

117TH CONGRESS
2^D SESSION

H. R. 8322

To amend title 31, United States Code, to establish the Federal Real Anti-fraud Unified Directorate, to require agencies implement anti-fraud controls for programs susceptible to significant improper payments and high-priority programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2022

Mr. CONNOLLY introduced the following bill; which was referred to the
Committee on Oversight and Reform

A BILL

To amend title 31, United States Code, to establish the Federal Real Anti-fraud Unified Directorate, to require agencies implement anti-fraud controls for programs susceptible to significant improper payments and high-priority 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 “Strengthening Tools
5 to Obstruct and Prevent Fraud Act of 2022” or the
6 “STOP Fraud Act”.

1 **SEC. 2. FEDERAL REAL ANTI-FRAUD UNIFIED DIREC-**
2 **TORATE.**

3 Subchapter I of chapter 5 of title 31, United States
4 Code, is amended by adding at the end the following:

5 **“§ 508. Federal Real Anti-fraud Unified Directorate**

6 “(a) ESTABLISHMENT.—

7 “(1) IN GENERAL.—There is established within
8 the Office of Management and Budget an office to
9 be known as the Federal Real Anti-fraud Unified
10 Directorate or the FRAUD.

11 “(2) ADMINISTRATOR.—There shall be at the
12 head of the FRAUD an Administrator who shall
13 be—

14 “(A) appointed by the President; and

15 “(B) compensated at the rate of pay in ef-
16 fect for level III of the Executive Schedule
17 under section 5314.

18 “(b) DUTIES.—The Administrator shall do the fol-
19 lowing:

20 “(1) Carry out the duties prescribed to the Ad-
21 ministrator under section 3360.

22 “(2) Coordinate activities related to reducing
23 and preventing fraud and improper payments—

24 “(A) sharing leading practices and tools
25 with agencies;

1 “(B) providing technical assistance to
2 agencies in implementing the fraud risk man-
3 agement activities described in the GAO Fraud
4 Risk Management Framework; and

5 “(C) assisting agencies in the collection
6 and use of data, including by assisting agencies
7 in—

8 “(i) working to overcome data sharing
9 barriers; and

10 “(ii) establishing metrics and meth-
11 odologies to measure the effectiveness of
12 programs and activities employed by agen-
13 cies to prevent and reduce fraud and im-
14 proper payments.

15 “(3) Establish an online, publicly accessible
16 dashboard on the implementation of proactive ana-
17 lytics in programs designated as susceptible to sig-
18 nificant improper payments under section 3359
19 that—

20 “(A) promotes transparency;

21 “(B) assists in the oversight of the imple-
22 mentation of proactive analytics in such pro-
23 grams; and

1 “(C) tracks cost savings, cost avoidance,
2 and the administrative burden attributable to
3 such programs.

4 “(4) Refer any fraud, waste, or abuse discov-
5 ered by the Administrator to the appropriate Inspec-
6 tor General.

7 “(5) Carry out any additional duties that may
8 be prescribed by the Director.

9 “(c) ADDITIONAL AUTHORITIES.—The Adminis-
10 trator may—

11 “(1) require agencies administering programs
12 susceptible to significant improper payments to sub-
13 mit information as may be necessary to administer
14 the dashboard required to be established by sub-
15 section (b)(3), and promulgate regulations that set
16 standards for—

17 “(A) the type of information to be sub-
18 mitted; and

19 “(B) the format in which such information
20 is to be submitted;

21 “(2) provide technical assistance to agencies ad-
22 ministering a high-priority program, including by—

23 “(A) working on behalf of an agency ad-
24 ministering the program to overcome any issues
25 that prevent the agency from receiving or using

1 data from other governmental and non-govern-
2 mental entities, including by notifying Congress
3 on behalf of the agency of any Federal laws
4 that prevent the agency from receiving or using
5 such data;

6 “(B) facilitating the collection of real-time
7 data to implement proactive analytics, including
8 by—

9 “(i) identifying governmental or com-
10 mercial solutions to facilitate such collec-
11 tion; and

12 “(ii) supporting the agency in identi-
13 fying potential sources of funding to facili-
14 tate such collection;

15 “(C) providing non-reimbursable or reim-
16 bursable services to agencies administering the
17 programs; and

18 “(D) identifying strategies that may help
19 the program hire individuals with the requisite
20 skills to implement proactive analytics; and

21 “(3) refer any fraud, waste, or abuse discovered
22 by the Administrator to the appropriate Inspector
23 General.

