

Calendar No. 452

119TH CONGRESS
2D SESSION**S. 4952**

To combat fraud in Federal programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 13, 2026

Ms. ERNST introduced the following bill; which was read the first time

JULY 14, 2026

Read the second time and placed on the calendar

A BILL

To combat fraud in Federal programs, 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 “Protecting American
5 Taxpayers Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

DIVISION A—RECOVERING STOLEN FUNDS

TITLE I—IMPROPER PAYMENTS

- Sec. 1101. Short title.
- Sec. 1102. Preventing fraud in child care services.
- Sec. 1103. Identifying fraud in health care services.
- Sec. 1104. Recovering improper payments.

TITLE II—ASSISTING SMALL BUSINESSES NOT FRAUDSTERS

- Sec. 1201. Short title.
- Sec. 1202. Assistance prohibited after fraud conviction.

TITLE III—WELFARE ABUSE AND LAUNDERING ZILLIONS

- Sec. 1301. Short title.
- Sec. 1302. Requiring investigations of certain payment increases under State programs funded by the Department of Health and Human Services.

TITLE IV—RETURNING UNSPENT COVID FUNDS

- Sec. 1401. Short title.
- Sec. 1402. Rescission of unused COVID funding.

TITLE V—BONUSES FOR COST-CUTTERS

- Sec. 1501. Short title.
- Sec. 1502. Cost savings enhancements.

TITLE VI—IMPROPER PAYMENTS TRANSPARENCY

- Sec. 1601. Short title.
- Sec. 1602. Including improper payment information in President’s budget submission.

DIVISION B—PROTECTING TAXPAYERS

TITLE I—STRENGTHENING TANF PROGRAM INTEGRITY

- Sec. 2101. Strengthening program integrity by measuring improper payments.
- Sec. 2102. Prohibition on State diversion of Federal funds to replace State spending.
- Sec. 2103. Aligning and improving data reporting.
- Sec. 2104. Technical corrections to data exchange standards to improve program coordination.

TITLE II—RESTRICTION ON UNITED STATES ASSISTANCE FOR FOREIGN AGENTS

- Sec. 2201. Short title.
- Sec. 2202. Definitions.
- Sec. 2203. Restriction on United States financial assistance.
- Sec. 2204. Rule of construction.

TITLE III—OPPOSING INTERNATIONAL SUPPORT FOR THE TALIBAN

- Sec. 2301. Short title.

- Sec. 2302. Strategy to oppose foreign assistance by foreign countries and non-governmental organizations to the Taliban.
- Sec. 2303. Report on direct cash assistance programs in Afghanistan.
- Sec. 2304. Report on status of Afghan Fund.
- Sec. 2305. Sense of Congress opposing activities that support the Taliban or normalize diplomatic relations with the Taliban.
- Sec. 2306. Defined term.

DIVISION C—CATCHING FRAUDSTERS

TITLE I—PREVENTING DEEP FAKE SCAMS

- Sec. 3101. Short title.
- Sec. 3102. Findings.
- Sec. 3103. Report.

TITLE II—SBA FRAUD ENFORCEMENT EXTENSION ACT

- Sec. 3201. Short title.
- Sec. 3202. Statute of limitations for certain programs.

TITLE III—RECOVER FRAUDULENT COVID FUNDS

- Sec. 3301. Short title.
- Sec. 3302. Statute of limitations for violations relating to pandemic-era programs.

TITLE IV—FRAUD ALERT SYSTEMS

- Sec. 3401. Short title.
- Sec. 3402. Mandatory reporting and verification of payment information.
- Sec. 3403. Data access for purposes of program integrity.

TITLE V—STOPPING TRANSFERS OF PUBLIC FUNDS ABROAD

- Sec. 3501. Short title.
- Sec. 3502. Prohibiting individuals receiving public assistance from conducting remittance transfers.

TITLE VI—VETERANS SCAM AND FRAUD EVASION ACT OF 2026

- Sec. 3601. Short title.
- Sec. 3602. Veterans Scam and Fraud Evasion Officer.

TITLE VII—EXPANDING WHISTLEBLOWER PROTECTIONS FOR CONTRACTORS ACT OF 2026

- Sec. 3701. Short title.
- Sec. 3702. Defense contractor employees: protection from reprisal for disclosure of certain information.
- Sec. 3703. Enhancement of non-defense contractor protection from reprisal for disclosure of certain information.

DIVISION D—SEVERABILITY

- Sec. 4101. Severability.

1 **DIVISION A—RECOVERING**
 2 **STOLEN FUNDS**
 3 **TITLE I—IMPROPER PAYMENTS**

4 **SEC. 1101. SHORT TITLE.**

5 This title may be cited as the “Stop Fraud Before
 6 Payment Act”.

7 **SEC. 1102. PREVENTING FRAUD IN CHILD CARE SERVICES.**

8 (a) STATE PLAN.—Section 658E of the Child Care
 9 and Development Block Grant Act of 1990 (42 U.S.C.
 10 9858c) is amended—

11 (1) in subsection (c)(2), by adding by striking
 12 subparagraph (S) and inserting the following:

13 “(S) ATTENDANCE-BASED BILLING.—The
 14 plan shall include an assurance that the lead
 15 agency will provide payment under this sub-
 16 chapter to a child care provider based on re-
 17 corded attendance, rather than enrollment
 18 alone, in the program of the provider.”; and

19 (2) by adding at the end the following:

20 “(e) TIMING OF PAYMENT.—Nothing in this sub-
 21 chapter shall be construed to require a lead agency to
 22 make a payment to a child care provider prior to the provi-
 23 sion of child care services. The lead agency shall make
 24 a payment under this subchapter to such a provider as

1 reimbursement, in a timely manner, and on the basis of
 2 the provider’s provision of child care services.”.

3 (b) AUDITS.—Section 658K of the Child Care and
 4 Development Block Grant Act of 1990 (42 U.S.C. 9858i)
 5 is amended by adding at the end the following:

6 “(c) FEDERAL AUDITS.—Each child care provider
 7 that receives a payment under this subchapter shall pre-
 8 pare a record of attendance in the provider’s program and
 9 of the provider’s provision of child care services, and main-
 10 tain the record for a period of 7 years after the date of
 11 preparation of such record. The provider shall make such
 12 records available for audits by the Secretary, the Attorney
 13 General, and the Comptroller General of the United
 14 States.”.

15 **SEC. 1103. IDENTIFYING FRAUD IN HEALTH CARE SERV-**
 16 **ICES.**

17 (a) MEDICARE.—

18 (1) IN GENERAL.—The Secretary of Health and
 19 Human Services shall, not later than 60 days after
 20 making a determination described in paragraph (2),
 21 notify the Inspector General of the Department of
 22 Health and Human Services of such determination.

23 (2) DETERMINATION.—A determination de-
 24 scribed in this paragraph is a determination that—

1 (A) the aggregate amount paid under the
 2 Medicare program under title XVIII of the So-
 3 cial Security Act (42 U.S.C. 1395 et seq.) for
 4 an item or service or items or services in a zip
 5 code and county or county equivalent increased
 6 by more than 100 percent in a single year; or

7 (B) the number of provider of services or
 8 suppliers (as those terms are defined under sec-
 9 tion 1861 of the Social Security Act (42 U.S.C.
 10 1395x)) who received payment for items or
 11 services furnished under the Medicare program
 12 increased in a zip code and county or county
 13 equivalent by more than 100 percent in a single
 14 year.

15 (b) QUALIFIED HEALTH PLANS UNDER THE AMER-
 16 ICAN HEALTH BENEFIT EXCHANGES.—

17 (1) IN GENERAL.—The Secretary of Health and
 18 Human Services shall, not later than 60 days after
 19 making a determination described in paragraph (2),
 20 notify the Inspector General of the Department of
 21 Health and Human Services of such determination.

22 (2) DETERMINATION.—A determination de-
 23 scribed in this paragraph is a determination that—

24 (A) the aggregate amount paid under all
 25 qualified health plans offered through the

1 American Health Benefit Exchanges established
2 under sections 1311 and 1321 of the Patient
3 Protection and Affordable Care Act (42 U.S.C.
4 18031, 18041) for an item or service or items
5 or services in a zip code and county or county
6 equivalent increased by more than 100 percent
7 in a single year; or

8 (B) the number of providers of services
9 who received payment for items or services
10 under such qualified health plans increased in a
11 zip code and county or county equivalent by
12 more than 100 percent in a single year.

13 (3) REQUIREMENT TO SUBMIT CERTAIN INFOR-
14 MATION.—Annually, each American Health Benefit
15 Exchange established under section 1311 or 1321 of
16 the Patient Protection and Affordable Care Act (42
17 U.S.C. 18031, 18041) shall collect from each quali-
18 fied health plan offered through such an Exchange,
19 and submit to the Secretary of Health and Human
20 Services, the information necessary for the Secretary
21 to make a determination described in paragraph (2).

22 (c) MEDICAID AND CHIP.—

23 (1) MEDICAID.—Section 1902 of the Social Se-
24 curity Act (42 U.S.C. 1396a) is amended—

25 (A) in subsection (a)—

1 (i) in paragraph (88), by striking “;
2 and” and inserting a semicolon;

3 (ii) in paragraph (89), by striking the
4 period at the end and inserting “; and”;
5 and

6 (iii) by adding after paragraph (89)
7 the following new paragraph:

8 “(90) provide that, not later than 60 days after
9 making a determination described in subsection (yy),
10 the State agency shall notify the Secretary and the
11 Inspector General of the Department of Health and
12 Human Services of such determination.”; and

13 (B) by adding at the end the following new
14 subsection:

15 “(yy) DETERMINATION OF CERTAIN INCREASED
16 PAYMENTS OR PROVIDERS IN A SINGLE YEAR.—For pur-
17 poses of subsection (a)(90), a determination described in
18 this subsection is a determination that—

19 “(1) the aggregate amount paid under the
20 State plan under this title, or under a waiver of such
21 plan, for an item or service or items or services in
22 a zip code and county or county equivalent increased
23 by more than 100 percent in a single year; or

24 “(2) the number of providers of items or serv-
25 ices who received payments for items or services fur-

1 nished in a zip code and county or county equivalent
 2 under such State plan or waiver increased by more
 3 than 100 percent in a single year.”.

4 (2) CHIP.—Section 2107(e)(1) of the Social
 5 Security Act (42 U.S.C. 1397gg(e)(1)) is amended
 6 by—

7 (A) redesignating subparagraphs (I)
 8 through (W) as subparagraphs (J) through (X),
 9 respectively; and

10 (B) inserting after subparagraph (H) the
 11 following subparagraph:

12 “(I) Subsections (a)(90) and (yy) of sec-
 13 tion 1902 (relating to determination of certain
 14 increased payments or providers in a single year
 15 and notification to the Secretary and the In-
 16 spector General of Health and Human Serv-
 17 ices).”.

