

119TH CONGRESS
2^D SESSION

H. R. 8312

AN ACT

To establish fraud prevention and program integrity functions and data sharing authorities within the Department of Treasury and a permanent governmentwide Inspector General for Fraud, Accountability, and Recovery, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Fraud Prevention and
3 Accountability Act”.

4 **SEC. 2. ESTABLISHMENT OF FRAUD PREVENTION AND FI-**
5 **NANCIAL INTEGRITY FUNCTIONS WITHIN**
6 **THE DEPARTMENT OF THE TREASURY.**

7 (a) IN GENERAL.—Section 306 of title 31, United
8 States Code, is amended to read as follows:

9 **“§ 306. Fiscal Service**

10 “(a) The Bureau of the Fiscal Service is a service
11 in the Department of the Treasury.

12 “(b) The head of the Bureau of the Fiscal Service
13 is the Fiscal Assistant Secretary appointed under section
14 301(d).

15 “(c) The Bureau of the Fiscal Service, having as its
16 head a Commissioner, shall maintain the following func-
17 tions related to financial integrity, spending transparency,
18 and preventing improper payments resulting in financial
19 loss to the government, and does not include any investiga-
20 tive or law enforcement function, which, in addition to any
21 other duty the Secretary of the Treasury assigns—

22 “(1) shall administer and operate the Do Not
23 Pay system required under section 3354 in a man-
24 ner that ensures that any data provided to the Sec-
25 retary is used only for the purposes set forth under
26 section 3354 in accordance with applicable law; and

1 “(2) shall, in consultation with the Director of
2 the Office of Management and Budget, establish and
3 maintain a voluntary governmentwide data analysis
4 program in accordance with applicable law and using
5 the authorities under section 6(c)(1) of the Federal
6 Funding Accountability and Transparency Act (Pub-
7 lic Law 109–282; 31 U.S.C. 6101 note)—

8 “(A) to provide data sharing and analysis
9 services to Federal agencies and any State
10 (meaning a State of the United States, the Dis-
11 trict of Columbia, a territory or possession of
12 the United States, or a federally recognized In-
13 dian Tribe) and local government responsible
14 for the administration of a federally funded
15 program or the disbursement of Federal funds,
16 to detect fraud and prevent improper payments
17 resulting in a financial loss to the government,
18 but for no other purpose including any policy
19 analysis and enforcement action purpose, and,
20 including by facilitating the following services
21 upon request and on a voluntary basis in ac-
22 cordance with all applicable privacy and secu-
23 rity laws:

24 “(i) Federal agency or State and local
25 government data sharing of known fraudu-

1 lent entities and transactions resulting
2 from final adverse action determinations,
3 payment denials, referrals for criminal in-
4 vestigation, or equivalent findings with the
5 Department of the Treasury.

6 “(ii) Screening awardees and payees
7 against the centralized fraud database
8 prior to award or payment issuance, as
9 feasible and in accordance with individual
10 program requirements.

11 “(iii) Screening relevant cyber activity
12 against the centralized fraud database to
13 review recipient or payee changes to virtual
14 identity or payment information.

15 “(iv) Establishing governmentwide
16 standards for the collection, labeling, and
17 sharing of data related to improper pay-
18 ments, to include fraudulent payments,
19 with the Department of the Treasury.

20 “(v) Partnering with financial institu-
21 tions and industry to share best practices
22 and, as appropriate, information on known
23 fraud patterns and results of investigations
24 into fraudulent activity.

1 “(vi) Providing identity, eligibility, ac-
2 count, and vital event verification and vali-
3 dation tools and analytical services to
4 agencies, as necessary and appropriate;
5 and

6 “(B) that is capable of receiving (including
7 in bulk data formats and through systems that
8 facilitate real-time data access) any data asset,
9 information, or record related to the adminis-
10 tration of Federal programs (including federally
11 funded State-administered programs) and dis-
12 bursement of Federal funds under such pro-
13 grams, provided to the Secretary for secure and
14 confidential use by the center or the Inspector
15 General for Fraud, Accountability and Recovery
16 (in accordance with any terms included in a
17 written data sharing agreement between the
18 Secretary and the Inspector General) to recog-
19 nize and address patterns of fraudulent actors,
20 information, and claims across such programs;
21 and

22 “(3) shall provide the Inspector General for
23 Fraud, Accountability, and Recovery, access to such
24 information technology, data assets, information,
25 and records to support the functions and services of

1 the Office of the Inspector General for Fraud, Ac-
2 countability, and Recovery established under section
3 317 in accordance with applicable law.