24 “(d) DEFINITIONS.—In this section, the terms ‘ad-
25 ministrative burden’, ‘agency administering a high-priority

1 program’, ‘agency administering a program susceptible to
2 significant improper payments’, ‘anti-fraud control’,
3 ‘data’, and ‘proactive analytics’ have the meanings given
4 those terms in section 3360.”.

5 **SEC. 3. ANTI-FRAUD CONTROLS FOR PROGRAMS SUSCEP-**
6 **TIBLE TO SIGNIFICANT IMPROPER PAY-**
7 **MENTS AND HIGH-PRIORITY PROGRAMS.**

8 Subchapter IV of chapter 33 of title 31, United
9 States Code, is amended by adding at the end the fol-
10 lowing:

11 **“§ 3359. Proactive analytics with respect to programs**
12 **susceptible to significant improper pay-**
13 **ments**

14 “(a) DESIGNATION OF PROGRAMS SUSCEPTIBLE TO
15 SIGNIFICANT IMPROPER PAYMENTS.—Not later than Oc-
16 tober 1 of each year, for that fiscal year and the next fiscal
17 year, the head of each executive agency shall designate as
18 a program susceptible significant improper payments each
19 program that meets the following criteria:

20 “(1) With respect any program of the agency
21 established during the preceding two fiscal years,
22 any such program making more than \$100,000,000
23 in payments in any one fiscal year.

24 “(2) For any program of the agency not estab-
25 lished during the preceding two fiscal years, any

1 such program that had outlays that exceeded
2 \$1,500,000,000 in the preceding fiscal year.

3 “(b) IMPLEMENTATION OF PROACTIVE ANALYTICS
4 FOR HIGH-RISK AREA.—An agency administering a pro-
5 gram susceptible to significant improper payments shall
6 implement proactive analytics for one high-risk area of the
7 program.

8 “(c) REPORTS ON ACTIONS TO REDUCE IMPROPER
9 PAYMENTS.—Not later than two years after a head of an
10 agency has designated a program as susceptible to im-
11 proper payments, the head of the agency administering the
12 program shall submit a report on efforts of the agency
13 to reduce and prevent improper payments and fraud with
14 respect to the program, including the following:

15 “(1) With respect to a program that is not a
16 high-priority program at the time of the submission
17 of the report, the following:

18 “(A) A description of the proactive ana-
19 lytics implemented in the two fiscal years pre-
20 ceeding the submission of the report to reduce
21 improper payments and fraud with respect to
22 such program.

23 “(B) Metrics demonstrating the effective-
24 ness of the proactive analytics implemented.

1 “(C) An analysis of whether the agency
2 anticipates the program will remain ‘susceptible
3 to improper payments’ and require continued
4 designation as such.

5 “(D) A plan for—

6 “(i) continuing to use proactive ana-
7 lytics with respect to that program;

8 “(ii) improving the proactive analytics
9 used with respect to that program; and

10 “(iii) identifying, in consultation with
11 the Administrator of the FRAUD, addi-
12 tional fraud and improper payment mitiga-
13 tion strategies, that could be employed by
14 the agency if the program is redesignated
15 as a program susceptible to significant im-
16 proper payments.

17 “(2) With respect to a program that is a high-
18 priority program at the time of the submission of
19 the report, the following:

20 “(A) A copy of the plan approved under
21 section 3359 for the program.