18 (d) AUDIT BY THE INSPECTOR GENERAL OF HEALTH
 19 AND HUMAN SERVICES.—Not later than 5 years after the
 20 date of enactment of this Act, and annually thereafter,
 21 the Inspector General of Health and Human Services
 22 shall—

23 (1) identify, based on the results of any notifi-
 24 cations received under subsection (a) or (b), or
 25 under section 1902(a)(90) of the Social Security Act

1 (42 U.S.C. 1396a(a)(90)) or section 2107(e)(1)(I) of
 2 such Act (42 U.S.C. 1397gg(e)(1)(I)), any program
 3 or State plan or waiver (in the case of Medicaid and
 4 the State Children's Health Insurance Program)
 5 under which the aggregate amount paid for an item
 6 or service or items or services in a zip code and
 7 county or county equivalent or the number of pro-
 8 viders of items or services or suppliers, as applicable,
 9 who received payments for items or services fur-
 10 nished in a zip code and county or county equivalent
 11 increased by at least 400 percent during the pre-
 12 ceding 5-year period; and

13 (2) audit any such program, State plan, or
 14 waiver.

15 (e) EFFECTIVE DATE.—

16 (1) MEDICARE.—Subsection (a) shall take ef-
 17 fect on the date that is 180 days after the date of
 18 enactment of this Act.

19 (2) QUALIFIED HEALTH PLANS UNDER THE
 20 AMERICAN HEALTH BENEFIT EXCHANGES.—Sub-
 21 section (b) shall take effect on the date that is 180
 22 days after the date of enactment of this Act.

23 (3) MEDICAID AND CHIP.—

24 (A) IN GENERAL.—Except as provided in
 25 subparagraph (B), the amendments made by

1 subsection (c) shall take effect on the date that
2 is 180 days after the date of enactment of this
3 Act.

4 (B) DELAY PERMITTED IF STATE LEGISLA-
5 TION REQUIRED.—In the case of a State plan
6 approved under title XIX of the Social Security
7 Act (42 U.S.C. 1396 et seq.) or title XXI of
8 such Act (42 U.S.C. 1397aa et seq.) which the
9 Secretary of Health and Human Services deter-
10 mines requires State legislation (other than leg-
11 islation appropriating funds) in order for the
12 plan to meet the additional requirements im-
13 posed by the amendments made by subsection
14 (c), the State plan shall not be regarded as fail-
15 ing to comply with the requirements of such
16 title XIX or XXI (as applicable) solely on the
17 basis of the failure of the plan to meet such ad-
18 ditional requirements before the first day of the
19 first calendar quarter beginning after the close
20 of the first regular session of the State legisla-
21 ture that ends after the 1-year period beginning
22 with the date of enactment of this section. For
23 purposes of the preceding sentence, in the case
24 of a State that has a 2-year legislative session,

1 each year of the session is deemed to be a sepa-
2 rate regular session of the State legislature.

3 **SEC. 1104. RECOVERING IMPROPER PAYMENTS.**

4 (a) GUIDANCE.—The Director of the Office of Man-
5 agement and Budget shall prescribe guidance to all agen-
6 cies (as defined in section 551 of title 5, United States
7 Code) to ensure that all improper payments (as defined
8 in section 3351 of title 31, United States Code) are recov-
9 ered.

10 (b) ANNUAL INSPECTOR GENERAL REPORT.—Sec-
11 tion 3353(a)(1) of title 31, United States Code, is amend-
12 ed—

13 (1) in subparagraph (A), by striking “and” at
14 the end;

15 (2) in subparagraph (B)(iv), by striking the pe-
16 riod at the end and inserting “; and”; and

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

18 “(C) include in each report submitted
19 under subparagraph (B) the amount of im-
20 proper payments recovered by the executive
21 agency in the fiscal year covered by the re-
22 port.”.

1 **TITLE II—ASSISTING SMALL**
 2 **BUSINESSES NOT FRAUDSTERS**

3 **SEC. 1201. SHORT TITLE.**

4 This title may be cited as the “Assisting Small Busi-
 5 nesses Not Fraudsters Act”.

6 **SEC. 1202. ASSISTANCE PROHIBITED AFTER FRAUD CON-**
 7 **VICTION.**

8 (a) IN GENERAL.—Section 16 of the Small Business
 9 Act (15 U.S.C. 645) is amended by adding at the end the
 10 following:

11 “(h) FINANCIAL ASSISTANCE PROHIBITION.—

12 “(1) IN GENERAL.—An associate of a small
 13 business concern who is finally convicted of any
 14 crime involving or relating to financial misconduct or
 15 a false statement with respect to a covered loan or
 16 grant shall be ineligible to receive any financial as-
 17 sistance from the Administrator, other than financial
 18 assistance under section 7(b).

19 “(2) BUSINESS CONCERNS.—A small business
 20 concern that has as an associate an individual sub-
 21 ject to paragraph (1) shall be ineligible to receive
 22 any financial assistance from the Administrator,
 23 other than financial assistance under section 7(b).

24 “(3) DEFINITIONS.—In this subsection:

1 “(A) ASSOCIATE.—The term ‘associate’
2 means, with respect to a small business con-
3 cern—

4 “(i) an officer, director, or owner of
5 more than 20 percent of the equity of, or
6 a key employee of, such small business
7 concern;

8 “(ii) any entity not less than 20 per-
9 cent owned or controlled by one or more
10 individuals referred to in clause (i); and

11 “(iii) any other individual or entity in
12 control of or controlled by such small busi-
13 ness concern, except for a licensed small
14 business investment company (as defined
15 in section 103(3) of the Small Business In-
16 vestment Act of 1958 (15 U.S.C. 662(3))).

17 “(B) COVERED LOAN OR GRANT.—The
18 term ‘covered loan or grant’ means—

19 “(i) a loan made under—

20 “(I) paragraph (36) or (37) of
21 section 7(a); or

22 “(II) section 7(b) in response to
23 the COVID–19 pandemic; or

24 “(ii) a grant made under—

1 “(I) section 5003 of the Amer-
2 ican Rescue Plan Act of 2021 (15
3 U.S.C. 9009c); or

4 “(II) section 324 of the Eco-
5 nomic Aid to Hard-Hit Small Busi-
6 nesses, Nonprofits, and Venues Act
7 (15 U.S.C. 9009a).

8 “(C) FINALLY CONVICTED.—The term ‘fi-
9 nally convicted’ means, with respect to a per-
10 son, that such person has been convicted of an
11 offense and such conviction—

12 “(i) has not been appealed and is no
13 longer appealable because the time for tak-
14 ing an appeal has expired; or

15 “(ii) has been appealed and the ap-
16 peals process for such conviction is com-
17 pleted.”.

18 (b) APPLICABILITY.—Subsection (h) of section 16 of
19 the Small Business Act (15 U.S.C. 645), as added by sub-
20 section (a) of this section, shall not apply to any contract
21 or other agreement entered into by the Government prior
22 to the date of enactment of this Act.

1 **TITLE III—WELFARE ABUSE AND**
2 **LAUNDERING ZILLIONS**

3 **SEC. 1301. SHORT TITLE.**

4 This title may be cited as the “Welfare Abuse and
5 Laundering Zillions Act” or the “WALZ Act”.

6 **SEC. 1302. REQUIRING INVESTIGATIONS OF CERTAIN PAY-**
7 **MENT INCREASES UNDER STATE PROGRAMS**
8 **FUNDED BY THE DEPARTMENT OF HEALTH**
9 **AND HUMAN SERVICES.**

10 In the case that the total amount paid to providers
11 of services and suppliers under a State program that re-
12 ceives Federal financial assistance administered by the
13 Secretary of Health and Human Services during any 6-
14 month period increases by 10 percent or more as com-
15 pared to that amount during the prior 6-month period,
16 the Inspector General of the Department of Health and
17 Human Services shall open an investigation into such pro-
18 gram.

19 **TITLE IV—RETURNING UNSPENT**
20 **COVID FUNDS**

21 **SEC. 1401. SHORT TITLE.**

22 This title may be cited as the “Returning Unspent
23 COVID Funds Act”.

1 **SEC. 1402. RESCISSION OF UNUSED COVID FUNDING.**

2 (a) IN GENERAL.—Subject to subsection (b), effective on the date of enactment of this Act, the unobligated
3 balances of amounts made available under the following
4 are rescinded:
5

6 (1) The American Rescue Plan Act of 2021
7 (Public Law 117–2; 135 Stat. 4).

8 (2) Division M or N of the Consolidated Appropriations Act, 2021 (Public Law 116–260; 134 Stat.
9 1182).
10

11 (3) The Paycheck Protection Program and Health Care Enhancement Act (Public Law 116–
12 139; 134 Stat. 620).
13

14 (4) The CARES Act (Public Law 116–136; 134 Stat. 281).
15

16 (5) The Families First Coronavirus Response Act (Public Law 116–127; 134 Stat. 178).
17

18 (6) The Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020
19 (Public Law 116–123; 134 Stat. 146).
20

21 (b) NATIONAL SECURITY WAIVER.—Amounts described in subsection (a) that were made available for an
22 account or program shall not be rescinded if, not later
23 than 60 days after the date of enactment of this Act, the
24 President submits to the Committee on the Budget of the
25 House of Representatives and the Committee on Finance
26

1 of the Senate a notice waiving the rescission under sub-
 2 section (a) with respect to the account or program.

3 (c) USE FOR DEFICIT REDUCTION.—Amounts re-
 4 scinded under subsection (a) shall remain in the general
 5 fund of the Treasury for the sole purpose of deficit reduc-
 6 tion.

7 **TITLE V—BONUSES FOR COST-** 8 **CUTTERS**

9 **SEC. 1501. SHORT TITLE.**

10 This title may be cited as the “Bonuses for Cost-Cut-
 11 ters Act of 2026”.

12 **SEC. 1502. COST SAVINGS ENHANCEMENTS.**

13 (a) IN GENERAL.—

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

16 (A) in the section heading, by striking
 17 “**Definition**” and inserting “**Definitions**”;
 18 and

19 (B) in subsection (a)—

20 (i) by striking “this subchapter, the
 21 term” and inserting the following: “this
 22 subchapter—

23 “(1) the term”;

24 (ii) by striking the period at the end
 25 and inserting “; and”; and

1 (iii) by adding at the end the fol-
2 lowing:

3 “(2) the term ‘surplus salaries and expenses
4 funds’ means amounts made available for the sala-
5 ries and expenses account, or equivalent account, of
6 an agency—

7 “(A) that are identified by an employee of
8 the agency under section 4512(a) as unneces-
9 sary;

10 “(B) that the Inspector General of the
11 agency or other agency employee designated
12 under section 4512(b) determines are not re-
13 quired for the purpose for which the amounts
14 were made available;

15 “(C) that the Chief Financial Officer of
16 the agency determines are not required for the
17 purpose for which the amounts were made
18 available; and

19 “(D) the rescission of which would not be
20 detrimental to the full execution of the purposes
21 for which the amounts were made available.”.

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

24 (A) in subsection (a)—

1 (i) in the matter preceding paragraph
2 (1), by inserting “or identification of sur-
3 plus salaries and expenses funds” after
4 “mismanagement”;

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

7 (iii) in the matter following paragraph
8 (2), by inserting “or identification” after
9 “disclosure”; and

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

11 “(c)(1) The Inspector General of an agency or other
12 agency employee designated under subsection (b) shall
13 refer to the Chief Financial Officer of the agency any po-
14 tential surplus salaries and expenses funds identified by
15 an employee that the Inspector General or other agency
16 employee determines meet the requirements under sub-
17 paragraphs (B) and (D) of section 4511(a)(2), along with
18 any recommendations of the Inspector General or other
19 agency employee.