4 “(d) The Secretary of the Treasury, in consultation
5 with the Director of the Office of Management and Budg-
6 et, shall not later than 2 years after the establishment of
7 this section, and on an annual basis thereafter, submit,
8 to the Committee on Oversight and Government Reform
9 of the House of Representatives and the Committee on
10 Homeland Security and Governmental Affairs of the Sen-
11 ate, a report, which may be included as part of another
12 report submitted to Congress by the Secretary, on the im-
13 plementation of the Program, including participation rates
14 and an assessment of the Program’s effectiveness in re-
15 ducing fraud and preventing improper payments resulting
16 in a financial loss to the government.

17 “(e) The Secretary of the Treasury may designate an-
18 other officer or employee of the Department to act as the
19 Fiscal Assistant Secretary when the Fiscal Assistant Sec-
20 retary is absent or unable to serve or when the office of
21 Fiscal Assistant Secretary is vacant.”.

22 (b) COORDINATION IN DESIGNATING DO NOT PAY
23 DATABASES.—Section 3354(b)(1)(B) of title 31, United
24 States Code, is amended by inserting “in coordination

1 with the Secretary of the Treasury” before “in consulta-
2 tion”.

3 (c) AMENDMENT TO DATA ACT OF 2014 DATA ANAL-
4 YSIS CENTER AUTHORIZATION.—Section 6(c)(1) of the
5 Federal Funding Accountability and Transparency Act of
6 2006 (Public Law 109–282; 31 U.S.C. 6101 note) is
7 amended by striking “may” and inserting “shall”.

8 **SEC. 3. ESTABLISHMENT OF INSPECTOR GENERAL FOR**
9 **FRAUD, ACCOUNTABILITY, AND RECOVERY.**

10 (a) ESTABLISHMENT OF INSPECTOR FOR FRAUD, AC-
11 COUNTABILITY, AND RECOVERY.—Subchapter I of chap-
12 ter 3 of title 31, United States Code, is amended by add-
13 ing at the end the following:

14 **“§ 317. Inspector General for Fraud, Accountability,**
15 **and Recovery within the Department of**
16 **the Treasury**

17 “(a) OFFICE OF INSPECTOR GENERAL.—There is es-
18 tablished within the Department of the Treasury, the Of-
19 fice of the Inspector General for Fraud, Accountability,
20 and Recovery.

21 “(b) APPOINTMENT OF INSPECTOR GENERAL; RE-
22 MOVAL.—

23 “(1) IN GENERAL.—The head of the Office
24 shall be the Inspector General for Fraud, Account-
25 ability, and Recovery, who shall be appointed by the

1 President, by and with the advice and consent of the
2 Senate.

3 “(2) NOMINATION.—The nomination of the In-
4 spector General shall be made without regard to po-
5 litical affiliation and solely on the basis of integrity
6 and demonstrated ability in accounting, auditing, fi-
7 nancial analysis, law, management analysis, public
8 administration, or investigations.

9 “(3) REMOVAL.—The Inspector General shall
10 be removable from office in accordance with the pro-
11 visions of section 403(b) of title 5.

12 “(4) POLITICAL ACTIVITY.—For purposes of
13 section 7324 of title 5, the Inspector General shall
14 not be considered an employee who determines poli-
15 cies to be pursued by the United States in the na-
16 tionwide administration of Federal law.

17 “(5) BASIC PAY.—The annual rate of basic pay
18 of the Inspector General shall be the annual rate of
19 basic pay for an Inspector General under section
20 403(e) of title 5.

21 “(6) LEGAL COUNSEL.—The Inspector General
22 for Fraud, Accountability, and Recovery shall, in ac-
23 cordance with applicable laws and regulations gov-
24 erning the civil service, obtain legal advice from a
25 counsel either reporting directly to the Inspector

1 General for Fraud, Accountability, and Recovery or
2 another inspector general within the executive
3 branch.

4 “(c) DUTIES AND RESPONSIBILITIES.—

5 “(1) IN GENERAL.—It shall be the duty of the
6 Inspector General, in accordance with section
7 404(b)(1) of title 5, to conduct, supervise, or coordi-
8 nate oversight activities, including audits and inves-
9 tigations of the use of and the provision or award
10 of covered funds, and the management by agency
11 heads of any program established by the use of cov-
12 ered funds, with such related activities of the Inspec-
13 tor General to be considered civil or criminal law en-
14 forcement activities, including by—

15 “(A) providing support to agency Inspec-
16 tors General, if requested by the agency Inspec-
17 tor General, in the oversight of covered funds in
18 order to—

19 “(i) detect and prevent fraud, waste,
20 abuse, and mismanagement;

21 “(ii) identify major risks that cut
22 across programs and agency boundaries;
23 and

1 “(iii) identify and promote best prac-
2 tices and tools to prevent, detect, and re-
3 spond to fraud across covered funds; and

4 “(B) coordinating with relevant agency In-
5 spectors General, the Department of Justice,
6 and, as appropriate, the Fiscal Service to—