22 “(B) Analysis of whether implementation
23 of that plan has reduced and prevented im-
24 proper payments and fraud.

1 “(C) If the plan has not reduced or pre-
2 vented improper payments or fraud—

3 “(i) an explanation of why the plan
4 has not reduced or prevented improper
5 payments or fraud; and

6 “(ii) a new plan with a different strat-
7 egy developed in consultation with the Ad-
8 ministrators of the FRAUD, to reduce or
9 prevent improper payments or fraud.

10 “(D) A statement of whether the agency
11 has what is needed with respect to internal con-
12 trols, human capital, and information systems
13 and other infrastructure, to implement the re-
14 quirements described in sections 3359 and
15 3360.

16 “(E) Estimates of—

17 “(i) any costs avoided and dollars
18 saved by the implementation of sections
19 3359 and 3360;

20 “(ii) any change in administrative
21 burden because of the implementation of
22 sections 3359 and 3360; and

23 “(iii) the number of persons eligible to
24 obtain a thing of value that did not receive

1 such thing of value because of the imple-
2 mentation of sections 3359 and 3360.

3 “(3) Whether the information technology (as
4 defined in section 11101 of title 40) used by the
5 agency with respect to the program is capable of de-
6 livering real-time data—

7 “(A) to the Administrator of the FRAUD
8 for inclusion in the dashboard required to be es-
9 tablished by section 508(b)(3); and

10 “(B) for the purpose of implementing
11 proactive analytics, as required under section
12 3359 and 3360.

13 “(4) A description of the quality of any im-
14 proper payment estimates and methodology of the
15 agency relating to the program, including—

16 “(A) challenges to accurately estimating
17 improper payments for the program; and

18 “(B) plans to improve the quality of the
19 estimates.

20 **“§ 3360. Anti-fraud controls for high-priority pro-**
21 **grams**

22 “(a) DESIGNATION.—By January 31 of each fiscal
23 year, the Administrator shall designate for the remainder
24 of that fiscal year and the next full fiscal year, any pro-
25 gram with outlays in an amount equal to or in excess of

1 \$50,000,000,000 with respect to the preceding fiscal year
2 as a high-priority program.

3 “(b) PLAN TO IMPLEMENT ANTI-FRAUD POLICY FOR
4 EACH HIGH-PRIORITY PROGRAM.—

5 “(1) PLAN.—The head of an agency admin-
6 istering a high-priority program shall develop a plan
7 to implement anti-fraud controls for that program,
8 that—

9 “(A) at a minimum includes a plan to
10 use—

11 “(i) any solution that verifies and au-
12 thenticates identity, known as ‘digital iden-
13 tity-proofing solutions’, if determined nec-
14 essary by the Administrator to effectively
15 reduce and prevent fraud and improper
16 payments in the high-priority program;

17 “(ii) threat intelligence, including
18 open source intelligence and intelligence
19 collected from locations on the internet re-
20 ferred to as the ‘deep web’ and ‘dark web’,
21 to identify and mitigate emerging fraud
22 threats; and

23 “(iii) proactive analytics; and

24 “(B) takes into consideration the adminis-
25 trative burden of implementing such anti-fraud

1 controls, including considering the fraud risk
2 profile (as defined in the study of the Govern-
3 ment Accountability Office titled ‘Framework
4 for Managing Fraud Risks in Federal Pro-
5 grams’) of the program.

6 “(2) INITIAL SUBMISSION OF PLAN TO ADMIN-
7 ISTRATOR FOR APPROVAL.—

8 “(A) INITIAL SUBMISSION.—Not later than
9 90 days after the date on which a program is
10 designated as a high-priority program under
11 subsection (a), the agency administering the
12 high-priority program shall submit to the Ad-
13 ministrator the plan developed under paragraph
14 (1).

15 “(B) APPROVAL OR DENIAL OF PLAN.—
16 Not later than 60 days after the date on which
17 the plan is submitted pursuant to subparagraph
18 (A), the Administrator shall approve or deny
19 such plan.

