

114TH CONGRESS  
1ST SESSION

# S. 1378

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

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IN THE SENATE OF THE UNITED STATES

MAY 19, 2015

Mr. PAUL (for himself, Mr. WARNER, Mr. ENZI, Mr. GARDNER, and Mr. TOOMEY) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

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

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Bonuses for Cost-Cut-  
5 ters Act of 2015”.

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

7 (a) IN GENERAL.—Section 4512 of title 5, United  
8 States Code, is amended—

9 (1) in subsection (a)—

1 (A) in the matter preceding paragraph (1),  
2 by inserting “or identification of surplus funds  
3 or unnecessary budget authority” after “mis-  
4 management”;

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

7 (C) in the matter following paragraph (2),  
8 by inserting “or identification” after “dislo-  
9 sure”; and  
10 (2) by adding at the end the following:

11 “(c) 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 funds or unnecessary budget authority  
15 identified by an employee, along with any recommenda-  
16 tions of the Inspector General or other agency employee.

17 “(d)(1) If the Chief Financial Officer of an agency  
18 determines that rescission of potential surplus funds or  
19 unnecessary budget authority identified by an employee  
20 would not hinder the effectiveness of the agency, except  
21 as provided in subsection (e), the head of the agency shall  
22 transfer the amount of the surplus funds or unnecessary  
23 budget authority from the applicable appropriations ac-  
24 count to the general fund of the Treasury.

1       “(2) Title X of the Congressional Budget and Im-  
2 poundment Control Act of 1974 (2 U.S.C. 681 et seq.)  
3 shall not apply to transfers under paragraph (1).

4       “(3) Any amounts transferred under paragraph (1)  
5 shall be deposited in the Treasury and used for deficit re-  
6 duction, except that in the case of a fiscal year for which  
7 there is no Federal budget deficit, such amounts shall be  
8 used to reduce the Federal debt (in such manner as the  
9 Secretary of the Treasury considers appropriate).

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

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

15               “(A) used for the purpose of paying a cash  
16 award under subsection (a) to 1 or more employees  
17 who identified the surplus funds or unnecessary  
18 budget authority; and

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

1 “(f)(1) The head of each agency shall submit to the  
2 Director of the Office of Personnel Management an annual  
3 report regarding—

4 “(A) each disclosure of possible fraud, waste, or  
5 mismanagement or identification of potentially sur-  
6 plus funds or unnecessary budget authority by an  
7 employee of the agency determined by the agency to  
8 have merit;

9 “(B) the total savings achieved through disclo-  
10 sures and identifications described in subparagraph  
11 (A); and

12 “(C) the number and amount of cash awards by  
13 the agency under subsection (a).

14 “(2)(A) The head of each agency shall include the  
15 information described in paragraph (1) in each budget re-  
16 quest of the agency submitted to the Office of Manage-  
17 ment and Budget as part of the preparation of the budget  
18 of the President submitted to Congress under section  
19 1105(a) of title 31, United States Code.

20 “(B) The Director of the Office of Personnel Manage-  
21 ment shall submit to the Committee on Appropriations of  
22 the Senate, the Committee on Appropriations of the House  
23 of Representatives, and the Government Accountability  
24 Office an annual report on Federal cost saving and awards  
25 based on the reports submitted under subparagraph (A).

1 “(g) The Director of the Office of Personnel Manage-  
2 ment shall—

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

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

8 “(h) Not later than 3 years after the date of enact-  
9 ment of the Bonuses for Cost-Cutters Act of 2015, and  
10 every 3 years thereafter, the Comptroller General of the  
11 United States shall submit to Congress a report on the  
12 operation of the cost savings and awards program under  
13 this section, including any recommendations for legislative  
14 changes.”.

15 (b) OFFICERS ELIGIBLE FOR CASH AWARDS.—

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

18 “§ 4509. **Prohibition of cash award to certain officers**

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

21 “(1) has the meaning given that term under  
22 section 551(1); and

23 “(2) includes an entity described in section  
24 4501(1).

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

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

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

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

8           (2) TECHNICAL AND CONFORMING AMEND-  
9       MENT.—The table of sections for chapter 45 of title  
10       5, United States Code, is amended by striking the  
11       item relating to section 4509 and inserting the fol-  
12       lowing:

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

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