7 “(i) provide support in conducting in-
8 vestigations, audits, and reviews relating to
9 covered funds, including through—

10 “(I) the establishment or use of
11 an independent data analytics plat-
12 form, which shall incorporate to the
13 extent practicable and feasible the
14 data analytic platform maintained by
15 the Pandemic Response Accountability
16 Committee prior to the enactment of
17 this section;

18 “(II) the sharing of data, tools,
19 and services;

20 “(III) the development and en-
21 hancement of data practices, analysis,
22 and visualization; and

23 “(IV) any other appropriate
24 means as determined by the Inspector
25 General in coordination with relevant

1 Inspectors General from any agency
2 that expends or obligates covered
3 funds;

4 “(ii) provide analytical products to
5 agencies to promote program integrity,
6 prevent improper payments, facilitate
7 verification efforts to ensure proper ex-
8 penditure and utilization of covered funds,
9 and assist with civil and criminal investiga-
10 tions or litigation relating to fraud, waste,
11 abuse and mismanagement of covered
12 funds;

13 “(iii) review the economy, efficiency,
14 and effectiveness in the administration of,
15 and the detection of fraud, waste, abuse,
16 and mismanagement in, programs and op-
17 erations using covered funds;

18 “(iv) as appropriate and practicable,
19 identify data assets and information
20 records collected, produced, and main-
21 tained by the Office that can be securely
22 provided through data sharing agreements,
23 including in bulk data formats and
24 through systems that facilitate real-time
25 data access, with the Secretary of the

1 Treasury to support the functions and ac-
2 tivities of the Fiscal Service and civil and
3 criminal investigations or litigation relating
4 to fraud, waste, abuse, and mismanage-
5 ment of covered funds; and

6 “(v) expeditiously report to the Attor-
7 ney General any instance in which the In-
8 spector General has reasonable grounds to
9 believe there has been a violation of Fed-
10 eral criminal law;

11 “(C) establish an advisory committee com-
12 posed of other Inspectors General, with at least
13 three representing an agency specified under
14 section 901(b) of title 31, United States Code,
15 and three from another agency, in accordance
16 with the following:

17 “(i) GENERAL FUNCTIONS.—The ad-
18 visory committee may identify and
19 prioritize cross-agency fraud risks and ac-
20 tivities to prevent, detect, and otherwise
21 mitigate such risks, including by review-
22 ing—

23 “(I) the economy, efficiency, and
24 effectiveness in the administration of,
25 and the detection of fraud, waste,

1 abuse, and mismanagement in, pro-
2 grams and operations using covered
3 funds; and

4 “(II) whether there are appro-
5 priate mechanisms for interagency col-
6 laboration relating to the oversight of
7 covered funds, including coordinating
8 and collaborating to the extent prac-
9 ticable with State and local govern-
10 ment entities.

11 “(ii) RECOMMENDATIONS.—The advi-
12 sory committee may, in coordination with
13 the Secretary of the Treasury and the Di-
14 rector of the Office of Management and
15 Budget, make recommendations to agen-
16 cies on measures to prevent or address
17 fraud, waste, abuse, and mismanagement,
18 and to mitigate major risks that cut across
19 programs and agency boundaries, relating
20 to covered funds.

21 “(iii) PREVENTING DUPLICATION IN
22 OVERSIGHT FUNCTIONS.—With a view to
23 preventing duplication in government func-
24 tions and provide for ongoing coordination
25 of resources to prevent fraud and improper

1 payments in Federal programs and spend-
2 ing the advisory committee may—

3 “(I) provide recommendations to
4 the Secretary of the Treasury to as-
5 sist the Secretary in making rec-
6 ommendations under section
7 321(a)(11) of title 31; and

8 “(II) provide any such additional
9 recommendations in a timely manner
10 to the appropriate congressional com-
11 mittees as the advisory committee de-
12 termines necessary and to ensure that
13 the definition of ‘covered funds’ estab-
14 lished under section 317(l) of title 31
15 is legislatively expanded, as necessary;

16 “(D) the Inspector General may provide
17 investigative support to prosecutive and enforce-
18 ment authorities to protect program integrity
19 and prevent, detect, and prosecute fraud of cov-
20 ered funds; and

21 “(E) coordinating the oversight and inves-
22 tigative activities with the Comptroller General
23 of the United States, State and local govern-
24 ment Inspectors General, and State and local
25 auditors, as appropriate.

1 “(2) MAINTENANCE OF SYSTEMS.—The Inspec-
2 tor General shall establish, maintain, and oversee
3 such systems, procedures, and controls as the In-
4 spector General considers appropriate to discharge
5 the duties of the Inspector General under paragraph
6 (1).