20 “(3) RESUBMISSION OF PLAN TO ADMINIS-
21 TRATOR FOR APPROVAL IN CASE OF DENIAL.—

22 “(A) IN GENERAL.—An agency that sub-
23 mits a plan that is denied by the Administrator
24 under paragraph (2) shall, until such time as
25 the Administrator approves the plan—

1 “(i) revise the plan; and

2 “(ii) submit the plan as revised under
3 clause (i) to the Administrator.

4 “(B) APPROVAL OR DENIAL OF REVISED
5 PLAN.—The Administrator shall approve or
6 deny a plan submitted under subparagraph (A)
7 not later than 60 days after the Administrator
8 receives the plan.

9 “(C) TECHNICAL ASSISTANCE.—The Ad-
10 ministrator may provide technical assistance to
11 any agency required to revise a plan under sub-
12 paragraph (A).

13 “(4) CRITERIA FOR THE APPROVAL OR DENIAL
14 OF PLAN.—Not later than January 31 of each year,
15 the Administrator shall provide to each agency ad-
16 ministering a high-priority program criteria on the
17 basis of which the Administrator will approve or
18 deny a plan under this subsection.

19 “(5) REPORT TO CONGRESS.—An agency re-
20 quired to submit a plan for approval under this sub-
21 section with respect a high-priority program, and
22 has such plan denied by the Administrator three
23 times, shall submit a report to Congress on why the
24 plan has not been approved by the Administrator.

25 “(c) PROGRAM INTEGRITY FUND.—

1 “(1) ESTABLISHMENT.—There is established in
2 the Treasury of the United States a fund to be
3 known as the Program Integrity Fund.

4 “(2) USE OF FUND.—Amounts in the fund may
5 be allocated by the Administrator to agencies to im-
6 plement plans approved by the Administrator under
7 subsection (b).

8 “(3) MANAGEMENT OF THE PROGRAM INTEG-
9 RITY FUND.—

10 “(A) APPLICATION PROCESS.—Not later
11 than 90 days after the date of the enactment of
12 this paragraph, the Administrator shall—

13 “(i) establish a process through which
14 the head of an agency may request that
15 funds be allocated from the Program In-
16 tegrity Fund to the agency; and

17 “(ii) submit to Congress a report that
18 describes the process established pursuant
19 to clause (i).

20 “(B) AWARD OF FUNDS.—In determining
21 the amount, if any, of funds to be allocated to
22 an agency from the Program Integrity Fund
23 under paragraph (2), the Administrator shall
24 consider the extent to which the plan approved

1 by the Administrator under subsection (b) of
2 the agency—

3 “(i) implements the use of proactive
4 analytics;

5 “(ii) is likely to significantly reduce or
6 prevent improper payments and fraud; and

7 “(iii) considers the administrative bur-
8 den of implementing the plan, including
9 whether there is a clear indication that the
10 agency considered whether there are any
11 anti-fraud controls other than the anti-
12 fraud controls to be implemented under the
13 plan that could be implemented by the
14 agency with less of an administrative bur-
15 den on individuals who interact with the
16 program.

17 “(4) AUTHORIZATION OF APPROPRIATIONS.—
18 There are authorized to be appropriated
19 \$1,000,000,000 for fiscal year 2023 for the Program
20 Integrity Fund, to remain available until expended.

21 “(d) DEFINITIONS.—In this section:

22 “(1) ADMINISTRATOR.—The term ‘Adminis-
23 trator’ means the Administrator of the FRAUD.

