than 2 days*
 3 *after the Secretary makes a determination that in accord-*
 4 *ance with the statutorily-defined eligibility requirements or*
 5 *other legally-established condition of the program for a*
 6 *payee to be eligible to receive payment that such payment*
 7 *presents an elevated risk of fraud based on a fraud-risk in-*
 8 *dicator or an improper payment resulting in financial loss*
 9 *to the Government based on an output of the Do Not Pay*
 10 *system under section 3354.*

11 *“(c) AGENCY DOCUMENTATION AND TIME-LIMITED*
 12 *CORRECTIVE ACTION.—An action taken by the head of an*
 13 *agency under subsection (a) shall—*

14 *“(1) be based on an objective, documented fraud-*
 15 *risk indicator;*

16 *“(2) be narrowly applied to the portion of the*
 17 *payment presenting the elevated risk; and*

18 *“(3) be limited in duration to the minimum pe-*
 19 *riod necessary, as determined by the head of the agen-*
 20 *cy, to verify eligibility of the payee or accuracy of the*
 21 *payment per any program requirement associated*
 22 *with the payment or as stipulated under law.*

23 *“(d) PAYEE NOTIFICATION AND TIME LIMIT OF*
 24 *PAUSED DISBURSEMENT REQUESTS.—With respect to a*
 25 *disbursement request that has been delayed, conditioned, or*

1 *segmented pursuant to subsection (a) or a payment voucher*
2 *that is returned pursuant subsection (b), the head of the*
3 *agency shall take the following actions:*

4 “(1) Promptly provide to the payee (not later
5 than 2 days after a determination under subsection
6 (a) or a notification to the agency under subsection
7 (b)), as appropriate, and for a case in which the pay-
8 ment from Federal funds disbursed by a State or local
9 government under a State-administered and federally-
10 funded program also provides to such relevant State
11 or local government official, a notification that—

12 “(A) a disbursement has been temporarily
13 paused, conditioned, or segmented;

14 “(B) identifies the nature of the fraud-risk
15 indicator or improper payment relied upon by
16 the agency to make the corrective action deter-
17 mination under subsection (a) or notification to
18 the agency under subsection (b); and

19 “(C) outlines the process for the corrective
20 action review period.

21 “(2) Use a process tailored to the specific re-
22 quirements and design of the agency program for a
23 payee, or the State or local government described
24 under paragraph (1), to contest any factual inaccu-

1 *racy or provide clarifying information during the*
2 *corrective action review period.*

3 *“(3) Issue such payment not later than 30 days*
4 *after a determination to take a corrective action is*
5 *made by the head of the agency under subsection (a)*
6 *or the agency was notified by the Secretary under*
7 *subsection (b) of a corrective action order, but not*
8 *later than 7 days after the date on which the payee*
9 *contests the corrective action under the process estab-*
10 *lished pursuant to paragraph (2), if the head of the*
11 *agency determines that the payment does not present*
12 *an elevated risk of fraud or an improper payment re-*
13 *sulting in financial loss to the Government.*

14 *“(e) SEGMENTATION OF LOW-RISK PAYMENTS.—To the*
15 *maximum extent practicable, the head of each agency shall*
16 *allow a routine, historically consistent payment amount to*
17 *proceed while temporarily holding an anomalous, unusu-*
18 *ally large, or high-risk portion of a payment, or class of*
19 *payments, pending review and resolution of an agency cor-*
20 *rective action determination under subsection (a) or a cor-*
21 *rective action order under subsection (b).*

22 *“(f) EXEMPTIONS FOR LAW ENFORCEMENT ACTIVI-*
23 *TIES.—The head of an agency, in consultation with the Sec-*
24 *retary and the Attorney General, may waive any provision*
25 *in this section on a case-by-case basis if notified of or in-*

1 *structed by a Federal law enforcement authority, including*
2 *an agency Inspector General, that the action will jeopardize*
3 *an active criminal investigation or legal proceeding related*
4 *to an effort to defraud the Federal Government or violate*
5 *sections 3729 through 3733 of title 31 (commonly known*
6 *as the ‘False Claims Act’).*