7 “(3) TECHNICAL ASSISTANCE AND DATA ANA-
8 LYTICS SUPPORT.—In addition to the duties of the
9 Inspector General with respect to covered funds, for
10 any Inspector General enumerated under section
11 424(b)(1) of title 5, the Inspector General may pro-
12 vide technical assistance to support independent
13 oversight activities on a reimbursable or non-reim-
14 bursable basis provided that appropriate data pri-
15 vacy and security protection provisions are provided
16 for in agreements to provide such technical assist-
17 ance. Such technical assistance may include, but not
18 be limited to the following:

19 “(A) Sharing data available to the Inspec-
20 tor General, as appropriate under a data shar-
21 ing agreement.

22 “(B) Sharing and providing data analytics
23 services.

24 “(C) Supporting the development of data
25 analytics tools and capabilities.

1 “(D) Sharing of data analysis best prac-
2 tices.

3 “(4) ADDITIONAL DUTIES AND RESPONSIBIL-
4 ITIES.—In addition to the duties described in para-
5 graphs (1) and (2), the duties and responsibilities of
6 inspectors general under subsections (b) through (e)
7 of section 404 of title 5, United States Code, shall
8 apply to the Inspector General. However, such duties
9 and responsibilities shall extend beyond the Depart-
10 ment of the Treasury notwithstanding any reference
11 to the establishment in such section.

12 “(d) POWERS AND AUTHORITIES.—

13 “(1) IN GENERAL.—In carrying out the provi-
14 sions of this section, the Inspector General shall
15 have the authorities provided under section 406 of
16 title 5, United States Code, except that the ref-
17 erences to the establishment in section 406 of such
18 title are not limited to the Department of the Treas-
19 ury, and references to ‘this chapter’ in section 406
20 of such title shall include this section.

21 “(2) TREATMENT OF OFFICE.—The Office shall
22 be considered to be an office described in section
23 406(f)(3) of title 5 and shall be exempt from an ini-
24 tial determination by the Attorney General under
25 subsection (f)(2) of such section.

1 “(3) TREATMENT OF RECORDS.—In carrying
2 out the duties and functions under this subsection
3 with respect to the oversight of covered funds, the
4 Office shall—

5 “(A) be considered to be conducting civil
6 or criminal law enforcement activity for the
7 purposes of section 552a(b)(7) of title 5; and

8 “(B) for the purposes of sections 552 and
9 552a of title 5, be considered to be a component
10 which performs as its principal function an ac-
11 tivity pertaining to the enforcement of criminal
12 laws, and its records may constitute investiga-
13 tory material compiled for law enforcement pur-
14 poses.

15 “(e) PERSONNEL, FACILITIES, AND OTHER RE-
16 SOURCES.—

17 “(1) APPOINTMENT OF OFFICERS AND EMPLOY-
18 EES.—Notwithstanding section 406(a)(7) of title 5,
19 the Inspector General may exercise the authorities of
20 subsections (b) through (i) of section 3161 of title
21 5 (without regard to subsections (a) or (b)(2) of that
22 section) as if the Office of the Inspector General
23 were a temporary organization, as defined in such
24 section, to appoint such officers and employees as
25 may be necessary for carrying out the duties of the

1 Inspector General and to otherwise carry out the
2 functions of the Office of the Inspector General
3 under this section, including appointing an Assistant
4 Inspector General for Investigations.

5 “(2) ADDITIONAL STAFF.—Upon the request of
6 an Inspector General of an Office established under
7 chapter 4 of title 5, the Inspector General may de-
8 tail, on a nonreimbursable basis, any personnel of
9 the Office to that Inspector General to assist in car-
10 rying out any audit, review, or investigation per-
11 taining to the oversight of covered funds.

12 “(3) ANNUITANTS.—

13 “(A) IN GENERAL.—The Office may em-
14 ploy an annuitant receiving an annuity from the
15 Civil Service Retirement and Disability Fund
16 for purposes of the oversight of covered funds.

17 “(B) TREATMENT OF ANNUITANTS.—The
18 employment of annuitants under this paragraph
19 shall be subject to the provisions of section
20 9902(g) of title 5, as if the Office were the De-
21 partment of Defense.

22 “(4) CONTRACTS.—The Inspector General may
23 enter into contracts and other arrangements for au-
24 dits, studies, analyses, and other services with public
25 agencies and with private persons, and make such

1 payments as may be necessary to carry out the du-
2 ties of the Office.

3 “(f) REQUESTS FOR INFORMATION.—

4 “(1) IN GENERAL.—Upon request of the In-
5 spector General for information or assistance from
6 any department, agency, or other entity of the Fed-
7 eral Government, the head of that department, agen-
8 cy, or entity shall, to the extent practicable and not
9 in contravention of any existing law, furnish that in-
10 formation or assistance to the Office, or an author-
11 ized designee.