24 “(2) ADMINISTRATIVE BURDEN.—The term ‘ad-
25 ministrative burden’ means a cost that a person in-

1 curs in interacting with the agency to obtain a thing
2 of value from the agency, including the following:

3 “(A) The amount of time and effort ex-
4 pended by the person to learn about—

5 “(i) the nature of the thing of value;

6 and

7 “(ii) how to gain access to the thing
8 of value, including—

9 “(I) any program or service of
10 the agency through which the person
11 may obtain the thing of value from
12 the agency; and

13 “(II) any requirement and condi-
14 tion that must be satisfied for the
15 person to obtain and maintain posses-
16 sion of the thing of value from the
17 government program or service.

18 “(B) The amount of time it takes to—

19 “(i) provide information and docu-
20 mentation to satisfy requirements to obtain
21 and maintain possession of the thing of
22 value; and

23 “(ii) respond to discretionary requests
24 of program administrators for the purpose

1 of obtaining and maintaining possession of
2 the thing of value.

3 “(C) Any financial cost to access services
4 that may be necessary to receive the thing of
5 value (such as fees, legal representation, and
6 travel costs).

7 “(3) AGENCY ADMINISTERING A PROGRAM SUS-
8 CEPTIBLE TO SIGNIFICANT IMPROPER PAYMENTS.—
9 The term ‘agency administering a program suscep-
10 tible to significant improper payments’ means an
11 agency that is responsible for administering at least
12 one program that is designated as susceptible to sig-
13 nificant improper payments under section 3359.

14 “(4) AGENCY ADMINISTERING A HIGH-PRIORITY
15 PROGRAM.—The term ‘agency administering a high-
16 priority program’ means an agency that is respon-
17 sible for administering at least one program that is
18 designated as high-priority under this section.

19 “(5) ANTI-FRAUD CONTROL.—The term ‘anti-
20 fraud control’ means a process, system, or tech-
21 nology that can be implemented to prevent fraud
22 and improper payments.

23 “(6) DATA.—The term ‘data’ has the meaning
24 given the term in section 3502 of title 44.

1 “(7) **DEVICE METADATA.**—The term ‘device
2 metadata’ means structural or descriptive data
3 about a connected device (as defined in section
4 902(a) of the Consolidated Appropriations Act, 2021
5 (47 U.S.C. 1306(a))), such as data about the type,
6 model, IP address, and geolocation of the device.

7 “(8) **FRAUD.**—The term ‘fraud’ means obtain-
8 ing a thing of value through willful misrepresenta-
9 tion.

10 “(9) **PROACTIVE ANALYTICS.**—The term
11 ‘proactive analytics’ means the collection and anal-
12 ysis of data (including data that is device metadata,
13 administrative data controlled by the agency, and
14 data from other governmental and non-governmental
15 sources) to prevent fraud and improper payments
16 from occurring, including by identifying anomalous
17 or suspicious patterns that might warrant further
18 investigation.”.

19 **SEC. 4. AMENDMENTS RELATED TO IMPROPER PAYMENTS**
20 **PROVISIONS.**

21 (a) **IN GENERAL.**—Chapter 33 of subtitle III of title
22 31, United States Code, is amended—

23 (1) in section 3351—

24 (A) in paragraph (2), by adding at the end
25 the following:

1 “(D) has satisfied the requirements of sec-
2 tion 3360 with respect to each high-priority
3 program administered by the agency; and

4 “(E) has implemented proactive analytics
5 for one high-risk area in accordance with sec-
6 tion 3359(b).”;

7 (B) by redesignating paragraphs (4), (5),
8 (6), (7), and (8) as paragraphs (5), (6), (8),
9 (9), and (10), respectively;

10 (C) by inserting after paragraph (3) the
11 following:

12 “(4) HIGH-PRIORITY PROGRAM.—The term
13 ‘high-priority program’ means a program designated
14 under section 3360(a).”; and

15 (D) by inserting after paragraph (6), as so
16 redesignated, the following:

17 “(7) PROGRAM SUSCEPTIBLE TO SIGNIFICANT
18 IMPROPER PAYMENTS.—The term ‘program suscep-
19 tible to significant improper payments’ means a pro-
20 gram designated under section 3359(a).”;

