

119TH CONGRESS
2D SESSION

S. 3643

To establish the Office of the Special Inspector General for Program Fraud,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 14, 2026

Mr. HAWLEY introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To establish the Office of the Special Inspector General
for Program Fraud, 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 “Special Inspector Gen-
5 eral for Program Fraud Act”.

6 **SEC. 2. SPECIAL INSPECTOR GENERAL FOR PROGRAM**
7 **FRAUD.**

8 (a) **PURPOSES.**—The purposes of this section are as
9 follows:

1 (1) To provide for the independent and objec-
2 tive conduct and supervision of audits and investiga-
3 tions relating to programs funded with amounts ap-
4 propriated or otherwise made available for child as-
5 sistance programs in the United States.

6 (2) To provide for the independent and objec-
7 tive leadership and coordination of, and rec-
8 ommendations on, policies designed to prevent and
9 detect waste, fraud, and abuse in such programs de-
10 scribed in paragraph (1).

11 (3) To provide for an independent and objective
12 means of keeping the Secretary of Health and
13 Human Services, the Secretary of Agriculture, the
14 heads of the other covered Federal agencies, and
15 Congress fully and currently informed about prob-
16 lems and deficiencies relating to the administration
17 of such programs and the necessity for and progress
18 on corrective action.

19 (b) OFFICE OF INSPECTOR GENERAL.—There is
20 hereby established the Office of the Special Inspector Gen-
21 eral for Program Fraud to carry out the purposes set forth
22 in subsection (a).

23 (c) APPOINTMENT OF INSPECTOR GENERAL; RE-
24 MOVAL.—

1 (1) APPOINTMENT.—The head of the Office of
2 the Special Inspector General for Program Fraud is
3 the Special Inspector General for Program Fraud
4 (in this section referred to as the “Inspector Gen-
5 eral”), who shall be appointed by the President with
6 the advice and consent of the Senate.

7 (2) QUALIFICATIONS.—The appointment of the
8 Inspector General shall be made solely on the basis
9 of integrity and demonstrated ability in accounting,
10 auditing, financial analysis, law, management anal-
11 ysis, public administration, or investigations.

12 (3) DEADLINE FOR APPOINTMENT.—The ap-
13 pointment of an individual as Inspector General
14 shall be made not later than 30 days after the date
15 of enactment of this Act.

16 (4) COMPENSATION.—The annual rate of basic
17 pay of the Inspector General shall be the annual rate
18 of basic pay provided for positions at level IV of the
19 Executive Schedule under section 5315 of title 5,
20 United States Code.

21 (5) PROHIBITION ON POLITICAL ACTIVITIES.—
22 For purposes of section 7324 of title 5, United
23 States Code, the Inspector General shall not be con-
24 sidered an employee who determines policies to be

1 pursued by the United States in the nationwide ad-
2 ministration of Federal law.

3 (6) REMOVAL.—The Inspector General shall be
4 removable from office in accordance with the provi-
5 sions of section 403(b) of title 5, United States
6 Code.

7 (d) ASSISTANT INSPECTORS GENERAL.—The Inspec-
8 tor General shall, in accordance with applicable laws and
9 regulations governing the civil service—

10 (1) appoint an Assistant Inspector General for
11 Auditing who shall have the responsibility for super-
12 vising the performance of auditing activities relating
13 to programs funded with amounts appropriated or
14 otherwise made available for child assistance pro-
15 grams in the United States; and

16 (2) appoint an Assistant Inspector General for
17 Investigations who shall have the responsibility for
18 supervising the performance of investigative activi-
19 ties relating to such programs.

20 (e) SUPERVISION.—

21 (1) IN GENERAL.—Except as provided in para-
22 graph (2), the Inspector General shall report directly
23 to, and be under the general supervision of, the Sec-
24 retary of Health and Human Services, the Secretary

1 of Agriculture, and the heads of the other covered
2 Federal agencies.

3 (2) INDEPENDENCE TO CONDUCT INVESTIGA-
4 TIONS AND AUDITS.—No officer of the Department
5 of Health and Human Services, the Department of
6 Agriculture, or another covered Federal agency shall
7 prevent or prohibit the Inspector General from initi-
8 ating, carrying out, or completing any audit or in-
9 vestigation related to amounts appropriated or oth-
10 erwise made available for child assistance programs
11 in the United States or from issuing any subpoena
12 during the course of any such audit or investigation.