20 “(2)(A) If the Chief Financial Officer of the agency
21 determines that potential surplus salaries and expenses
22 funds referred under paragraph (1) meet the requirements
23 under section 4511(a)(2), except as provided in subsection
24 (d), the head of the agency shall transfer the amount of
25 the surplus salaries and expenses funds from the applica-

1 ble appropriations account to the general fund of the
2 Treasury.

3 “(B) Any amounts transferred under subparagraph
4 (A) shall be deposited in the Treasury and used for deficit
5 reduction, except that in the case of a fiscal year for which
6 there is no Federal budget deficit, such amounts shall be
7 used to reduce the Federal debt (in such manner as the
8 Secretary of the Treasury considers appropriate).

9 “(3) The Inspector General or other agency employee
10 designated under subsection (b) for each agency and the
11 Chief Financial Officer for each agency shall issue stand-
12 ards and definitions for purposes of making determina-
13 tions relating to potential surplus salaries and expenses
14 funds identified by an employee under this subsection.

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

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

20 “(A) used for the purpose of paying a cash
21 award under subsection (a) to 1 or more employees
22 who identified the surplus salaries and expenses
23 funds; and

24 “(B) to the extent amounts remain after paying
25 cash awards under subsection (a), transferred or re-

1 programmed for use by the agency, in accordance
2 with any limitation on such a transfer or reprogram-
3 ming under any other provision of law.

4 “(e)(1) Not later than October 1 of each fiscal year,
5 the head of each agency shall submit to the Secretary of
6 the Treasury a report identifying the total savings
7 achieved during the previous fiscal year through disclo-
8 sures of possible fraud, waste, or mismanagement and
9 identifications of surplus salaries and expenses funds by
10 an employee.

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

14 “(A) describes each disclosure of possible fraud,
15 waste, or mismanagement or identification of poten-
16 tially surplus salaries and expenses funds by an em-
17 ployee of the agency determined by the agency to
18 have merit; and

19 “(B) provides the number and amount of cash
20 awards paid by the agency under subsection (a).

21 “(3) The head of each agency shall include the infor-
22 mation described in paragraphs (1) and (2) in each budget
23 request of the agency submitted to the Office of Manage-
24 ment and Budget as part of the preparation of the budget

1 of the President submitted to Congress under section
2 1105(a) of title 31.

3 “(4) The Secretary of the Treasury shall submit to
4 the Committee on Appropriations of the Senate, the Com-
5 mittee on Appropriations of the House of Representatives,
6 and the Government Accountability Office an annual re-
7 port on Federal cost saving and awards based on the re-
8 ports submitted under paragraphs (1) and (2).

9 “(f) The Director of the Office of Personnel Manage-
10 ment shall—

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

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

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

22 (3) TECHNICAL AND CONFORMING AMEND-
23 MENT.—The table of sections for subchapter II of
24 chapter 45 of title 5, United States Code, is amend-

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

“4511. Definitions and general provisions.”.

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

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

7 (i) in the section heading, by striking
 8 **“Definitions”** and inserting **“Defini-**
 9 **tion”**; and

10 (ii) in subsection (a)—

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

13 (II) by striking “this sub-
 14 chapter—” and all that follows
 15 through “the term ‘agency’ means”
 16 and inserting “this subchapter, the
 17 term ‘agency’ means”; and

18 (III) by striking paragraph (2);

19 (B) section 4512 of title 5, United States
 20 Code, is amended—

21 (i) in subsection (a)—

22 (I) in the matter preceding para-
 23 graph (1), by striking “or identifica-
 24 tion of surplus salaries and expenses
 25 funds”;

1 (II) in paragraph (2), by striking
 2 “or identification”; and
 3 (III) in the matter following
 4 paragraph (2), by striking “or identi-
 5 fication”; and
 6 (ii) by striking subsections (c)
 7 through (g); and
 8 (C) the table of sections for subchapter II
 9 of chapter 45 of title 5, United States Code, is
 10 amended by striking the item relating to section
 11 4511 and inserting the following:

“4511. Definition and general provisions.”.

12 (b) OFFICERS ELIGIBLE FOR CASH AWARDS.—

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

15 **“§ 4509. Prohibition of cash award to certain officers**

16 “(a) DEFINITION.—In this section, the term ‘agen-
 17 cy’—

18 “(1) has the meaning given the term in section
 19 551(1); and

20 “(2) includes an entity described in section
 21 4501(1).

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

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

1 “(2) is the head of an agency; or

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

4 (2) TECHNICAL AND CONFORMING AMEND-
5 MENT.—The table of sections for subchapter I of
6 chapter 45 of title 5, United States Code, is amend-
7 ed by striking the item relating to section 4509 and
8 inserting the following:

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

9 **TITLE VI—IMPROPER PAYMENTS** 10 **TRANSPARENCY**

11 **SEC. 1601. SHORT TITLE.**

12 This title may be cited as the “Improper Payments
13 Transparency Act”.

14 **SEC. 1602. INCLUDING IMPROPER PAYMENT INFORMATION** 15 **IN PRESIDENT’S BUDGET SUBMISSION.**

16 Section 1105(a) of title 31, United States Code, is
17 amended by adding at the end the following:

18 “(39) information with respect to improper pay-
19 ment (as such term is defined in section 3351)
20 amounts and rates for programs and activities at
21 each executive agency required to submit improper
22 payment reports under subchapter IV of chapter 33,
23 including—

24 “(A) a narrative description, including a
25 detailed explanation with respect to why any

improper payment amounts and rates occurred
and trends of—

“(i) each program and activity with
improper payment amounts and rates that
have increased or decreased on average
over the previous 3 years; and

“(ii) each program and activity whose
improper payment amounts and rates did
not change over such years; and

“(B) any corrective actions, including any
such action in any corrective action plan under
section 3352(d), with respect to such programs
and activities that are incomplete, and steps the
executive agency will take to address issues re-
lating to improper payment amounts and
rates.”.

DIVISION B—PROTECTING TAXPAYERS

TITLE I—STRENGTHENING TANF PROGRAM INTEGRITY

SEC. 2101. STRENGTHENING PROGRAM INTEGRITY BY MEASURING IMPROPER PAYMENTS.

(a) APPLICABILITY OF IMPROPER PAYMENTS
LAWS.—Section 404 of the Social Security Act (42 U.S.C.
604) is amended by adding at the end the following:

1 “(1) APPLICABILITY OF IMPROPER PAYMENTS
2 LAWS.—

3 “(1) IN GENERAL.—The Improper Payments
4 Information Act of 2002 and the Improper Pay-
5 ments Elimination and Recovery Act of 2010 shall
6 apply to a State in respect of the State program
7 funded under this part and any other State program
8 funded with qualified State expenditures (as defined
9 in section 409(a)(6)(B)(i)) in the same manner in
10 which such Acts apply to a Federal agency.

11 “(2) REGULATIONS.—Within 2 years after the
12 date of the enactment of this subsection, the Sec-
13 retary shall prescribe regulations governing how a
14 State reviews and reports improper payments under
15 the State program funded under this part and any
16 other State program funded with qualified State ex-
17 penditures (as defined in section 409(a)(6)(B)(i)).”.

18 (b) REPORT TO CONGRESS.—Within 1 year after the
19 date of the enactment of this Act, the Secretary of Health
20 and Human Services shall submit to the Congress a writ-
21 ten report that contains a plan to reduce or eliminate im-
22 proper payments made by States under part A of title IV
23 of the Social Security Act within 10 years.

1 **SEC. 2102. PROHIBITION ON STATE DIVERSION OF FED-**
 2 **ERAL FUNDS TO REPLACE STATE SPENDING.**

3 Section 408(a) of the Social Security Act (42 U.S.C.
 4 608(a)) is amended by adding at the end the following:

5 “(13) NON-SUPPLANTATION REQUIREMENT.—
 6 Funds made available to a State under this part
 7 shall be used to supplement, not supplant, State
 8 general revenue spending on activities described in
 9 section 404.”.

10 **SEC. 2103. ALIGNING AND IMPROVING DATA REPORTING.**

11 (a) REQUIREMENT THAT STATES REPORT FULL-
 12 POPULATION DATA.—Section 411(a)(1) of the Social Se-
 13 curity Act (42 U.S.C. 611(a)(1)) is amended—

14 (1) by striking subparagraph (B);

15 (2) by striking “(1) GENERAL REPORTING RE-
 16 QUIREMENT.—”; and

17 (3) by—

18 (A) redesignating—

19 (i) subparagraph (A) as paragraph
 20 (1);

21 (ii) clauses (i) through (xvii) of sub-
 22 paragraph (A) as subparagraphs (A)
 23 through (Q), respectively;

24 (iii) subclauses (I) through (V) of
 25 clause (ii) as clauses (i) through (v), re-
 26 spectively;

1 (iv) subclauses (I) through (VII) of
 2 clause (xi) as clauses (i) through (vii), re-
 3 spectively; and

4 (v) subclauses (I) through (V) of
 5 clause (xvi) as clauses (i) through (v), re-
 6 spectively; and

7 (B) moving each such redesignated provi-
 8 sion 2 ems to the left.

9 (b) REPORT ON PARTICIPATION IN WORK ACTIVI-
 10 TIES.—Section 411(a)(1) of the Social Security Act (42
 11 U.S.C. 611(a)(1)), as amended by subsection (a)(3) of this
 12 section, is further amended by striking subparagraphs (K)
 13 and (L) and inserting the following:

14 “(K) The work eligibility status of each in-
 15 dividual in the family, and—

16 “(i) in the case of each work-eligible
 17 individual (as defined in the regulations
 18 promulgated pursuant to section
 19 407(i)(1)(A)(i)) in the family, the number
 20 of hours (including zero hours) per month
 21 of participation in work activities (as de-
 22 fined in section 407(d)); and

23 “(ii) in the case of each individual in
 24 the family who is not a work-eligible indi-

1 vidual (as so defined), the reason for that
2 status.

3 “(L) For each work-eligible individual (as
4 so defined) and each adult in the family who
5 did not participate in work activities (as so de-
6 fined) during a month, the reason for the lack
7 of participation.”.

8 (c) REPORTING OF INFORMATION ON EMPLOYMENT
9 AND EARNINGS OUTCOMES.—Section 411(c) of the Social
10 Security Act (42 U.S.C. 611(c)) is amended to read as
11 follows:

12 “(c) REPORTING OF INFORMATION ON EMPLOYMENT
13 AND EARNINGS OUTCOMES.—The Secretary, in consulta-
14 tion with the Secretary of Labor, shall determine the in-
15 formation that is necessary to compute the employment
16 and earnings outcomes and the statistical adjustment
17 model for the employment and earnings outcomes required
18 under section 407, and each eligible State shall collect and
19 report that information to the Secretary.”.

20 **SEC. 2104. TECHNICAL CORRECTIONS TO DATA EXCHANGE**
21 **STANDARDS TO IMPROVE PROGRAM COORDI-**
22 **NATION.**

23 (a) IN GENERAL.—Section 411(d) of the Social Secu-
24 rity Act (42 U.S.C. 611(d)) is amended to read as follows:

1 “(d) DATA EXCHANGE STANDARDS FOR IMPROVED
2 INTEROPERABILITY.—

3 “(1) DESIGNATION.—The Secretary shall, in
4 consultation with an interagency work group estab-
5 lished in consultation with the Office of Management
6 and Budget and considering State government per-
7 spectives, by rule, designate data exchange stand-
8 ards to govern, under this part—

9 “(A) necessary categories of information
10 that State agencies operating programs under
11 State plans approved under this part are re-
12 quired under applicable Federal law to elec-
13 tronically exchange with another State agency;
14 and

15 “(B) Federal reporting and data exchange
16 required under applicable Federal law.

