

Calendar No. 167

115TH CONGRESS
1ST SESSION**S. 696****[Report No. 115–127]**

To amend title 5, United States Code, to appropriately limit the authority to award bonuses to Federal employees.

IN THE SENATE OF THE UNITED STATES

MARCH 22, 2017

Mrs. FISCHER (for herself, Mrs. MCCASKILL, and Mr. HELLER) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

JULY 11, 2017

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 appropriately limit the authority to award bonuses to Federal employees.

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 “Stop Improper Federal
5 Bonuses Act”.

1 **SEC. 2. BONUSES.**

2 (a) ADVERSE FINDINGS AND EMPLOYEES UNDER IN-
3 VESTIGATION.—Chapter 45 of title 5, United States Code,
4 is amended by adding at the end the following:

5 **“Subchapter IV—Limitations on Bonus**

6 **Authority**

7 **“§ 4531. Certain forms of misconduct**

8 “(a) DEFINITIONS.—In this section:

9 “(1) ADVERSE FINDING.—

10 “(A) IN GENERAL.—The term ‘adverse
11 finding’ means a determination by the head of
12 the agency employing an employee that the con-
13 duct of the employee—

14 “(i) violated a policy of the agency for
15 which the employee may be removed or
16 suspended for a period of not less than 14
17 days; or

18 “(ii) violated a law for which the em-
19 ployee may be imprisoned for more than 1
20 year.

21 “(B) BASIS.—A determination described in
22 subparagraph (A) may be based on an inves-
23 tigation by, a determination of, or information
24 provided by the Inspector General or another
25 senior ethics official of an agency or the Comp-
26 troller General of the United States, as part of

1 carrying out an activity, authority, or function
2 of the Inspector General, senior ethics official,
3 or Comptroller General, respectively, under a
4 provision of law other than this section.

5 “(2) AGENCY.—The term ‘agency’ has the
6 meaning given the term in section 551.

7 “(3) BONUS.—The term ‘bonus’ means any
8 performance award or cash award under—

9 “(A) section 4505a;

10 “(B) section 5384; or

11 “(C) section 5754.

12 “(4) EMPLOYEE.—The term ‘employee’ means
13 an employee of an agency.

14 “(b) PROHIBITION.—The head of an agency may not
15 award a bonus to an employee of the agency until the date
16 that is 5 years after the end of the fiscal year during which
17 the head of an agency makes an adverse finding relating
18 to the employee.

19 “(c) AFTER BONUS AWARDED.—

20 “(1) IN GENERAL.—For a bonus awarded to an
21 employee after the date of enactment of this section,
22 if the head of the agency employing the employee
23 makes an adverse finding relating to the employee
24 during the *fiscal* year in which the bonus is awarded,
25 the head of the agency, after notice and an oppor-

1 tunity for a hearing, shall issue an order directing
2 the employee to repay the amount of the bonus.

3 “(2) *REPAYMENT PLAN.*—*An agency shall allow*
4 *an employee who is required to repay a bonus under*
5 *paragraph (1) to repay that bonus using a repayment*
6 *plan.*

7 “~~(2)~~(3) *HEARINGS.*—A hearing under this sub-
8 section shall be conducted in accordance with regula-
9 tions relating to hearings promulgated by the head
10 of the agency under chapter 75.

11 “(d) *CONDITION OF RECEIPT.*—As a condition of re-
12 ceiving a bonus awarded after the date of enactment of
13 this section, an employee shall sign a certification stating
14 that the employee shall repay the bonus in accordance with
15 a final order issued under subsection (c).

16 “(e) *APPEAL.*—An employee determined to be ineli-
17 gible for a bonus under subsection (b) or against whom
18 an order is issued under subsection (c) may submit an
19 appeal to the Merit Systems Protection Board under sec-
20 tion 7701.”.

21 (b) *RULEMAKING.*—The head of each agency, as de-
22 fined in section 551 of title 5, United States Code, may
23 promulgate rules to carry out section 4531 of title 5,
24 United States Code, as added by subsection (a).

1 (c) TECHNICAL AND CONFORMING AMENDMENT.—
2 The table of sections for chapter 45 of title 5, United
3 States Code, is amended by adding at the end the fol-
4 lowing:

“SUBCHAPTER IV—LIMITATIONS ON BONUS AUTHORITY

“4531. Certain forms of misconduct.”.

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