13 (f) DUTIES.—

14 (1) OVERSIGHT OF CHILD ASSISTANCE PRO-
15 GRAMS.—It shall be the duty of the Inspector Gen-
16 eral to conduct, supervise, and coordinate audits and
17 investigations of the treatment, handling, and ex-
18 penditure of amounts appropriated or otherwise
19 made available for child assistance programs in the
20 United States, including—

21 (A) the oversight and accounting of the ob-
22 ligation and expenditure of such funds;

23 (B) the monitoring and review of contracts
24 funded by such funds;

1 (C) the monitoring and review of the
2 transfer of such funds and associated informa-
3 tion between and among departments, agencies,
4 and entities of the United States and private
5 and nongovernmental entities;

6 (D) the maintenance of records on the use
7 of such funds to facilitate future audits and in-
8 vestigations of the use of such funds; and

9 (E) the investigation of overpayments,
10 such as duplicate payments or duplicate billing
11 and any potential unethical or illegal actions of
12 Federal employees, contractors, or affiliated en-
13 tities and the referral of such reports, as nec-
14 essary, to the Department of Justice to ensure
15 further investigations, prosecutions, recovery of
16 further funds, or other remedies.

17 (2) OTHER DUTIES RELATED TO OVERSIGHT.—
18 The Inspector General shall establish, maintain, and
19 oversee such systems, procedures, and controls as
20 the Inspector General considers appropriate to dis-
21 charge the duties under paragraph (1).

22 (3) DUTIES AND RESPONSIBILITIES UNDER
23 CHAPTER 4 OF TITLE 5, UNITED STATES CODE.—In
24 addition to the duties specified in paragraphs (1)
25 and (2), the Inspector General shall also have the

1 duties and responsibilities of inspectors general
2 under chapter 4 of title 5, United States Code.

3 (4) COORDINATION OF EFFORTS.—In carrying
4 out the duties, responsibilities, and authorities of the
5 Inspector General under this section, the Inspector
6 General shall coordinate with, and receive the co-
7 operation of, the Inspector Generals of the Depart-
8 ment of Health and Human Services, the Depart-
9 ment of Agriculture, and the other covered Federal
10 agencies.

11 (g) POWERS AND AUTHORITIES.—

12 (1) AUTHORITIES UNDER CHAPTER 4 OF TITLE
13 5, UNITED STATES CODE.—In carrying out the du-
14 ties specified in subsection (f), the Inspector General
15 shall have the authorities provided in section 406 of
16 title 5, United States Code, including the authorities
17 under subsection (e) of such section.

18 (2) AUDIT STANDARDS.—The Inspector General
19 shall carry out the duties specified in subsection
20 (f)(1) in accordance with section 404(b)(1) of title 5,
21 United States Code.

22 (h) PERSONNEL, FACILITIES, AND OTHER RE-
23 SOURCES.—

24 (1) PERSONNEL.—

1 (A) IN GENERAL.—The Inspector General
2 may select, appoint, and employ such officers
3 and employees as may be necessary for carrying
4 out the duties of the Inspector General, subject
5 to the provisions of title 5, United States Code,
6 governing appointments in the competitive serv-
7 ice, and the provisions of chapter 51 and sub-
8 chapter III of chapter 53 of such title, relating
9 to classification and General Schedule pay
10 rates.

11 (B) ADDITIONAL AUTHORITIES.—

12 (i) IN GENERAL.—Subject to clause
13 (ii), the Inspector General may exercise the
14 authorities of subsections (b) through (i) of
15 section 3161 of title 5, United States Code
16 (without regard to subsection (a) of that
17 section).

18 (ii) PERIODS OF APPOINTMENTS.—In
19 exercising the employment authorities
20 under subsection (b) of section 3161 of
21 title 5, United States Code, as provided
22 under clause (i) of this subparagraph—

23 (I) paragraph (2) of that sub-
24 section (relating to periods of appoint-
25 ments) shall not apply; and

1 (II) no period of appointment
2 may exceed the date on which the Of-
3 fice of the Special Inspector General
4 for Program Fraud terminates under
5 subsection (n).