17 “(2) REQUIREMENTS.—The data exchange
18 standards required by paragraph (1) shall, to the ex-
19 tent practicable—

20 “(A) incorporate a widely accepted, non-
21 proprietary, searchable, computer-readable for-
22 mat, such as the eXtensible Markup Language;

23 “(B) contain interoperable standards devel-
24 oped and maintained by intergovernmental

1 partnerships, such as the National Information
2 Exchange Model;

3 “(C) incorporate interoperable standards
4 developed and maintained by Federal entities
5 with authority over contracting and financial
6 assistance;

7 “(D) be consistent with and implement ap-
8 plicable accounting principles;

9 “(E) be implemented in a manner that is
10 cost-effective and improves program efficiency
11 and effectiveness; and

12 “(F) be capable of being continually up-
13 graded as necessary.

14 “(3) RULE OF CONSTRUCTION.—Nothing in
15 this subsection shall be construed to require a
16 change to existing data exchange standards found to
17 be effective and efficient.”.

18 (b) EFFECTIVE DATE.—Not later than the date that
19 is 24 months after the date of the enactment of this sec-
20 tion, the Secretary of Health and Human Services shall
21 issue a proposed rule that—

22 (1) identifies federally required data exchanges,
23 include specification and timing of exchanges to be
24 standardized, and address the factors used in deter-

1 mining whether and when to standardize data ex-
 2 changes; and

3 (2) specifies State implementation options and
 4 describes future milestones.

5 **TITLE II—RESTRICTION ON** 6 **UNITED STATES ASSISTANCE** 7 **FOR FOREIGN AGENTS**

8 **SEC. 2201. SHORT TITLE.**

9 This title may be cited as the “No Funding for For-
 10 eign Agents Act”.

11 **SEC. 2202. DEFINITIONS.**

12 In this title:

13 (1) AGENT OF A COVERED FOREIGN PRIN-
 14 CIPAL.—The term “agent of a covered foreign prin-
 15 cipal” means—

16 (A) any person who acts as an agent, rep-
 17 resentative, employee, or servant, or in any
 18 other capacity at the order, request, or under
 19 the direction or control, of a covered foreign
 20 principal or of a person any of whose activities
 21 are directly or indirectly supervised, directed,
 22 controlled, financed, or subsidized in whole or
 23 in major part by a covered foreign principal,
 24 whether or not that person represents the inter-
 25 ests of such foreign principal before any agency

1 or official of the Government of the United
2 States or engages in any official activity within
3 the United States;

4 (B) any duly accredited diplomatic or con-
5 sular officer of the government of a covered na-
6 tion who is so recognized by the Department of
7 State;

8 (C) any official of the government of a cov-
9 ered nation whose duties are known by the De-
10 partment of State;

11 (D) any member of the staff of, or any
12 person employed by, a duly accredited diplo-
13 matic or consular officer of the government of
14 a covered nation who is so recognized by the
15 Department of State;

16 (E) any agent of a covered foreign prin-
17 cipal who engages in lobbying activities and has
18 registered or would be required to register
19 under section 4 of the Lobbying Disclosure Act
20 of 1995 (2 U.S.C. 1603); and

21 (F) any person who has provided notice to
22 the Attorney General as an agent of a foreign
23 government or would be required to provide
24 such notice under section 951 of title 18,
25 United States Code.

1 (2) CONTROLLED.—The term “controlled” has
 2 the meaning given the term “control” in section
 3 80.208 of title 31, Code of Federal Regulations, pro-
 4 vided that any officer, executive, proprietor, director,
 5 partner, senior manager, or combination of agents
 6 who together own a majority or a dominant minority
 7 of the total outstanding voting interest, of an entity
 8 shall be understood to control it for purposes of this
 9 Act.

10 (3) COVERED FOREIGN PRINCIPAL.—The term
 11 “covered foreign principal” means—

12 (A) the government of a covered nation
 13 and any political party in a covered nation;

14 (B) a person in a covered nation, unless
 15 such person—

16 (i)(I) is an individual citizen of, and
 17 domiciled within, the United States; and

18 (II) is not an agent of a covered for-
 19 eign principal; or

20 (ii)(I) is not an individual;

21 (II) is organized under, or created by,
 22 the laws of the United States or of any
 23 State or other place subject to the jurisdic-
 24 tion of the United States;

1 (III) has its principal place of busi-
 2 ness within the United States; and

3 (IV) is not controlled by an agent of
 4 a covered foreign principal;

5 (C) a partnership, association, corporation,
 6 organization, or other combination of persons
 7 organized under the laws of, or having its prin-
 8 cipal place of business in, a covered nation; or

9 (D) any organization named in section
 10 1003 of the Anti-Terrorism Act of 1987 (22
 11 U.S.C. 5202).

12 (4) COVERED NATION.—The term “covered na-
 13 tion” means the Democratic People’s Republic of
 14 Korea, the People’s Republic of China, the Russian
 15 Federation, the Islamic Republic of Iran, the Islamic
 16 Emirate of Afghanistan, Burkina Faso, Myanmar
 17 (formerly known as “Burma”), Chad, Republic of
 18 the Congo, Equatorial Guinea, Eritrea, Haiti, Laos,
 19 Libya, Mali, Niger, Sierra Leone, Somalia, South
 20 Sudan, Sudan, Syria, or Yemen.

21 (5) DIRECT FINANCIAL ASSISTANCE.—The term
 22 “direct financial assistance” means financial assist-
 23 ance from the Government of the United States that
 24 is received by an entity selected by the Government
 25 or a pass-through entity, including any contract,

1 grant, loan, cooperative agreement, or other agree-
2 ment.

3 (6) ENTITY.—The term “entity” means any
4 partnership, association, corporation, organization,
5 or other combination of individuals.

6 (7) INDIRECT FINANCIAL ASSISTANCE.—The
7 term “indirect financial assistance” means financial
8 assistance from the Government of the United
9 States that is received by a service provider which
10 is paid by means of a voucher, certificate, or other
11 means of Government-funded payment provided to a
12 beneficiary who is able to choose a service provider.

13 (8) PASS-THROUGH ENTITY.—The term “pass-
14 through entity” means any entity, including a non-
15 profit or nongovernmental organization, acting
16 under a contract, grant, loan, cooperative agree-
17 ment, or other agreement with the Government of
18 the United States or with a State or local govern-
19 ment in the United States that—

20 (A) accepts direct financial assistance as a
21 primary recipient or grantee; and

22 (B) distributes such assistance to other or-
23 ganizations that provide services.

1 (9) PERSON.—The term “person” means any
 2 individual, partnership, association, corporation, or-
 3 ganization, or other combination of individuals.

4 **SEC. 2203. RESTRICTION ON UNITED STATES FINANCIAL**
 5 **ASSISTANCE.**

6 Any entity that is controlled by an agent of a covered
 7 foreign principal is ineligible to receive direct financial as-
 8 sistance or indirect financial assistance.

9 **SEC. 2204. RULE OF CONSTRUCTION.**

10 Nothing in this title may be construed to terminate—

11 (1) United States financial assistance to entities
 12 that are not controlled by an agent of a covered for-
 13 eign principal; or

14 (2) any foreign assistance (as defined in section
 15 634(b)(1) of the Foreign Assistance Act of 1962 (22
 16 U.S.C. 2394(b)(1))).

17 **TITLE III—OPPOSING INTER-**
 18 **NATIONAL SUPPORT FOR THE**
 19 **TALIBAN**

20 **SEC. 2301. SHORT TITLE.**

21 This title may be cited as the “No Tax Dollars for
 22 Terrorists Act”.

1 **SEC. 2302. STRATEGY TO OPPOSE FOREIGN ASSISTANCE BY**
2 **FOREIGN COUNTRIES AND NONGOVERN-**
3 **MENTAL ORGANIZATIONS TO THE TALIBAN.**

4 (a) STATEMENT OF POLICY.—It is the policy of the
5 United States—

6 (1) to oppose the provision of foreign assistance
7 by foreign countries and nongovernmental organiza-
8 tions to the Taliban, particularly those countries and
9 organizations that receive United States-provided
10 foreign assistance; and

11 (2) to review United States-provided foreign as-
12 sistance to such foreign countries and nongovern-
13 mental organizations that have provided foreign as-
14 sistance to the Taliban.

15 (b) REPORT.—Not later than 180 days after the date
16 of the enactment of this Act, the Secretary of State shall
17 submit a report to the appropriate congressional commit-
18 tees that identifies, to the extent possible—

19 (1) foreign countries and nongovernmental or-
20 ganizations that have provided foreign assistance to
21 the Taliban, including—

22 (A) the amount of United States-provided
23 foreign assistance each country or organization
24 receives, if any;

1 (B) the amount of foreign assistance each
2 country or organization has provided to the
3 Taliban; and

4 (C) a description of how the Taliban has
5 utilized such foreign assistance; and

6 (2) efforts the United States has taken since
7 August 2021 to oppose foreign countries and non-
8 governmental organizations from providing foreign
9 assistance to the Taliban, particularly those foreign
10 countries and organizations that receive United
11 States-provided foreign assistance.

12 (c) STRATEGY AND REPORTS.—

13 (1) IN GENERAL.—Not later than 180 days
14 after the date of the enactment of this Act, the Sec-
15 retary of State shall develop and implement a strat-
16 egy to discourage foreign countries and nongovern-
17 mental organizations from providing foreign assist-
18 ance to the Taliban. The strategy shall include ef-
19 forts to support Afghan women and girls who are
20 suffering under Taliban edicts, in a way that does
21 not support the Taliban.

22 (2) REPORTS.—

23 (A) INITIAL REPORT.—Not later than the
24 date on which the strategy required under para-
25 graph (1) is completed, the Secretary of State

1 shall submit a report to the appropriate con-
2 gressional committees detailing the strategy and
3 a plan for its implementation.

4 (B) SUBSEQUENT REPORTS.—Not later
5 than 180 days after the date on which the
6 strategy required under paragraph (1) is com-
7 pleted, and every 180 days thereafter for the
8 following 5 years, the Secretary of State shall
9 submit a report to the appropriate congres-
10 sional committees describing the implementa-
11 tion of the strategy, including the impact of the
12 strategy in discouraging foreign countries and
13 nongovernmental organizations from providing
14 financial or material support to the Taliban.

15 (C) ADDITIONAL REPORT.—

16 (i) IN GENERAL.—Not later than 30
17 days after the date of the enactment of
18 this Act, the Secretary of State shall sub-
19 mit a report to the appropriate congres-
20 sional committees regarding the decision to
21 terminate the bounty on Sirajuddin
22 Haqqani and other key members of the
23 Haqqani Network under the Rewards for
24 Justice program.

1 (ii) MATTERS TO BE INCLUDED.—The
2 report required under clause (i) shall in-
3 clude the following:

4 (I) The status of the bounty on
5 Sirajuddin Haqqani, Abdul Aziz
6 Haqqani, and Yahya Haqqani under
7 the Rewards for Justice program and
8 the rationale for any changes made
9 since September 1, 2021.