12 “(2) REFUSAL TO PROVIDE REQUESTED INFOR-
13 MATION OR ASSISTANCE.—Whenever information or
14 assistance requested by the Inspector General is, in
15 the judgment of the Inspector General, unreasonably
16 refused or not provided, the Inspector General shall
17 immediately report the circumstances to the appro-
18 priate congressional committees.

19 “(g) REPORTS.—

20 “(1) ANNUAL REPORTS.—

21 “(A) IN GENERAL.—Not later than 60
22 days after the date on which a Inspector Gen-
23 eral is confirmed, and once every year there-
24 after until the Inspector General is no longer
25 serving in such position, the Inspector General

1 shall submit to the appropriate committees of
2 Congress a report summarizing the activities of
3 the Inspector General.

4 “(B) CONTENTS.—Each report submitted
5 under subparagraph (A)—

6 “(i) shall include—

7 “(I) for the period covered by the
8 report, a detailed statement the activi-
9 ties conducted by the Inspector Gen-
10 eral, including estimates of fraudulent
11 payments the Office helped prevent
12 and assisted in recovering or pros-
13 ecuting; and

14 “(II) policy and legislative rec-
15 ommendations to improve govern-
16 mentwide fraud and improper pay-
17 ment prevention and payment and
18 program integrity improvements; and

19 “(ii) may include a classified annex.

20 “(2) PERIODIC REPORTS.—

21 “(A) MANAGEMENT ALERTS.—The Inspec-
22 tor General shall submit to the President and
23 Congress, including the appropriate congres-
24 sional committees, such periodic reports as may
25 be necessary to notify the President and the Di-

1 rector of the Office of Management and Budg-
2 et, and Congress of any potential program man-
3 agement, risk, or funding accountability, or
4 payment integrity problems related to the use
5 and provision or awarding of covered funds that
6 require immediate attention by Federal agencies
7 or Congress.

8 “(B) UPDATE REPORTS.—The Inspector
9 General shall submit to Congress such other re-
10 ports or provide such periodic updates on the
11 work of the Office as the Inspector General
12 considers appropriate on the use of covered
13 funds including any recommended changes to
14 the scope of covered funds under subsection
15 (1)(2).

16 “(3) PUBLIC AVAILABILITY.—The Inspector
17 General shall publish on the website established
18 under subsection (k) all reports submitted under this
19 subsection.

20 “(4) REDACTIONS.—Any portion of a report
21 submitted under this subsection may be redacted
22 when made publicly available, if that portion would
23 disclose information that is not subject to disclosure
24 under sections 552 and 552a of this title, or is oth-
25 erwise prohibited from disclosure by law.

1 “(5) RULE OF CONSTRUCTION.—Nothing in
2 this subsection may be construed to authorize the
3 public disclosure of information that is—

4 “(A) specifically prohibited from disclosure
5 by any other provision of law;

6 “(B) specifically required by Executive
7 order to be protected from disclosure in the in-
8 terest of national defense or national security or
9 in the conduct of foreign affairs; or

10 “(C) a part of an ongoing criminal inves-
11 tigation.

12 “(h) FUNDING, TRANSFER OF FUNDS, ASSETS, AND
13 OBLIGATIONS.—

14 “(1) FUNDING.—Beginning in fiscal year 2035,
15 and annually thereafter, there is authorized to be
16 appropriated \$10,000,000 to the Office to carry out
17 the duties and functions of this section.

18 “(2) TRANSFER AUTHORITY.—The Office may
19 transfer funds appropriated to the Office for ex-
20 penses to support administrative support services
21 and audits, reviews, or other activities related to
22 oversight of covered funds to any Inspector General
23 Office and the Department of the Treasury.

24 “(3) TRANSFER OF ASSETS AND OBLIGA-
25 TIONS.—

1 “(A) IN GENERAL.—Upon the effective
2 date of this section, the assets and obligations
3 held by or available in connection with the Pan-
4 demic Response Accountability Committee es-
5 tablished under section 15010 of the CARES
6 Act (Public Law 116–136; 134 Stat. 533) shall
7 be transferred to the Office. Upon the effective
8 date of this section the Pandemic Response Ac-
9 countability Committee may undertake all ac-
10 tivities to enable such transfer of assets.

11 “(B) ASSETS DEFINED.—In this para-
12 graph, the term ‘assets’ includes contracts,
13 agreements (including data use agreements and
14 memoranda of understanding), facilities, prop-
15 erty, data, records, unobligated or unexpended
16 balances of appropriations, personnel identified
17 by the Chairperson and Executive Director of
18 the Pandemic Response Accountability Com-
19 mittee pursuant to section 317(e)(1) of title 31,
20 and other funds or resources.