6 (2) EMPLOYMENT OF EXPERTS AND CONSULT-
7 ANTS.—The Inspector General may obtain services
8 as authorized by section 3109 of title 5, United
9 States Code, at daily rates not to exceed the equiva-
10 lent rate prescribed for grade GS-15 of the General
11 Schedule by section 5332 of such title.

12 (3) CONTRACTING AUTHORITY.—To the extent
13 and in such amounts as may be provided in advance
14 by appropriations Acts, the Inspector General may
15 enter into contracts and other arrangements for au-
16 dits, studies, analyses, and other services with public
17 agencies and with private persons, and make such
18 payments as may be necessary to carry out the du-
19 ties of the Inspector General.

20 (4) RESOURCES.—The Secretary of Health and
21 Human Services, the Secretary of Agriculture, and
22 the heads of the other covered Federal agencies, as
23 appropriate, shall provide the Inspector General
24 with—

1 (A) appropriate and adequate office space
2 at appropriate locations of the Department of
3 Health and Human Services, the Department of
4 Agriculture, and the other covered Federal
5 agencies, together with such equipment, office
6 supplies, and communications facilities and
7 services as may be necessary for the operation
8 of such offices, and shall provide necessary
9 maintenance services for such offices and the
10 equipment and facilities located therein; and

11 (B) appropriate and adequate support for
12 audits, investigations, and related activities by
13 the Inspector General or assigned personnel.

14 (5) ASSISTANCE FROM FEDERAL AGENCIES.—

15 (A) IN GENERAL.—Upon request of the In-
16 spector General for information or assistance
17 from any department, agency, or other entity of
18 the Federal Government, the head of such enti-
19 ty shall, insofar as is practicable and not in
20 contravention of any existing law, furnish such
21 information or assistance to the Inspector Gen-
22 eral, or an authorized designee.

23 (B) REPORTING OF REFUSED ASSIST-
24 ANCE.—Whenever information or assistance re-
25 quested by the Inspector General is, in the

1 judgment of the Inspector General, unreason-
2 ably refused or not provided, the Inspector Gen-
3 eral shall report the circumstances to the Sec-
4 retary of Health and Human Services, the Sec-
5 retary of Agriculture, and the heads of the
6 other covered Federal agencies, as appropriate,
7 and to the appropriate congressional commit-
8 tees, without delay.

9 (i) REPORTS.—

10 (1) QUARTERLY REPORTS.—Not later than 30
11 days after the end of each fiscal-year quarter, the
12 Inspector General shall submit to the appropriate
13 congressional committees a report summarizing, for
14 the period of that quarter and, to the extent pos-
15 sible, the period from the end of such quarter to the
16 time of the submission of the report, the activities
17 during such period of the Inspector General and the
18 activities under programs funded with amounts ap-
19 propriated or otherwise made available for child as-
20 sistance programs in the United States. Each report
21 shall include, for the period covered by such report,
22 a detailed statement of all obligations, expenditures,
23 and revenues associated with child assistance pro-
24 grams in the United States, including each of the
25 following:

1 (A) Obligations and expenditures of appro-
2 priated funds.

3 (B) Operating expenses of agencies or enti-
4 ties receiving amounts appropriated or other-
5 wise made available for child assistance pro-
6 grams in the United States.

7 (C) In the case of any contract, grant,
8 agreement, or other funding mechanism de-
9 scribed in paragraph (2)—

10 (i) the amount of the contract, grant,
11 agreement, or other funding mechanism;

12 (ii) a brief discussion of the scope of
13 the contract, grant, agreement, or other
14 funding mechanism;

15 (iii) a discussion of how the covered
16 Federal agency involved in the contract,
17 grant, agreement, or other funding mecha-
18 nism identified, and solicited offers from,
19 potential individuals or entities to perform
20 the contract, grant, agreement, or other
21 funding mechanism, together with a list of
22 the potential individuals or entities that
23 were issued solicitations for the offers; and

24 (iv) the justification and approval doc-
25 uments on which was based the determina-

1 tion to use procedures other than proce-
2 dures that provide for full and open com-
3 petition.

4 (2) COVERED CONTRACTS, GRANTS, AGREE-
5 MENTS, AND FUNDING MECHANISMS.—A contract,
6 grant, agreement, or other funding mechanism de-
7 scribed in this paragraph is any major contract,
8 grant, agreement, or other funding mechanism that
9 is entered into by any covered Federal agency, with
10 any public or private sector entity, that involves the
11 use of amounts appropriated or otherwise made
12 available for child assistance programs in the United
13 States.