10 (II) An identification of members
11 of the Haqqani Network who are Spe-
12 cially Designated Global Terrorists
13 and the status of the designation of
14 the Haqqani Network as a foreign ter-
15 rorist organization.

16 (III) A description of any United
17 States Government engagements with
18 Sirajuddin Haqqani, Abdul Aziz
19 Haqqani, Yahya Haqqani, or the
20 Haqqani Network since September 1,
21 2021.

22 (IV) Whether new information
23 has emerged relating to the involve-
24 ment of the Haqqani Network in ter-
25 rorist attacks targeting the United

1 States Military or United States civil-
2 ians.

3 (iii) FORM.—The report required
4 under clause (i) shall be submitted in un-
5 classified form, but may include a classi-
6 fied annex.

7 (d) SUSPENSION OF FOREIGN ASSISTANCE.—The
8 Secretary of State shall immediately suspend all foreign
9 assistance being sent to any country or nongovernmental
10 organization that has provided assistance to the Taliban,
11 as determined by the Secretary.

12 **SEC. 2303. REPORT ON DIRECT CASH ASSISTANCE PRO-**
13 **GRAMS IN AFGHANISTAN.**

14 (a) IN GENERAL.—Not later than 90 days after the
15 date of the enactment of this Act, the Secretary of State
16 shall submit a report to the appropriate congressional
17 committees regarding United States Government-funded
18 direct cash assistance programs in Afghanistan during the
19 period beginning on August 1, 2021, and ending on the
20 date that is 30 days after the date of the enactment of
21 this Act.

22 (b) MATTERS TO BE INCLUDED.—The report re-
23 quired under subsection (a) shall, with respect to such di-
24 rect cash assistance programs, include—

1 (1) a general description of the types of imple-
2 menting partners and recipients;

3 (2) a description of method of payments;

4 (3) a description of how and where currency ex-
5 changes occur;

6 (4) a description of how hawalas are used and
7 the oversight mechanism in place regarding use of
8 hawalas to transfer funds;

9 (5) concealment of all personally identifiable in-
10 formation of individuals or groups that received
11 United States Government-funded direct cash assist-
12 ance; and

13 (6) a description of how oversight is conducted,
14 including information on how the Department of
15 State prevents the Taliban from accessing cash as-
16 sistance under such programs.

17 (c) **DEFINED TERM.**—In this section, the term
18 “hawala’ ” means a system of transferring money through
19 a network of money lending brokers.

20 **SEC. 2304. REPORT ON STATUS OF AFGHAN FUND.**

21 (a) **IN GENERAL.**—Not later than 90 days after the
22 date of the enactment of this Act, and every 180 days
23 thereafter for the following 5 years, the Secretary of State,
24 in consultation with the Secretary of the Treasury, shall

1 submit a report to the appropriate congressional commit-
2 tees regarding the status of the Afghan Fund.

3 (b) MATTERS TO BE INCLUDED.—The report re-
4 quired under subsection (a) shall, to the extent possible,
5 include—

6 (1) a list of Taliban members working at Da
7 Afghanistan Bank or serving on the Bank’s board;
8 and

9 (2) a description of—

10 (A) the Taliban’s influence over Da Af-
11 ghanistan Bank;

12 (B) the Afghan Fund’s board of trustees,
13 including how the Fund’s trustees were vetted
14 and selected, and what United States agencies
15 were involved in the vetting and selection proc-
16 ess;

17 (C) the conditions necessary for funds in
18 the Afghan Fund to be released to Da Afghani-
19 stan Bank;

20 (D) how the Afghan Fund’s board of trust-
21 ees will decide on the type and appropriateness
22 of the Fund’s activities, including what kind of
23 information will inform the board’s decisions
24 and how the board will collect and verify this
25 information; and

1 (E) a description of what controls have
 2 been put into place to ensure funds are not di-
 3 verted to or misused by the Taliban or other ac-
 4 tors when the Fund begins making disburse-
 5 ments.

6 (c) RESCISSION OF FUNDING FOR AFGHAN RECON-
 7 STRUCTION ACTIVITIES FOR DEFICIT REDUCTION PUR-
 8 POSES.—

9 (1) RESCISSION.—There is hereby rescinded all
 10 of the unobligated balances from the amounts appro-
 11 priated or otherwise made available for reconstruc-
 12 tion activities in Afghanistan through any of the fol-
 13 lowing funds, programs, or accounts:

14 (A) The Afghanistan Security Forces Fund
 15 (ASFF).

16 (B) The Economic Support Fund (ESF).

17 (C) International Narcotics Control and
 18 Law Enforcement (INCLE).

19 (D) The Commanders' Emergency Re-
 20 sponse Program (CERP).

21 (E) Drug Interdiction and Counter-Drug
 22 Activities (DICDA).

23 (F) Migration and Refugee Assistance
 24 (MRA).

- 1 (G) International Disaster Assistance
- 2 (IDA).
- 3 (H) Non-Proliferation, Antiterrorism,
- 4 Demining, and Related (NADR).
- 5 (I) Commander's Emergency Response
- 6 Program (CERP)
- 7 (J) Afghanistan Infrastructure Fund
- 8 (AIF)
- 9 (K) Development Assistance (DA)
- 10 (L) Task Force for Business and Stability
- 11 Operations (TFBSO)
- 12 (M) Global Health Programs (GHP)
- 13 (N) Contributions to International Organi-
- 14 zations (CIO)
- 15 (O) U.S. Agency for Global Media
- 16 (USAGM)
- 17 (P) U.S. International Development Fi-
- 18 nance Corporation (DFC)
- 19 (Q) Drug Enforcement Administration
- 20 (DEA)
- 21 (R) Educational and Cultural Exchange
- 22 Programs (ECE)
- 23 (S) USAID-Other (Other)
- 24 (T) Commodity Credit Corp (CCC)

1 (U) Human Rights and Democracy Fund
2 (HRDF)

3 (2) APPROPRIATION.—The amount rescinded
4 under paragraph (1) shall be transferred to the gen-
5 eral fund of the Treasury and be applied to deficit
6 reduction.

7 **SEC. 2305. SENSE OF CONGRESS OPPOSING ACTIVITIES**
8 **THAT SUPPORT THE TALIBAN OR NORMALIZE**
9 **DIPLOMATIC RELATIONS WITH THE TALIBAN.**

10 It is the sense of Congress that the United States
11 should not normalize diplomatic relations with the Taliban
12 unless, at a minimum, the Taliban—

13 (1) coordinates with the United States to expel
14 al-Qaeda and other terrorist groups located in Af-
15 ghanistan;

16 (2) ceases the taking of United States citizens
17 as hostages and the wrongful detention or persecu-
18 tion of Afghans who—

19 (A) worked for, or on behalf of, the United
20 States;

21 (B) served in the Government or security
22 forces of the Islamic Republic of Afghanistan;
23 or

24 (C) advocated for good governance or
25 internationally recognized human rights, includ-

1 ing the rights of women, girls, and minority
2 groups in Afghanistan;

3 (3) repeals all edicts and policies prohibiting,
4 and takes demonstrable and consistent action to
5 support, the education, employment, free movement,
6 and free expression of women and girls in Afghani-
7 stan; and

8 (4) repeals all edicts and policies curtailing, and
9 takes demonstrable and consistent action to support
10 and respect, the rights of ethnic, religious, and other
11 minority groups within Afghanistan, including
12 Hazara communities.

13 **SEC. 2306. DEFINED TERM.**

14 In this title, the term “appropriate congressional
15 committees’” means—

16 (1) the Committee on Foreign Relations of the
17 Senate;

18 (2) the Committee on Appropriations of the
19 Senate;

20 (3) the Committee on Foreign Affairs of the
21 House of Representatives; and

22 (4) the Committee on Appropriations of the
23 House of Representatives.

**DIVISION C—CATCHING
FRAUDSTERS
TITLE I—PREVENTING DEEP
FAKE SCAMS**

SEC. 3101. SHORT TITLE.

This title may be cited as the “Preventing Deep Fake Scams Act”.

SEC. 3102. FINDINGS.

The Congress finds the following:

(1) Artificial intelligence is being used in new and innovative ways by the financial services sector.

(2) Artificial intelligence may provide benefits to banks, credit unions, and banking consumers.

(3) Artificial intelligence poses unique threats to the safety and security of customer accounts.

(4) Voice banking is offered by many banks for security and convenience reasons.

(5) The popularity of social media has made video and audio of potential targets easier to obtain for bad actors. These materials can be exploited to replicate the voices and appearances of other people in pursuit of data theft, identity theft, or fraud.

(6) Bad actors could utilize deep fakes, including voice and audio manipulation, to compromise and access the financial accounts of a consumer.

1 **SEC. 3103. REPORT.**

2 (a) IN GENERAL.—The Secretary of the Treasury, in
3 consultation with the Office of the Comptroller of the Cur-
4 rency, the Board of Governors of the Federal Reserve Sys-
5 tem, the Federal Deposit Insurance Corporation, the Bu-
6 reau of Consumer Financial Protection, the Financial
7 Crimes Enforcement Network of the Department of the
8 Treasury, the National Credit Union Administration, and
9 private-sector stakeholders, shall submit to Congress a re-
10 port containing the contents described in subsection (c).

11 (b) CONSULTATION.—

12 (1) REQUEST FOR INFORMATION.—Not later
13 than 90 days after the date of enactment of this
14 Act, the Secretary of the Treasury shall solicit public
15 feedback on the report required under subsection
16 (a).

17 (2) INDUSTRY AND EXPERT STAKEHOLDERS.—
18 In developing the report required under subsection
19 (a), the Secretary of the Treasury shall seek out and
20 consult with industry and expert stakeholders, in-
21 cluding—

22 (A) depository institutions of varying asset
23 sizes;

24 (B) credit unions of varying asset sizes;

1 (C) third-party vendors who use artificial
2 intelligence when providing services to deposi-
3 tory institutions and credit unions; and

4 (D) artificial intelligence experts.

5 (c) CONTENTS.—The contents of the report described
6 in this subsection are as follows:

7 (1) A description of how banks and credit
8 unions proactively protect themselves and consumers
9 from fraud utilizing artificial intelligence.

10 (2) A list of standard definitions for the dif-
11 ferent manners in which artificial intelligence is
12 used, including terms like “generative AI”, “ma-
13 chine learning”, “natural language processing”, “al-
14 gorithmic AI”, and “deep fakes”.

15 (3) A description of potential risks that could
16 result from the use of artificial intelligence by bad
17 actors to steal data and identities of consumers and
18 commit fraud.

19 (4) A list of best practices for financial institu-
20 tions to protect their customers from attempts to
21 steal data and identities of consumers or commit
22 fraud.

23 (5) Legislative and regulatory recommendations
24 for the regulation of artificial intelligence and to

1 protect consumers from data theft, identity theft,
 2 and fraud.

3 **TITLE II—SBA FRAUD**
 4 **ENFORCEMENT EXTENSION ACT**

5 **SEC. 3201. SHORT TITLE.**

6 This title may be cited as the “SBA Fraud Enforce-
 7 ment Extension Act”.

8 **SEC. 3202. STATUTE OF LIMITATIONS FOR CERTAIN PRO-**
 9 **GRAMS.**

10 (a) SHUTTERED VENUE OPERATORS.—Section 324
 11 of division N of the Consolidated Appropriations Act,
 12 2021 (15 U.S.C. 9009a) is amended by adding at the end
 13 the following:

14 “(g) STATUTE OF LIMITATIONS.—Notwithstanding
 15 any other provision of law, any criminal prosecution or
 16 civil enforcement action for a violation of, or conspiracy
 17 to violate, section 371, 641, 1001, 1028A, 1029, 1341,
 18 1343, 1349, 1956, or 1957 of title 18, United States
 19 Code, or section 3729 or 3802 of title 31, United States
 20 Code, with respect to any grant for shuttered venue opera-
 21 tors under this section shall be filed not later than 10
 22 years after the date of the violation or conspiracy.”.