7 “(g) *LIMITATION OF LIABILITY.*—No officer or em-
8 *ployee of the Federal Government shall be personally liable*
9 *for an action taken in good faith under this section. An*
10 *action taken under this section may not constitute a final*
11 *determination of eligibility, liability, or wrongdoing on the*
12 *part of a payee.*

13 “(h) *RULE OF CONSTRUCTION FOR PROGRAM AU-*
14 *THORIZING STATUTE.*—Nothing in this section may be con-
15 *strued to supersede any other provision of law with respect*
16 *to any statute that authorizes the payment or program the*
17 *payment is made under.*

18 “(i) *REGULATIONS.*—Not later than 180 days after the
19 *date of the enactment of this section, and annually there-*
20 *after, the Secretary, in consultation with the Director, shall*
21 *issue regulations and establish procedures to administer the*
22 *requirements of this section that shall be published in the*
23 *Federal Register that, at a minimum, specify the following:*

1 “(1) *The minimum seniority of an agency offi-*
2 *cial designated under subsection (a) authorized to*
3 *make a determination to issue a corrective action.*

4 “(2) *The procedures by which the Secretary of*
5 *the Treasury will use the Do Not Pay system under*
6 *section 3354 to make a determination under sub-*
7 *section (b) in accordance with the statutorily-defined*
8 *eligibility requirements or other legally-established*
9 *condition of a program for a payee to be eligible to*
10 *receive payment.*

11 “(3) *The procedure for an agency to dispute an*
12 *order to return a certified payment voucher and ap-*
13 *peal a related corrective action order under subsection*
14 *(b) to the Fiscal Assistant Secretary, which shall at*
15 *a minimum include a requirement for the agency to*
16 *receive a response not later than five days after mak-*
17 *ing such a dispute or appeal to the Department of the*
18 *Treasury.*

19 “(4) *The minimum information requirements of*
20 *a notification required under subsection (d)(1).*

21 “(j) *DEFINITIONS.—In this section:*

22 “(1) *DIRECTOR.—The term ‘Director’ means the*
23 *Director of the Office of Management and Budget.*

24 “(2) *FRAUD-RISK INDICATOR.—The term ‘fraud-*
25 *risk indicator’ means an objective data point or ana-*

1 *lytic signal that indicates an anomalous payment*
 2 *pattern or increase in the volume of a payment*
 3 *amount, a verified data mismatch, network or behav-*
 4 *ioral anomaly, or match identified by the Do Not Pay*
 5 *system under section 3354 and any payment, ac-*
 6 *count, or payee validation program or service admin-*
 7 *istered by the Secretary that would result in financial*
 8 *loss to the Government.*

9 “(3) *ROUTINE, HISTORICALLY CONSISTENT PAY-*
 10 *MENT AMOUNT.*—*The term ‘routine, historically con-*
 11 *sistent payment amount’ means a payment amount*
 12 *that is consistent with previous payment history of*
 13 *the payee, established program use patterns, or other*
 14 *objective benchmarks determined by the certifying*
 15 *agency.*

16 “(4) *SECRETARY.*—*The term ‘Secretary’ means*
 17 *the Secretary of the Treasury.”.*

18 (2) *TECHNICAL AND CONFORMING AMEND-*
 19 *MENT.*—*The table of sections for chapter 33 of title*
 20 *31, United States Codes, is amended by inserting*
 21 *after the item for section 3336 the following:*

“3337. Authority to pause payments for further review and corrective ac-
tion.”.

22 (b) *REQUIREMENTS AND AUTHORITIES OF PAYMENT*
 23 *DISBURSING OFFICIALS.*—*Paragraph (3) of section 3325(a)*
 24 *of title 31, United States Code, is amended—*

1 (1) by inserting “, compliance with an order to
2 pause a payment pursuant to section 3337(b),” after
3 “except for the correctness of computations on a
4 voucher”; and

5 (2) by striking “,” and inserting a comma.