21 “(C) USE OF UNEXPENDED BALANCES OF
22 APPROPRIATIONS.—Any unobligated and unex-
23 pended balances of appropriations and funds
24 transferred pursuant to subparagraph (B) may
25 be used to support the work of the Inspector

1 General, regardless of the purpose of the origi-
2 nal appropriation.

3 “(i) MEMBERSHIP IN COUNCILS AND COMMIT-
4 TEES.—The Inspector General shall be a member of the
5 Council of the Inspectors General on Integrity and Effi-
6 ciency.

7 “(j) CORRECTIVE RESPONSES TO AUDIT PROB-
8 LEMS.—Agency heads shall—

9 “(1) take action to address deficiencies identi-
10 fied by a report or investigation of the Inspector
11 General; or

12 “(2) with respect to a deficiency identified
13 under paragraph (1), certify to the appropriate con-
14 gressional committees that they do not concur with
15 the recommendation and no action is necessary, fea-
16 sible, or appropriate.

17 “(k) WEBSITE.—The Office shall establish and main-
18 tain a user-friendly, public-facing website—

19 “(1) to foster greater accountability and trans-
20 parency in the use of covered funds, including future
21 supplemental relief and recovery funds as may be
22 added to the definition of covered funds, which shall
23 have a uniform resource locator that is descriptive
24 and memorable;

1 “(2) that shall be a centralized, governmentwide
2 portal or gateway to key information relating to the
3 oversight of covered funds, as appropriate, and to
4 the extent practicable provide connections to other
5 government websites with related anti-fraud, im-
6 proper payment, and oversight and accountability in-
7 formation; and

8 “(3) provide information, including findings
9 from the Office, agency Inspectors General, or State
10 auditors and financial managers as to the oversight
11 of covered funds, including related audits, inspec-
12 tions, or other reports.

13 “(1) DEFINITIONS.—In this section:

14 “(1) APPROPRIATE CONGRESSIONAL COM-
15 MITTEE.—The term ‘appropriate congressional com-
16 mittees’ means the following:

17 “(A) The Committees on Appropriations of
18 the Senate and the House of Representatives.

19 “(B) The Committee on Homeland Secu-
20 rity and Governmental Affairs of the Senate.

21 “(C) The Committee on Oversight and
22 Government Reform of the House of Represent-
23 atives.

24 “(D) Any other relevant congressional
25 committee of jurisdiction.

1 “(2) COVERED FUNDS.—The term ‘covered
2 funds’ means the following:

3 “(A) Any funds, including loans or tax
4 credits, that are made available in any form to
5 any non-Federal entity or individual, under the
6 following:

7 “(i) Division A or B of the CARES
8 Act (Public Law 116–136).

9 “(ii) The Coronavirus Preparedness
10 and Response Supplemental Appropria-
11 tions Act, 2020 (Public Law 116–123).

12 “(iii) The Families First Coronavirus
13 Response Act (Public Law 116–127).

14 “(iv) The Paycheck Protection Pro-
15 gram and Health Care Enhancement Act
16 (Public Law 116–139).

17 “(v) Division M or N of the Consoli-
18 dated Appropriations Act, 2021 (Public
19 Law 116–260).

20 “(vi) The American Rescue Plan Act
21 of 2021 (Public Law 117–2).

22 “(vii) Any loan guaranteed or made
23 by the Small Business Administration, in-
24 cluding any direct loan or guarantee of a
25 trust certificate, under the Small Business

1 Act (15 U.S.C. 631 et seq.), the Small
2 Business Investment Act of 1958 (15
3 U.S.C. 661 et seq.), or any other provision
4 of law.

5 “(viii) Unemployment compensation,
6 as defined in section 85 of the Internal
7 Revenue Code of 1986.

8 “(ix) The Infrastructure Investment
9 and Jobs Act (Public Law 117–58).

10 “(x) Public Law 117–169 (commonly
11 known as the ‘Inflation Reduction Act’).

12 “(xi) The Honoring our PACT Act of
13 2022 (Public Law 117–168).

14 “(xii) The CHIPS Act of 2022 (divi-
15 sion A of Public Law 117–167 (commonly
16 known as the ‘CHIPS and Science Act of
17 2022’)).

18 “(xiii) The Act titled ‘An Act to pro-
19 vide for reconciliation pursuant to title II
20 of H. Con. Res. 14’ (Public Law 119–21).

21 “(B) A Federal award (as defined under
22 section 7501) in an amount not less than
23 \$50,000.

24 “(C) Any intramural payment made gov-
25 ernmentwide for research activity.

1 “(D) Any emergency spending related to
2 disaster relief or economic recovery.

3 “(3) INSPECTOR GENERAL.—The term ‘Inspec-
4 tor General’ means the Inspector General for Fraud,
5 Accountability, and Recovery.

6 “(4) OFFICE.—The term ‘Office’ means the Of-
7 fice of the Inspector General for Fraud, Account-
8 ability, and Recovery.

9 “(5) STATE.—The term ‘State’ means each of
10 the several States, the District of Columbia, each
11 commonwealth, territory, or possession of the United
12 States, and each federally recognized Indian Tribe.