21 (2) in section 3352—

22 (A) by striking subsections (a), (b), (d),
23 and (e);

1 (B) by redesignating subsections (c), (f),
2 (g), (h), and (i) as subsections (a), (b), (c), (d),
3 and (e), respectively;

4 (C) in subsection (a)(1), as so redesign-
5 dated, by striking “With respect to each pro-
6 gram and activity identified under subsection
7 (a)(1), the head of the relevant executive agen-
8 cy shall” and inserting “With respect to each
9 program or activity with outlays exceeding
10 \$1,500,000,000, the head of the relevant execu-
11 tive agency shall ?”;

12 (D) in subsection (b)(2), as so redesign-
13 dated—

14 (i) in subparagraph (A), by striking
15 “and recovery actions”;

16 (ii) in subparagraph (D), by striking
17 “; and” and inserting a semicolon;

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

21 (iv) by inserting after subparagraph
22 (E), the following:

23 “(F) Governmentwide—

24 “(i) any cost avoided by implementing
25 sections 3359 and 3360;

1 “(ii) any change in administrative
2 burden by implementing sections 3359 and
3 3360; and

4 “(iii) the number of persons eligible to
5 obtain a thing of value that did not receive
6 such thing of value because of the imple-
7 mentation of sections 3359 and 3360.”;
8 and

9 (E) in subsection (e), as so redesignated—

10 (i) in paragraph (1)(A), by striking
11 “shall” and inserting “may”;

12 (ii) by striking paragraph (3);

13 (iii) by redesignating paragraphs (4)
14 and (5) as paragraphs (3) and (4), respec-
15 tively; and

16 (iv) in paragraph (4), as so redesign-
17 ated, by striking “paragraph (4)” and in-
18 serting “paragraph (3)”;

19 (3) in section 3353(a)—

20 (A) by striking “ANNUAL” before “COM-
21 PLIANCE”; and

22 (B) in paragraph (1), by striking “Each
23 fiscal year” and inserting “Not less frequently
24 than once every 3 fiscal years”;

25 (4) by striking section 3355; and

1 (5) by amending section 3357(d) to read as fol-
2 lows:

3 “(d) REPORTS.—For each fiscal year, the head of
4 each agency shall submit to Congress, in the report con-
5 taining the annual financial statement of the agency, a
6 report that includes the following:

7 “(1) The progress of the agency in—

8 “(A) implementing—

9 “(i) the financial and administrative
10 controls required to be established under
11 subsection (c);

12 “(ii) the fraud risk principles in the
13 standards established by the Government
14 Accountability Office in the Standards for
15 Internal Control in the Federal Govern-
16 ment (commonly known as the Green
17 Book); and

18 “(iii) the requirements in the Office of
19 Management and Budget Circular A–123
20 with respect to the leading practices for
21 managing fraud risk;

22 “(B) identifying fraud risks and
23 vulnerabilities, including with respect to payroll,
24 beneficiary payments, grants, large contracts,
25 and purchase and travel cards; and

1 “(C) establishing strategies, procedures,
2 and other steps to curb fraud.

3 “(2) In accordance with the report of the Gov-
4 ernment Accountability Office titled ‘Framework for
5 Managing Fraud Risks in Federal Programs,’ published on July 28, 2015, the following:
6

7 “(A) An identification of—

8 “(i) the entity of the agency and the
9 personnel of the entity dedicated to leading
10 the fraud risk management activities of the
11 agency;

12 “(ii) roles and responsibilities of the
13 personnel of such entity, including any pro-
14 gram or operation for which the personnel
15 is responsible for overseeing;

16 “(iii) capacity, including any limita-
17 tion, of such entity to strategically manage
18 fraud risks; and

19 “(iv) any program or operation for
20 which there is not personnel dedicated to
21 leading fraud risk management activities,
22 along with a detailed justification for why
23 the agency does not have an dedicated per-
24 sonnel to lead fraud risk management ac-
25 tivities.