6 (c) *RELIEF OF ACCOUNTABLE OFFICERS*.—Section
7 3527 of title 31, United States Code, is amended—

8 (1) in subsection (a)(2), by inserting after “the
9 loss or deficiency was not the result of an illegal or
10 incorrect payment” the following: “, or was made as
11 a result of a good faith effort to comply with the re-
12 quirements of section 3337”; and

13 (2) in subsection (b)(1)(A)(ii), by inserting after
14 “the loss or deficiency was not the result of an illegal
15 or incorrect payment” the following: “, or was made
16 as a result of a good faith effort to comply with the
17 requirements of section 3337”.

18 (d) *REQUIREMENTS AND AUTHORITIES OF PAYMENT*
19 *CERTIFYING OFFICIALS*.—Subsection (a) of section 3528 of
20 title 31, United States Code, is amended—

21 (1) in paragraph (4)(C), by striking “; and” and
22 inserting a semicolon;

23 (2) in paragraph (5), by striking the period at
24 the end and inserting “; and”; and

25 (3) by adding at the end the following

1 “(6) *complying with an order to take a correc-*
 2 *tive action to temporarily delay, condition, or seg-*
 3 *ment a disbursement request pursuant to section*
 4 *3337.”.*

5 *(e) RELIEF OF CERTIFYING OFFICIALS.—Subsection*
 6 *(b)(1) of section 3528 of title 31, United States Code—*

7 *(1) in subparagraph (A), by striking “; or” and*
 8 *inserting a semicolon;*

9 *(2) in subparagraph (B)(iii), by striking the pe-*
 10 *riod at the end and inserting “; or”; and*

11 *(3) by inserting at the end the following new*
 12 *subparagraph:*

13 “(C) *the certification was made as a result of a*
 14 *good faith effort to comply with the requirements of*
 15 *section 3337.”.*

16 *(f) REPORT ON RESULTS OF PAYMENTS PAUSED FOR*
 17 *FURTHER REVIEW AND CORRECTIVE ACTION.—Not later*
 18 *than 18 months after the date of the enactment of this Act,*
 19 *and annually thereafter, the Secretary of the Treasury shall*
 20 *submit to the Director of the Office of Management and*
 21 *Budget, the Committees on Appropriations of the Senate*
 22 *and the House of Representatives, the Committee on Home-*
 23 *land Security and Governmental Affairs of the Senate, and*
 24 *the Committee on Oversight and Government Reform of the*
 25 *House of Representatives, a report on the following:*

1 (1) *The total number of orders to return a cer-*
2 *tified payment voucher submitted to a disbursing offi-*
3 *cial under section 3325 of title 31, United States*
4 *Code, and corrective action orders issued to the head*
5 *of an agency under the authorities provided by sec-*
6 *tion 3337(b) of such title, as added by this section.*

7 (2) *The percentage of such payments that are*
8 *issued by the agency, including by successful contesta-*
9 *tions filed by the recipient or payee with the agency,*
10 *and recommendations to mitigate such errors in the*
11 *fraud-risk indicators of the Department of the Treas-*
12 *ury in the future.*

13 (3) *The total savings to the Federal Government*
14 *in payments determined to be fraudulent or result in*
15 *financial loss to the Government under the authorities*
16 *provided by subsections (a) and (b) of section 3337 of*
17 *title 31, United States Code, as added by this section.*

18 (4) *Any necessary policy, regulatory, or legisla-*
19 *tive recommendations related to the authorities and*
20 *requirements under section of section 3337 of title 31,*
21 *United States Code, as added by this section, or other*
22 *relevant law.*

23 (g) *EFFECTIVE DATE.*—*The amendments made by this*
24 *section shall take effect 1 year after the date of the enact-*
25 *ment of this Act.*

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[Report No. 119-684]

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JUNE 3, 2026

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