13 “(m) RULE OF CONSTRUCTION.—Nothing in this sec-
14 tion shall be construed to—

15 “(1) affect the independent authority of an In-
16 spector General to determine whether to conduct an
17 audit or investigation of covered funds; or

18 “(2) require any Inspector General to provide
19 funding to support the activities of the Office.”.

20 (b) OFFICE OF MANAGEMENT AND BUDGET DIREC-
21 TIVE.—On or before March 1, 2029, the Director of the
22 Office of Management and Budget, in coordination with
23 the Secretary of the Treasury and the Inspector General
24 of Fraud, Accountability, and Recovery, shall issue a di-
25 rective to the head of each agency in the executive branch

1 that disburses or awards covered funds (as such term is
2 defined section 317(n) of title 31, United States Code, as
3 added by subsection (a)) that requires the agency to iden-
4 tify and report opportunities to use the information sys-
5 tem and data analytics products of the Fiscal Service to
6 detect and prevent waste, fraud, abuse, and improper pay-
7 ments in expenditure of covered funds to the Director and
8 Secretary within 60 days after receiving the directive.

9 (c) TRANSITIONAL PROVISION.—

10 (1) IN GENERAL.—Notwithstanding sections
11 403 and 3345 through 3349 of title 5, United States
12 Code, and section 317(b)(1) of title 31, United
13 States Code (as added by subsection (a)), the indi-
14 vidual described in paragraph (2) shall temporarily
15 perform the functions and duties of the Office of the
16 Inspector General Fraud, Accountability, and Pre-
17 vention in an acting capacity until such permanent
18 Inspector General can be appointed under the proc-
19 ess established by such section 317(b)(1).

20 (2) INDIVIDUAL DESCRIBED.—The individual
21 described in this paragraph is—

22 (A) the Chairperson of the Pandemic Re-
23 sponse Accountability Committee established
24 under section 15010 of the CARES Act (Public
25 Law 116–136; 134 Stat. 533) (hereafter

1 “PRAC”) as of the date this section takes ef-
2 fect; or

3 (B) if the position described in subpara-
4 graph (A) is vacant as of the date on which this
5 section takes effect, the Executive Director of
6 the PRAC.

7 (d) TRANSFER OF EMPLOYEES.—Each employee of
8 the PRAC who is to be transferred to the Office of the
9 Inspector General of Fraud, Accountability, and Recovery
10 under section 317(h)(3) of title 31, United States Code,
11 as added by subsection (a), shall be appointed to positions
12 in such Office under terms and conditions of employment
13 that are substantively the same as the terms and condi-
14 tions of employment applicable to such employee as an em-
15 ployee of PRAC as of the day immediately preceding the
16 date on which this section takes effect.

17 (e) TABLE OF SECTIONS.—The table of sections for
18 subchapter I of chapter 3 of title 31, United States Code,
19 is amended by adding at the end the following:

 “317. Inspector General for Fraud, Accountability, and Recovery within the De-
 partment of the Treasury.”.

20 (f) EFFECTIVE DATE.—This section, and the amend-
21 ments made by this section, shall take effect on December
22 31, 2028.

1 **SEC. 4. DATA SHARING FOR FRAUD PREVENTION AND PRO-**
2 **GRAM INTEGRITY.**

3 (a) AUTHORITY TO NEGOTIATE DATA SHARING
4 AGREEMENTS; REQUIREMENT TO PROVIDE FUTURE
5 LEGISLATIVE RECOMMENDATIONS TO CONGRESS.—Sec-
6 tion 321(a) of title 31, United States Code, is amended—

7 (1) in paragraph (8)(C), by striking “and” at
8 the end;

9 (2) in paragraph (9), by striking the period at
10 the end and inserting a semicolon; and

11 (3) by inserting at the end the following:

12 “(10) enter into memoranda of understanding
13 with the heads of other Federal agencies, including
14 Offices of Inspector General and Federal law en-
15 forcement agencies, and agreements with private en-
16 tities as may be appropriate and allowable under ex-
17 isting law to secure access to such data assets and
18 information resources as may be appropriate for the
19 Fiscal Service to use to—

20 “(A) prevent fraud and improper payments
21 in Federal programs and spending;

22 “(B) support the activities and functions
23 of the Do Not Pay Initiative;

24 “(C) beginning on December 31, 2028,
25 support the activities and functions of the—

26 “(i) the Fiscal Service; and

1 “(ii) the Office of the Inspector Gen-
2 eral for Fraud, Accountability, and Recov-
3 ery established under section 317, in co-
4 ordination with such Office;

5 “(D) provide such data to relevant Federal
6 agencies for the identification, prevention, and
7 reduction of waste, fraud, and abuse relating to
8 Federal spending and use in the conduct of
9 criminal and other investigations, as appro-
10 priate; and

11 “(E) in a manner that ensures any related
12 data sharing agreements provide long term, re-
13 liable access to such data assets and informa-
14 tion resources, provide the best value to the tax-
15 payer by avoiding duplicative data sharing
16 agreements, include appropriate privacy protec-
17 tions, and require, as appropriate, reimburse-
18 ment to the Treasury for the reasonable cost of
19 carrying out the agreement.