23 (b) RESTAURANT REVITALIZATION.—Section 5003 of
 24 the American Rescue Plan Act of 2021 (15 U.S.C. 9009c)
 25 is amended by adding at the end the following:

1 “(d) STATUTE OF LIMITATIONS.—Notwithstanding
 2 any other provision of law, any criminal prosecution or
 3 civil enforcement action for a violation of, or conspiracy
 4 to violate, section 371, 641, 1001, 1028A, 1029, 1341,
 5 1343, 1349, 1956, or 1957 of title 18, United States
 6 Code, or section 3729 or 3802 of title 31, United States
 7 Code, with respect to any restaurant revitalization grant
 8 under this section shall be filed not later than 10 years
 9 after the date of the violation or conspiracy.”.

10 **TITLE III—RECOVER** 11 **FRAUDULENT COVID FUNDS**

12 **SEC. 3301. SHORT TITLE.**

13 This title may be cited as the “Recover Fraudulent
 14 COVID Funds Act”.

15 **SEC. 3302. STATUTE OF LIMITATIONS FOR VIOLATIONS RE-** 16 **LATING TO PANDEMIC-ERA PROGRAMS.**

17 (a) DEFINITIONS.—In this section—

18 (1) the term “pandemic-era law” means—

19 (A) the Coronavirus Preparedness and Re-
 20 sponse Supplemental Appropriations Act, 2020
 21 (Public Law 116–123; 134 Stat. 146);

22 (B) the Families First Coronavirus Re-
 23 sponse Act (Public Law 116–127; 134 Stat.
 24 177);

1 (C) the CARES Act (Public Law 116–136;
2 134 Stat. 281);

3 (D) the Paycheck Protection Program and
4 Health Care Enhancement Act (Public Law
5 116–139; 134 Stat. 620);

6 (E) divisions M and N of the Consolidated
7 Appropriations Act, 2021 (Public Law 116–
8 260; 134 Stat. 1182);

9 (F) the American Rescue Plan Act of 2021
10 (Public Law 117–2; 135 Stat. 4); or

11 (G) an amendment made by a law de-
12 scribed in subparagraphs (A) through (F); and

13 (2) the term “pandemic-era program violation”
14 means an offense or other violation of law involving
15 conduct that relates to or involves—

16 (A) a program, project, or activity that
17 was authorized or established by, or was carried
18 out under, a pandemic-era law; or

19 (B) funding provided under a pandemic-
20 era law.

21 (b) EXTENSION OF STATUTE OF LIMITATIONS.—

22 (1) CRIMES.—No person shall be prosecuted,
23 tried, or punished for any pandemic-era program
24 violation that is a criminal offense unless the indict-
25 ment is found or the information is instituted—

1 (A) notwithstanding section 3282(a) of
2 title 18, United States Code, within 10 years
3 after such offense shall have been committed; or

4 (B) within such longer period of years
5 after such offense shall have been committed as
6 is otherwise provided by law.

7 (2) TARIFF ACT OF 1930.—Notwithstanding sec-
8 tion 621 of the Tariff Act of 1930 (19 U.S.C.
9 1621), no civil action, suit, or proceeding for the for-
10 feiture of property accruing under the customs laws
11 of the United States related to a pandemic-era pro-
12 gram violation shall be instituted unless such civil
13 action, suit, or proceeding is commenced within 10
14 years after the time when the alleged pandemic-era
15 program violation was discovered, or within 3 years
16 after the time when the involvement of the property
17 in the alleged pandemic-era program violation was
18 discovered, whichever was later, except that the time
19 of the absence from the United States of the person
20 whose property is subject to forfeiture, or of any
21 concealment or absence of the property, shall not be
22 reckoned within the 10-year period of limitation.

23 (3) FALSE CLAIMS.—

24 (A) IN GENERAL.—Notwithstanding sec-
25 tion 3731(b)(1) of title 31, United States Code,

1 a civil action under section 3730 of such title
2 alleging a violation of section 3729 of such title
3 that is a pandemic-era program violation may
4 not be brought more than 10 years after the
5 date on which the violation was committed.

6 (B) NOTICE.—Notwithstanding section
7 3808 of title 31, United States Code, a notice
8 to the person alleged to be liable with respect
9 to a claim or statement that involves a pan-
10 demic-era violation shall be mailed or delivered
11 in accordance with section 3803(d)(1) of such
12 title not later than 10 years after the date on
13 which the violation of section 3802 of such title
14 is committed.

15 (c) EXCLUSION OF OFFENSES WITH A LAPSED PE-
16 RIOD OF LIMITATION.—Subsection (b)(1)(A) shall not
17 apply to a pandemic-era program violation that is a crimi-
18 nal offense for which, but for the extension under such
19 subsection, the date by which an indictment was required
20 to be found or an information was required to be instituted
21 occurred before the date of enactment of this Act.

TITLE IV—FRAUD ALERT SYSTEMS

SEC. 3401. SHORT TITLE.

This title may be cited as the “Fraud Alert Systems Act”.

SEC. 3402. MANDATORY REPORTING AND VERIFICATION OF PAYMENT INFORMATION.

(a) IN GENERAL.—Subchapter II of chapter 33 of title 31, United States Code is amended by adding at the end the following:

“§ 3337. Mandatory reporting and verification of payment information

“(a) DEFINITIONS.—In this section:

“(1) AGENCY.—The term ‘agency’ means—

“(A) an executive agency;

“(B) an independent regulatory agency, as defined in section 3502 of title 44; or

“(C) an entity that—

“(i)(I) is the Congress;

“(II) is a court of the United States;

“(III) is a government of a territory or possession of the United States; or

“(IV) is the District of Columbia; and

“(ii) uses a Treasury disbursement system.

1 “(2) SECRETARY.—The term ‘Secretary’ means
2 the Secretary of the Treasury.

3 “(3) TREASURY DISBURSEMENT SYSTEM.—The
4 term ‘Treasury disbursement system’ means any
5 system operated by the Secretary for the purpose of
6 disbursing public money.

7 “(b) MANDATORY REPORTING OF PAYMENT INFOR-
8 MATION.—For each payment authorized by the head of
9 an agency that is submitted to a Treasury disbursement
10 system for disbursement by the Secretary, the head of the
11 agency shall provide to the Secretary, in such format as
12 the Secretary requires, for inclusion in the Treasury dis-
13 bursement system—

14 “(1) a brief description of the purpose for
15 which the payment is being made;

16 “(2) the appropriations account (Treasury Ac-
17 count Symbol, or any successor thereto) from which
18 the payment is to be drawn; and

19 “(3) the type of activity being reported (Busi-
20 ness Event Type Code, or any successor thereto).

21 “(c) PERIODIC UPDATES.—Not less frequently than
22 once each fiscal year—

23 “(1) for each payment—

1 “(A) the certifying official shall evaluate
2 whether the information collected under sub-
3 section (b) is accurate and complete; and

4 “(B) the head of each certifying agency
5 shall provide written confirmation to the dis-
6 bursing official attesting to the accuracy of
7 such information; and

8 “(2) the disbursing official shall consult with
9 the certifying official to improve the management of
10 the Treasury disbursement system.

11 “(d) PUBLIC REPORTING.—Not later than 30 days
12 after the date on which each payment that is subject to
13 this subchapter is certified, the Director of the Office of
14 Management and Budget shall direct the Secretary, or,
15 if the payment is disbursed by an accountable official who
16 is not in a position in the Department of the Treasury,
17 the head of the agency with jurisdiction over the account-
18 able official, to make available on the public website oper-
19 ated under the Federal Funding Accountability and
20 Transparency Act of 2006 (31 U.S.C. 6101 note) the data
21 required to be provided under subsection (b) with respect
22 to the payment.”.

23 (b) IMPLEMENTATION.—The Secretary of the Treas-
24 ury may issue regulations or guidance to implement the
25 amendments made by this title.

1 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
 2 tion, or an amendment made by this section, shall be con-
 3 strued to impose a legal liability on a disbursing official
 4 resulting from any action taken pursuant to this section,
 5 or an amendment made by this section.

6 (d) CONFORMING AMENDMENT.—The table of sec-
 7 tions for chapter 33 of title 31, United States Code is
 8 amended by inserting after the item relating to section
 9 3336 the following:

“3337. Mandatory reporting and verification of payment information.”.

10 **SEC. 3403. DATA ACCESS FOR PURPOSES OF PROGRAM IN-**
 11 **TEGRITY.**

12 (a) ACCESS TO THE NATIONAL DIRECTORY OF NEW
 13 HIRES.—Section 453(j) of the Social Security Act (42
 14 U.S.C. 653(j)) is amended by adding at the end the fol-
 15 lowing:

16 “(12) INFORMATION TO ASSIST IN THE PRE-
 17 VENTION OF IMPROPER PAYMENTS.—

18 “(A) IN GENERAL.—The Secretary of the
 19 Treasury shall have access to the information in
 20 the National Directory of New Hires for the
 21 purpose of identifying, preventing, and recov-
 22 ering improper payments.

23 “(B) REDISCLOSURE.—For the purpose of
 24 identifying, preventing, and recovering improper
 25 payments, the Secretary of the Treasury may

1 redisclose information in the National Directory
2 of New Hires to—

3 “(i) agents and contractors of the
4 Secretary of the Treasury;

5 “(ii) Federal and non-Federal agen-
6 cies authorized to receive information in
7 the National Directory of New Hires di-
8 rectly from the Secretary; and

9 “(iii) such additional persons and en-
10 tities as agreed to by the Secretary and the
11 Secretary of the Treasury.”.

12 (b) ACCESS TO INFORMATION COVERED BY FCRA.—

13 (1) DEFINITIONS.—Section 603(k)(1) of the
14 Fair Credit Reporting Act (15 U.S.C. 1681a(k)(1))
15 is amended—

16 (A) in subparagraph (A), by striking
17 “and” at the end;

18 (B) in subparagraph (B), by striking the
19 period at the end and inserting “; and”; and

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

21 “(C) does not include—

22 “(i) any change to a Federal disburse-
23 ment, including the pre-certification termi-
24 nation of such disbursement, that is—

1 “(I) based on a consumer report;

2 and

3 “(II) made to improve the accu-

4 racy of the disbursement; or

5 “(ii) any action taken by an author-

6 ized user of the Working System of the Do

7 Not Pay Initiative authorized by section

8 3354 of title 31, United States Code, in

9 connection with the disbursement of a pay-

10 ment, as defined in section 3351 of that

11 title, that is based on a consumer report.”.

12 (2) PERMISSIBLE USES OF CONSUMER RE-

13 PORTS.—Section 604(a) of the Fair Credit Report-

14 ing Act (15 U.S.C. 1681b(a)) is amended by adding

15 at the end the following:

16 “(7) To the Secretary of the Treasury for pur-

17 poses of assisting Federal and non-Federal entities

18 identify, prevent, and recover improper payments,

19 including redisclosing information in a consumer re-

20 port to—

21 “(A) agents and contractors of the Depart-

22 ment of the Treasury; and

23 “(B) Federal and non-Federal entities au-

24 thorized to receive such information directly

25 from the Secretary.”.