1 “(B) The status of the fraud risk profiles
2 of each program and operation of the agency,
3 including—

4 “(i) the date on which the profiles
5 were last updated; and

6 “(ii) the date on which the agency
7 plans to next update the profile.

8 “(C) Any program or operation for which
9 there is not a fraud risk profile, along with a
10 detailed justification for why such program or
11 operation does not have a fraud risk profile.

12 “(D) The status of any anti-fraud strategy
13 for each program and operation of the agency,
14 including—

15 “(i) the date on which any such strat-
16 egy was last updated; and

17 “(ii) the date on which the agency
18 plans to next update each such strategy.

19 “(E) Any program or operation for which
20 there is not any anti-fraud strategy, along with
21 a detailed justification for why there is not any
22 anti-fraud strategy for such program or oper-
23 ation.”.

1 (b) RECOVERY OF COSTS.—Section 3806(g)(1) of
2 title 31, United States Code, is amended to read as fol-
3 lows:

4 “(1) RECOVERY OF COSTS.—

5 “(A) Except as provided in paragraph
6 (2)—

7 “(i) any amount collected under this
8 chapter or chapter 33 shall be used to re-
9 imburse any authority that obligated funds
10 in support of efforts of the authority to re-
11 duce or prevent improper payments or
12 fraud, including prosecution of the action,
13 any court or hearing costs, investments in
14 information technologies, or the hiring of
15 additional staff related to such efforts; and

16 “(ii) amounts reimbursed under
17 clause (i) shall—

18 “(I) be deposited in—

19 “(aa) the appropriations ac-
20 count of the authority from
21 which the funds described in sub-
22 paragraph (A) were obligated;

23 “(bb) any other similar ap-
24 propriations account of the au-
25 thority; or

1 “(cc) if the authority obli-
2 gated nonappropriated funds, an
3 appropriate account other than
4 any account under item (aa) or
5 (bb); and

6 “(II) remain available until ex-
7 pended.

8 “(B) Any amount remaining after reim-
9 bursements described in subparagraph (A) shall
10 be deposited as miscellaneous receipts in the
11 Treasury of the United States.”.

12 (c) DELEGATION TO FRAUD.—The Director of the
13 Office of Management and Budget shall delegate to the
14 Administrator of the FRAUD any function of the Director
15 under subchapter IV of chapter 33 of title 31, United
16 States Code, relating to the identification, analysis, and
17 reduction of improper payments and fraud.

18 **SEC. 5. TECHNICAL AND CONFORMING AMENDMENTS.**

19 (a) SECTION 3351.—Section 3351 of title 31, United
20 States Code, is amended—

21 (1) in paragraph (2)—

22 (A) in subparagraph (C), by striking “pro-
23 grams and activities identified” and inserting
24 “programs described under”;

1 (B) in subparagraph (F), by striking “sec-
2 tion 3352(c)” and inserting “section 3352(a)”;

3 (C) by striking subparagraphs (B), (D),
4 and (E); and

5 (D) by redesignating subparagraphs (C)
6 and (F) as subparagraphs (B) and (C) respec-
7 tively; and

8 (2) in paragraph (9), by striking “section
9 3352(i)” and inserting “section 3352(e)”.

10 (b) AMENDMENT TO TABLE OF CONTENTS.—The
11 table of contents for—

12 (1) subchapter I of chapter 5 of subtitle I of
13 title 31, United States Code, is amended by adding
14 at the end the following:

“Sec. 508. Federal Real Anti-fraud Unified Directorate.”;

15 and

16 (2) subchapter IV of chapter 33 of subtitle III
17 of title 31, United States Code, is amended by—

18 (A) striking the item related to section
19 3355; and

20 (B) adding at the end the following new
21 item:

“Sec. 3359. Proactive analytics with respect to programs susceptible to signifi-
cant improper payments.

“Sec. 3360. Anti-fraud controls for high-priority programs.”.

○