20 “(11) with respect to any supplemental emer-
21 gency disaster, pandemic, economic relief, or other
22 such supplemental appropriations legislative meas-
23 ures totaling more than \$100,000,000,000 in total
24 funding being considered by Congress or any legisla-
25 tive measure establishing a new program with more

1 than \$100,000,000 in anticipated additional spend-
2 ing in a single fiscal year following the enactment of
3 such legislative measure being considered by Con-
4 gress, provide, in coordination with the Director of
5 the Office of Management and Budget and the Of-
6 fice of the Inspector General for Fraud, Account-
7 ability, and Recovery, to the leadership of the House
8 of Representatives and Senate, the Committees on
9 Appropriations of the House of Representatives and
10 Senate, the Committee on Homeland Security and
11 Governmental Affairs of the Senate, and the Com-
12 mittee on Oversight and Government Reform of the
13 House of Representatives any legislative rec-
14 ommendations on such measures to ensure that—

15 “(A) existing fraud prevention and over-
16 sight functions and entities of the Federal Gov-
17 ernment or are not supplanted or duplicated
18 under such legislative measure, but are instead
19 required to be used or expanded under such leg-
20 islative measure;

21 “(B) any additional resources or authori-
22 ties for such existing functions and entities are
23 adequately provided for in such legislative
24 measures in order to provide adequate fraud

1 prevention and oversight of funds appropriated
2 for and expended under such program; and

3 “(C) fraud prevention, payment integrity,
4 and spending transparency best practices are
5 implemented in such legislation to ensure
6 that—

7 “(i) reporting obligations for Federal
8 fund recipients are harmonized govern-
9 mentwide and conditioned through legally
10 enforceable mechanisms prior to award;
11 and

12 “(ii) any sub-recipients and sub-
13 awardees of Federal fund recipients are
14 also included in reporting obligations for
15 such recipients for the purposes of ensur-
16 ing proper recipient reporting and trans-
17 parency on the use of funds.”.

18 (b) COORDINATION AND DUTIES OF THE OFFICE OF
19 MANAGEMENT AND BUDGET.—Not later than 270 days
20 after the date of the enactment of this Act, the Director
21 of the Office of Management and Budget, in coordination
22 with the Secretary of the Treasury, shall—

23 (1) update or revise as necessary any regula-
24 tions, memorandum, circulars, or guidance docu-

1 ments to ensure the full and timely implementation
2 of this section; and

3 (2) issue any necessary governmentwide guid-
4 ance to Federal agencies to ensure the full and time-
5 ly implementation of this section.

6 **SEC. 5. TERMINATION AND TRANSFER OF ASSETS OF PAN-**
7 **DEMIC RESPONSE ACCOUNTABILITY COM-**
8 **MITTEE.**

9 (a) **TERMINATION.**—Section 15010(k) of the CARES
10 Act (Public Law 116–136; 15 U.S.C. 9053) is amended
11 by striking “September 30, 2034” and inserting “Decem-
12 ber 31, 2028”.

13 (b) **TRANSFER OF ASSETS.**—On December 31, 2028,
14 all the assets and obligations held by or available in con-
15 nection with the Pandemic Response Accountability Com-
16 mittee shall be transferred to the Office of the Inspector
17 General for Fraud, Accountability, and Recovery estab-
18 lished under section 317 of title 31, United States Code,
19 as added by this Act.

20 (c) **TECHNICAL AMENDMENT.**—On December 31,
21 2028, section 15010 of the CARES Act (Public Law 116–
22 136; 15 U.S.C. 9053) is repealed.

23 (d) **DEFINITION OF ASSETS.**—In this section, the
24 term “assets” includes contracts, agreements (including
25 data use agreements and memoranda of understanding),

1 facilities, property, data, records, unobligated or unex-
2 pended balances of appropriations, personnel identified by
3 the Chairperson and Executive Director of the Pandemic
4 Response Accountability Committee pursuant to section
5 317(e)(1) of title 31, United States Code, as added by this
6 Act, and other funds or resources.

Passed the House of Representatives June 10, 2026.

Attest:

Clerk.

119TH CONGRESS
2^D SESSION

H. R. 8312

AN ACT

To establish fraud prevention and program integrity functions and data sharing authorities within the Department of Treasury and a permanent governmentwide Inspector General for Fraud, Accountability, and Recovery, and for other purposes.