1 (c) PRIVACY-PRESERVING VALIDATION OF SELECT
2 TAX INFORMATION.—

3 (1) IN GENERAL.—Section 6103(i) of the Inter-
4 nal Revenue Code of 1986 is amended by adding at
5 the end the following new paragraph:

6 “(9) DO NOT PAY WORKING SYSTEM.—

7 “(A) IN GENERAL.—In response to an in-
8 quiry by the Secretary with respect to a specific
9 individual, the Commissioner shall provide the
10 Secretary with any return information described
11 in subparagraph (B) with respect to such indi-
12 vidual for the applicable period, in a manner
13 which preserves the confidentiality of such in-
14 formation, for the purposes of enhancing the
15 Do Not Pay working system described in sec-
16 tion 3354(c) of title 31, United States Code,
17 which may include disclosing such informa-
18 tion—

19 “(i) to agents and contractors of the
20 Department of Treasury who are author-
21 ized to access the Do Not Pay working
22 system, and

23 “(ii) other Federal agencies and State
24 agencies that manage Federally-funded
25 State-administered programs (including

agents and contractors of such agencies)
 who are authorized to access the Do Not
 Pay working system,
 for purposes of using the Do Not Pay working
 system to identify, prevent, and recover im-
 proper payments.

“(B) RETURN INFORMATION.—The return
 information described in this subparagraph is
 the following:

“(i) Taxpayer identification number.

“(ii) Filing status.

“(iii) Adjusted gross income.

“(iv) Income or loss reported on
 Schedule C of Form 1040 (or successor
 forms).

“(v) Filing year.

“(vi) Any reported identity theft re-
 lated to the taxpayer identification num-
 ber.

“(vii) Whether a tax return was not
 filed for any taxable year.

“(C) APPLICABLE PERIOD.—For purposes
 of this paragraph, the term ‘applicable period’
 means, with respect to any individual, the pe-
 riod—

1 “(i) consisting of the number of tax-
 2 able years specified by the Secretary in the
 3 inquiry made under subparagraph (A) (but
 4 not less than 3 taxable years), and

5 “(ii) ending with the most recently
 6 completed taxable year for which the infor-
 7 mation described in such subparagraph is
 8 available.”.

9 (2) EFFECTIVE DATE.—The amendment made
 10 by this subsection shall apply to disclosures made
 11 after the date of enactment of this Act.

12 (d) ACCESS TO SOCIAL SECURITY INFORMATION.—
 13 Title II of the Social Security Act (42 U.S.C. 401 et seq.)
 14 is amended by adding at the end the following new section:

15 **“SEC. 235. DISCLOSURE OF INFORMATION FOR DO NOT PAY**
 16 **SYSTEM.**

17 “(a) IN GENERAL.—For the purposes described in
 18 subsection (b), the Commissioner of Social Security shall,
 19 upon request of the Secretary of the Treasury, enter into
 20 an agreement with the Department of the Treasury to reg-
 21 ularly provide personally identifiable information held by
 22 the Social Security Administration, which shall, with re-
 23 spect to any individual, include, at a minimum, the name,
 24 date of birth, and Social Security number of such indi-
 25 vidual.

1 “(b) PURPOSES.—Information provided under sub-
 2 section (a) shall be used solely for purposes of enhancing
 3 the Do Not Pay working system described in section
 4 3354(c) of title 31, United States Code, with respect to
 5 identifying, preventing, and recovering improper pay-
 6 ments, including fraudulent payments.”.

7 **TITLE V—STOPPING TRANSFERS** 8 **OF PUBLIC FUNDS ABROAD**

9 **SEC. 3501. SHORT TITLE.**

10 This title may be cited as the “Stopping Transfers
 11 of Public Funds Abroad Act”.

12 **SEC. 3502. PROHIBITING INDIVIDUALS RECEIVING PUBLIC** 13 **ASSISTANCE FROM CONDUCTING REMIT-** 14 **TANCE TRANSFERS.**

15 (a) IN GENERAL.—

16 (1) ENFORCEMENT.—The head of any Federal
 17 agency responsible for the administration of any
 18 public assistance program shall require any indi-
 19 vidual applying or reapplying for any payment or
 20 other benefit under such program to provide a writ-
 21 ten declaration, under penalty of perjury pursuant to
 22 section 1746 of title 28, United States Code, that
 23 such individual will not transfer any funds through
 24 a remittance transfer during any period in which

1 such individual receives any payment or other ben-
2 efit under such program.

3 (2) PENALTY.—Any individual who has pro-
4 vided a written declaration described in paragraph
5 (1) and subsequently transferred funds through a
6 remittance transfer during any period in which such
7 individual received any payment or other benefit
8 under the public assistance program to which such
9 declaration applies shall be subject to a fine of
10 \$100,000.

11 (b) DEFINITIONS.—In this section:

12 (1) PUBLIC ASSISTANCE PROGRAM.—The term
13 “public assistance program” means any program de-
14 scribed in paragraph (1), (2), (3), (4), (5), or (7) of
15 section 416.1142(a) of title 20, Code of Federal
16 Regulations (as in effect of the date of enactment of
17 this Act).

18 (2) REMITTANCE TRANSFER.—The term “re-
19 mittance transfer” has the same meaning given such
20 term under section 920(g) of the Electronic Fund
21 Transfer Act (15 U.S.C. 1693o-1(g)).

22 (c) EFFECTIVE DATE.—This section shall apply to
23 any payment or other benefit under a public assistance
24 program which is provided after the date which is 30 days
25 after the date of enactment of this Act.

1 **TITLE VI—VETERANS SCAM AND**
 2 **FRAUD EVASION ACT OF 2026**

3 **SEC. 3601. SHORT TITLE.**

4 This title may be cited as the “Veterans Scam And
 5 Fraud Evasion Act of 2026” or the “VSAFE Act of
 6 2026”.

7 **SEC. 3602. VETERANS SCAM AND FRAUD EVASION OFFICER.**

8 (a) IN GENERAL.—Chapter 3 of title 38, United
 9 States Code, is amended by adding at the end the fol-
 10 lowing new section:

11 **“§ 326. Veterans Scam and Fraud Evasion Officer**

12 “(a) ESTABLISHMENT.—There is in the Veterans Ex-
 13 perience Office of the Department a Veterans Scam and
 14 Fraud Evasion Officer, who shall—

15 “(1) be responsible for consumer fraud and
 16 scam prevention, reporting, and incident response
 17 plans at the Department; and

18 “(2) serve as a central point of contact to direct
 19 employees, veterans, and beneficiaries to resources to
 20 prevent and mitigate consumer fraud and scams.

21 “(b) RESPONSIBILITIES.—The Veterans Scam and
 22 Fraud Evasion Officer shall carry out the following re-
 23 sponsibilities:

24 “(1) Providing comprehensive communication
 25 from the Secretary to employees of the Department

1 and veterans, their families, caregivers, and sur-
2 vivors during strategic and time-sensitive fraud and
3 scam incidents.

4 “(2) Providing consistent guidance developed
5 with the Inspector General of the Department for
6 employees as well as veterans, their families, care-
7 givers, and survivors on how to identify, report, and
8 avoid fraud and scam attempts.

9 “(3) Promoting the VSAFE Fraud Hotline and
10 VSAFE.gov website of the Department (and any
11 successor resources) and identifying other identity
12 theft resources available to veterans, their families,
13 caregivers, and survivors, including with respect to
14 actions made by the Secretary to protect the identi-
15 ties of veterans and their beneficiaries.

16 “(4) Developing methods to monitor consumer
17 fraud and scam metrics within the Department to
18 facilitate proactive and robust trend identification
19 and report internally and annually to the Committee
20 on Veterans’ Affairs of the Senate and the Com-
21 mittee on Veterans’ Affairs of the House of Rep-
22 resentatives.

23 “(5) Coordinating with the Inspector General of
24 the Department to provide training for Department

1 employees on fielding fraud and scam inquiries and
2 reports.

3 “(6) Working with the Inspector General of the
4 Department—

5 “(A) to coordinate with other relevant
6 agencies and departments; and

7 “(B) to identify the proper avenues for vet-
8 erans to report fraud and scam attempts and
9 receive assistance.

10 “(7) Consulting with veterans service organiza-
11 tions and State, local, and Tribal governments, as
12 necessary, to improve understanding of potential
13 fraud and scam risks to veterans, their families,
14 caregivers, and survivors.

15 “(c) FULL-TIME EMPLOYEES.—Nothing in this sec-
16 tion authorizes an increase in the number of full-time em-
17 ployees otherwise authorized for the Department.

18 “(d) RULE OF CONSTRUCTION.—Nothing in this sec-
19 tion shall be construed to limit, diminish, or otherwise af-
20 fect the authority of the Office of Inspector General of
21 the Department to prevent, detect, and prosecute fraud,
22 waste, and abuse in Department programs and operations.
23 The responsibilities of the Veterans Scam and Fraud Eva-
24 sion Officer shall be exercised in coordination and not su-
25 percede or interfere with the authorities provided to the

1 Inspector General in this title or in chapter 4 of title 5
 2 (commonly referred to as the Inspector General Act of
 3 1978).

4 “(e) SUNSET.—The requirements and authorities of
 5 this section shall terminate on September 30, 2030.

6 “(f) DEFINITION OF CONSUMER FRAUD.—In this
 7 section, the term ‘consumer fraud’ means deceptive, un-
 8 fair, or illegal practices that deceive veterans into giving
 9 money, personal information, or property primarily as it
 10 relates to their personal or family use that does not have
 11 a nexus to Department programs and operations.”.

12 (b) CLERICAL AMENDMENT.—The table of sections
 13 at the beginning of such chapter is amended by adding
 14 at the end the following new item:

“326. Veterans Scam and Fraud Evasion Officer.”.

15 **TITLE VII—EXPANDING WHIS-**
 16 **TLEBLOWER PROTECTIONS**
 17 **FOR CONTRACTORS ACT OF**
 18 **2026**

19 **SEC. 3701. SHORT TITLE.**

20 This title may be cited as the “Expanding Whistle-
 21 blower Protections for Contractors Act of 2026”.

1 **SEC. 3702. DEFENSE CONTRACTOR EMPLOYEES: PROTEC-**
 2 **TION FROM REPRISAL FOR DISCLOSURE OF**
 3 **CERTAIN INFORMATION.**

4 Section 4701 of title 10, United States Code, is
 5 amended—

6 (1) in subsection (a)—

7 (A) in paragraph (1)—

8 (i) in the matter preceding subpara-
 9 graph (A)—

10 (I) by striking “An employee”
 11 and all that follows through “services
 12 contractor” and inserting “A pro-
 13 tected individual”; and

14 (II) by striking “disclosing” and
 15 all that follows through “evidence of”;
 16 and

17 (ii) by striking subparagraphs (A),
 18 (B), and (C) and inserting the following
 19 subparagraphs:

20 “(A) Refusing to obey an order that would re-
 21 quire the protected individual to violate a law, rule,
 22 or regulation related to any contract, subcontract,
 23 grant, or subgrant.