14 (3) PUBLIC AVAILABILITY.—The Inspector
15 General shall publish on a publicly available internet
16 website each report under paragraph (1) of this sub-
17 section.

18 (4) RULE OF CONSTRUCTION.—Nothing in this
19 subsection shall be construed to authorize the public
20 disclosure of information that is—

21 (A) specifically prohibited from disclosure
22 by any other provision of law; or

23 (B) a part of an ongoing criminal inves-
24 tigation.

25 (j) REPORT COORDINATION.—

1 (1) SUBMISSION TO HEADS OF COVERED FED-
2 ERAL AGENCIES.—The Inspector General shall also
3 submit each report required under subsection (i) to
4 the Secretary of Health and Human Services, the
5 Secretary of Agriculture, and the heads of the other
6 covered Federal agencies.

7 (2) SUBMISSION TO CONGRESS.—

8 (A) IN GENERAL.—Not later than 30 days
9 after receipt of a report under paragraph (1),
10 the Secretary of Health and Human Services,
11 the Secretary of Agriculture, and the heads of
12 the other covered Federal agencies, as appro-
13 priate, shall submit to the appropriate congress-
14 sional committees any comments on the matters
15 covered by the report.

16 (B) ACCESS.—On request, any Member of
17 Congress may view comments submitted under
18 subparagraph (A).

19 (k) TRANSPARENCY.—

20 (1) REPORT.—Not later than 60 days after
21 submission to the appropriate congressional commit-
22 tees of a report under subsection (i), the Secretary
23 of Health and Human Services, the Secretary of Ag-
24 riculture, and the head of each covered Federal

1 agency, shall make copies of the report available to
2 the public upon request, and at a reasonable cost.

3 (2) COMMENTS ON MATTERS COVERED BY RE-
4 PORT.—Not later than 60 days after the last sub-
5 mission to the appropriate congressional committees
6 under subsection (j)(2)(A) of comments on a report
7 under subsection (i), the Secretary of Health and
8 Human Services, the Secretary of Agriculture, and
9 the head of each covered Federal agency, shall make
10 copies of the comments available to the public upon
11 request, and at a reasonable cost.

12 (l) DEFINITIONS.—In this section:

13 (1) APPROPRIATE CONGRESSIONAL COMMIT-
14 TEES.—The term “appropriate congressional com-
15 mittees” means—

16 (A) the Committee on Appropriations, the
17 Committee on Agriculture, Nutrition, and For-
18 estry, the Committee on Health, Education,
19 Labor, and Pensions, the Committee on Fi-
20 nance, and the Committee on Homeland Secu-
21 rity and Governmental Affairs of the Senate;
22 and

23 (B) the Committee on Appropriations, the
24 Committee on Agriculture, the Committee on
25 Ways and Means, the Committee on Energy

1 and Commerce, and the Committee on Over-
2 sight and Government Reform of the House of
3 Representatives.

4 (2) CHILD ASSISTANCE.—The term “child as-
5 sistance” means Federal financial assistance for an
6 activity such as child care or child nutrition.

7 (3) CHILD ASSISTANCE PROGRAM.—The term
8 “child assistance program” means a Federal, State,
9 Tribal, or local program providing child assistance.

10 (4) COVERED FEDERAL AGENCY.—The term
11 “covered Federal agency” means a department or
12 agency of the executive branch of the Federal Gov-
13 ernment that, as determined by the President, ad-
14 ministers amounts appropriated or otherwise made
15 available for a child assistance program in the
16 United States.

17 (m) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated \$10,000,000 for each of fis-
19 cal years 2026 and 2027 to carry out this section.

20 (n) TERMINATION.—

21 (1) IN GENERAL.—The Office of the Special In-
22 spector General for Program Fraud shall terminate
23 on September 30, 2027.

24 (2) FINAL REPORT.—The Inspector General
25 shall, prior to the termination of the Office of the

1 Special Inspector General for Program Fraud under
2 paragraph (1), prepare and submit to the appro-
3 priate congressional committees a final report on
4 programs funded with amounts appropriated or oth-
5 erwise made available for child assistance programs
6 in the United States.

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