

Calendar No. 167

114TH CONGRESS
1ST SESSION**S. 1576****[Report No. 114–95]**

To amend title 5, United States Code, to prevent fraud by representative payees.

IN THE SENATE OF THE UNITED STATES

JUNE 15, 2015

Mr. LANKFORD (for himself, Ms. HEITKAMP, and Mr. JOHNSON) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

JULY 27, 2015

Reported by Mr. JOHNSON, with amendments

[Omit the part struck through and insert the part printed in *italie*]**A BILL**

To amend title 5, United States Code, to prevent fraud by representative payees.

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 “Representative Payee
5 Fraud Prevention Act of 2015”.

1 **SEC. 2. REPRESENTATIVE PAYEE FRAUD.**

2 (a) IN GENERAL.—

3 (1) CSRS.—Subchapter III of chapter 83 of
4 title 5, United States Code, is amended by inserting
5 after section 8345 the following:

6 **“§ 8345a. Embezzlement or conversion of payments**

7 “(a) IN GENERAL.—It shall be unlawful for any per-
8 son that is authorized by the Office under section 8345(e)
9 to receive payments on behalf of a minor or an individual
10 mentally incompetent or under other legal disability to em-
11 bezzle or in any manner convert all or any part of the
12 amounts received from such payments to a use other than
13 for the use and benefit of such minor or individual.

14 “(b) PENALTY.—Any person who violates subsection
15 (a) shall be fined under title 18, imprisoned for not more
16 than 5 years, or both.

17 “(c) PRIMA FACIE EVIDENCE.—Any willful neglect
18 or refusal to make and file proper accountings or reports
19 concerning the amounts received from payments author-
20 ized under section 8345(e) as required by law shall be
21 taken to be sufficient evidence prima facie of the embezzle-
22 ment or conversion of such amounts.”.

23 (2) FERS.—Subchapter VI of chapter 84 of
24 title 5, United States Code, is amended by inserting
25 after section 8466 the following:

1 **“§ 8466a. Embezzlement or conversion of payments**

2 “(a) IN GENERAL.—It shall be unlawful for any per-
 3 son that is authorized by the Office under section 8466(c)
 4 to receive payments on behalf of a minor or an individual
 5 mentally incompetent or under other legal disability to em-
 6 bezzle or in any manner convert all or any part of the
 7 amounts received from such payments to a use other than
 8 for the use and benefit of such minor or individual.

9 “(b) PENALTY.—Any person who violates subsection
 10 (a) shall be fined under title 18, imprisoned for not more
 11 than 5 years, or both.

12 “(c) PRIMA FACIE EVIDENCE.—Any willful neglect
 13 or refusal to make and file proper accountings or reports
 14 concerning the amounts received from payments author-
 15 ized under section 8466(c) as required by law shall be
 16 taken to be sufficient evidence prima facie of the embezzle-
 17 ment or conversion of such amounts.”.

18 (3) TECHNICAL AND CONFORMING AMEND-
 19 MENTS.—

20 (A) The table of sections for chapter 83 of
 21 title 5, United States Code, is amended by in-
 22 serting after the item relating to section 8345
 23 the following:

“8345a. Embezzlement or conversion of payments.”.

24 (B) The table of sections for chapter 84 of
 25 title 5, United States Code, is amended by in-

1 serting after the item relating to section 8466
2 the following:

“8466a. Embezzlement or conversion of payments.”.

3 (b) LIMITATIONS ON APPOINTMENTS OF REP-
4 RESENTATIVE PAYEES.—

5 (1) CSRS.—Section 8345 of title 5, United
6 States Code, is amended by inserting after sub-
7 section (e) the following:

8 “(f) The Office may not authorize a person to receive
9 payments on behalf of a minor or individual of legal dis-
10 ability under subsection (e) if that person has been con-
11 victed of a violation of—

12 “(1) section 8345a or 8466a;

13 “(2) section 208 or 1632 of the Social Security
14 Act (42 U.S.C. 408 and ~~1632~~ 1383a); or

15 “(3) section 6101 of title 38, United States
16 Code.”.

17 (2) FERS.—Section 8466 of title 5, United
18 States Code, is amended by adding at the end the
19 following:

20 “(d) The Office may not authorize a person to receive
21 payments on behalf of a minor or individual of legal dis-
22 ability under subsection (c) if that person has been con-
23 victed of a violation of—

24 “(1) section 8345a or 8466a;

1 “(2) section 208 or 1632 of the Social Security
2 Act (42 U.S.C. 408 and ~~1632~~ *1383a*); or
3 “(3) section 6101 of title 38, United States
4 Code.”.

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