24 “(B) Disclosing to a person or body described
 25 in paragraph (2) information that the protected indi-

vidual reasonably believes is evidence of the following:

“(i) Gross mismanagement of any Department of Defense contract or grant, any gross waste of Department funds, any abuse of authority relating to any Department contract, subcontract, grant, or subgrant, or any violation of law, rule, or regulation related to any Department contract or subcontract (including the competition for or negotiation of a contract or subcontract) or grant or subgrant.

“(ii) Gross mismanagement of any National Aeronautics and Space Administration contract or grant, any gross waste of Administration funds, any abuse of authority relating to an Administration contract, subcontract, grant, or subgrant, or any violation of law, rule, or regulation related to any Administration contract or subcontract (including the competition for or negotiation of a contract or subcontract) or grant or subgrant.

“(iii) A substantial and specific danger to public health or safety.”; and

(B) in paragraph (3)—

1 (i) in subparagraph (A), by striking
 2 “an employee” and inserting “a protected
 3 individual”; and

4 (ii) by striking subparagraph (B) and
 5 inserting the following subparagraph:

6 “(B) it shall not be within the authority of an
 7 executive branch official to request that a con-
 8 tractor, subcontractor, grantee, or subgrantee en-
 9 gage in a reprisal prohibited by paragraph (1).”;

10 (2) in subsection (c)—

11 (A) in paragraph (1), by adding at the end
 12 the following subparagraph:

13 “(E) Propose appropriate disciplinary action
 14 against any executive branch official for any request
 15 made of a contractor, subcontractor, grantee, or sub-
 16 grantee that subjected the complainant to a reprisal
 17 prohibited by subsection (a).”; and

18 (B) by striking paragraph (7) and insert-
 19 ing the following paragraph:

20 “(7) The rights, forum, and remedies provided for in
 21 this section may not be waived by any public or private
 22 agreement, policy, form, or condition of employment, in-
 23 cluding by any predispute arbitration agreement.”;

1 (3) by striking subsection (e) and redesignating
2 subsections (f) and (g) as subsections (e) and (f), re-
3 spectively;

4 (4) in subsection (e), as so redesignated—

5 (A) by striking “an employee” and insert-
6 ing “a protected individual”; and

7 (B) by striking “the employee” and insert-
8 ing “the protected individual”; and

9 (5) in subsection (f), as so redesignated, by
10 adding at the end the following new paragraph:

11 “(8) The term ‘protected individual’ means—

12 “(A) a contractor, subcontractor, grantee,
13 or subgrantee of the Department of Defense or
14 the National Aeronautics and Space Adminis-
15 tration, including—

16 “(i) the government of each of the
17 several States, the District of Columbia, an
18 Indian tribe or authorized tribal organiza-
19 tion, the Commonwealth of Puerto Rico,
20 Guam, American Samoa, the Virgin Is-
21 lands, the Commonwealth of the Northern
22 Mariana Islands, or any other territory or
23 possession of the United States;

24 “(ii) the government of any political
25 subdivision of, agency of, or instrumen-

1 tality of, a government listed in clause (i);
2 and

3 “(iii) an element of the intelligence
4 community (as defined in section 3 of the
5 National Security Act of 1947 (50 U.S.C.
6 3003)) within the Department of Defense;

7 “(B) an employee of a contractor, subcon-
8 tractor, grantee, or subgrantee of the Depart-
9 ment of Defense or the National Aeronautics
10 and Space Administration, or a former em-
11 ployee of such contractor, subcontractor, grant-
12 ee, or subgrantee whose protected disclosure or
13 engagement in any activity protected against
14 reprisal under this section occurred prior to ter-
15 mination, including an employee of—

16 “(i) the government of each of the
17 several States, the District of Columbia, an
18 Indian tribe or authorized tribal organiza-
19 tion, the Commonwealth of Puerto Rico,
20 Guam, American Samoa, the Virgin Is-
21 lands, the Commonwealth of the Northern
22 Mariana Islands, or any other territory or
23 possession of the United States;

24 “(ii) the government of any political
25 subdivision of, agency of, or instrumen-

1 tality of, a government listed in clause (i);
2 and

3 “(iii) an element of the intelligence
4 community (as defined in section 3 of the
5 National Security Act of 1947 (50 U.S.C.
6 3003)) within the Department of Defense;
7 or

8 “(C) a person performing personal services
9 for the Department of Defense or the National
10 Aeronautics and Space Administration pursuant
11 to a contractual agreement for the performance
12 of personal services, including a personal serv-
13 ices contract or personal services agreement,
14 and who engages in an activity for which any
15 reprisal is prohibited under subsection (a), in-
16 cluding a person performing personal services
17 pursuant such a contractual agreement for—

18 “(i) the government of each of the
19 several States, the District of Columbia, an
20 Indian tribe or authorized tribal organiza-
21 tion, the Commonwealth of Puerto Rico,
22 Guam, American Samoa, the Virgin Is-
23 lands, the Commonwealth of the Northern
24 Mariana Islands, or any other territory or
25 possession of the United States;

1 “(ii) the government of any political
 2 subdivision of, agency of, or instrumen-
 3 tality of, a government listed in clause (i);
 4 and

5 “(iii) an element of the intelligence
 6 community (as defined in section 3 of the
 7 National Security Act of 1947 (50 U.S.C.
 8 3003)) within the Department of De-
 9 fense.”.

10 **SEC. 3703. ENHANCEMENT OF NON-DEFENSE CONTRACTOR**
 11 **PROTECTION FROM REPRISAL FOR DISCLO-**
 12 **SURE OF CERTAIN INFORMATION.**

13 Section 4712 of title 41, United States Code, is
 14 amended—

15 (1) in subsection (a)—

16 (A) by striking paragraph (1) and insert-
 17 ing the following paragraph:

18 “(1) IN GENERAL.—A protected individual may
 19 not be discharged, demoted, or otherwise discrimi-
 20 nated against as a reprisal for the following:

21 “(A) Refusing to obey an order that would
 22 require the protected individual to violate a law,
 23 rule, or regulation related to any contract, sub-
 24 contract, grant, or subgrant.

“(B) Disclosing to a person or body described in paragraph (2) information that the protected individual reasonably believes is evidence of the following:

“(i) Gross mismanagement of any Federal contract or grant, any gross waste of Federal funds, any abuse of authority relating to any Federal contract, subcontract, grant, or subgrant, or any violation of law, rule, or regulation related to any Federal contract or subcontract (including the competition for or negotiation of a contract or subcontract) or grant or subgrant.

“(ii) A substantial and specific danger to public health or safety.”; and
(B) in paragraph (3)—

(i) in subparagraph (A), by striking “an employee” and inserting “a protected individual”; and

(ii) by striking subparagraph (B) and inserting the following subparagraph:

“(B) it shall not be within the authority of an executive branch official to request that a contractor, subcontractor, grantee, or sub-

1 grantee engage in a reprisal prohibited by para-
 2 graph (1).”;

3 (2) in subsection (c)—

4 (A) in paragraph (1), by adding at the end
 5 the following new subparagraph:

6 “(E) Propose appropriate disciplinary ac-
 7 tion against any executive branch official for
 8 any request made of a contractor, subcon-
 9 tractor, grantee, or subgrantee that subjected
 10 the complainant to a reprisal prohibited by sub-
 11 section (a).”; and

12 (B) by striking paragraph (7) and insert-
 13 ing the following paragraph:

14 “(7) RIGHTS, FORUM, AND REMEDIES NOT
 15 WAIVABLE.—The rights, forum, and remedies pro-
 16 vided for in this section may not be waived by any
 17 public or private agreement, policy, form, or condi-
 18 tion of employment, including by any predispute ar-
 19 bitration agreement.”;

20 (3) in subsection (e)—

21 (A) by striking “an employee” and insert-
 22 ing “a protected individual”; and

23 (B) by striking “the employee” and insert-
 24 ing “the protected individual”;

1 (4) by striking subsection (f) and redesignating
2 subsections (g) and (h) as subsections (f) and (g),
3 respectively; and

4 (5) in subsection (f), as so redesignated, by in-
5 serting after paragraph (2) the following new para-
6 graph:

7 “(3) The term ‘protected individual’ means—

8 “(A) a contractor, subcontractor, grantee,
9 or subgrantee of the Federal Government, in-
10 cluding—

11 “(i) the government of each of the
12 several States, the District of Columbia, an
13 Indian tribe or authorized tribal organiza-
14 tion, the Commonwealth of Puerto Rico,
15 Guam, American Samoa, the Virgin Is-
16 lands, the Commonwealth of the Northern
17 Mariana Islands, or any other territory or
18 possession of the United States;

19 “(ii) the government of any political
20 subdivision of, agency of, or instrumen-
21 tality of, a government listed in clause (i);
22 and

23 “(iii) an element of the intelligence
24 community (as defined in section 3 of the

1 National Security Act of 1947 (50 U.S.C.
2 3003));

3 “(B) an employee of a contractor, subcon-
4 tractor, grantee, or subgrantee of the Federal
5 Government or a former employee of such con-
6 tractor, subcontractor, grantee, or subgrantee
7 whose protected disclosure or engagement in
8 any activity protected against reprisal under
9 this section occurred prior to termination, in-
10 cluding an employee of—

11 “(i) the government of each of the
12 several States, the District of Columbia, an
13 Indian tribe or authorized tribal organiza-
14 tion, the Commonwealth of Puerto Rico,
15 Guam, American Samoa, the Virgin Is-
16 lands, the Commonwealth of the Northern
17 Mariana Islands, or any other territory or
18 possession of the United States;

19 “(ii) the government of any political
20 subdivision of, agency of, or instrumen-
21 tality of, a government listed in clause (i);
22 and

23 “(iii) an element of the intelligence
24 community (as defined in section 3 of the

1 National Security Act of 1947 (50 U.S.C.
2 3003)); or

3 “(C) a person performing personal services
4 for the Federal Government pursuant to a con-
5 tractual agreement for the performance of per-
6 sonal services, including a personal services con-
7 tract or personal services agreement, including
8 a person performing personal services pursuant
9 to such a contractual agreement for—

10 “(i) the government of each of the
11 several States, the District of Columbia, an
12 Indian tribe or authorized tribal organiza-
13 tion, the Commonwealth of Puerto Rico,
14 Guam, American Samoa, the Virgin Is-
15 lands, the Commonwealth of the Northern
16 Mariana Islands, or any other territory or
17 possession of the United States;

18 “(ii) the government of any political
19 subdivision of, agency of, or instrumen-
20 tality of, a government listed in clause (i);
21 and

22 “(iii) an element of the intelligence
23 community (as defined in section 3 of the
24 National Security Act of 1947 (50 U.S.C.
25 3003)).”.

1 **DIVISION D—SEVERABILITY**

2 **SEC. 4101. SEVERABILITY.**

3 If any provision of this Act or any amendment made
4 by this Act, or the application of a provision of this Act
5 or an amendment made by this Act to any person or cir-
6 cumstance, is held to be unconstitutional, the remainder
7 of this Act and the amendments made by this Act, and
8 the application of the provisions or amendments of this
9 Act to any other person or circumstance, shall not be af-
10 fected.

Calendar No. 452

119TH CONGRESS
2^D Session
S. 4952

A BILL

To combat fraud in Federal programs, and for
other purposes.

JULY 14, 2026

Read the second time and placed on the calendar