

119TH CONGRESS
1ST SESSION

H. R. 5438

To incentivize Federal agencies to create savings for the American people,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 2025

Mr. MCCORMICK (for himself, Mr. BRECHEEN, Mr. EDWARDS, Mr. BAIRD, and Mr. CLINE) introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To incentivize Federal agencies to create savings for the
American people, 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 “Incentivize Savings
5 Act”.

1 **SEC. 2. SPECIAL RULES FOR FEDERAL AGENCY BUDGETS**
2 **AND BONUSES.**

3 (a) IN GENERAL.—Subchapter I of chapter 13 of title
4 31, United States Code, is amended by inserting at the
5 end the following:

6 **“§ 1311. Special rules for unexpended Federal agency**
7 **appropriations**

8 “(a) IN GENERAL.—If a Federal agency does not ex-
9 pend funds appropriated or otherwise made available to
10 the agency for a definite period during the period of avail-
11 ability of such funds—

12 “(1) 49 percent of such total funds shall remain
13 available for an additional fiscal year;

14 “(2) 49 percent of such total funds shall be
15 used for payments of principal and interest on the
16 public debt; and

17 “(3) 2 percent of such total funds shall be used,
18 not later than the date that is 30 days after the last
19 day of the applicable period of availability, for reten-
20 tion bonuses within such Federal agency under sec-
21 tion 5754 of title 5.

22 “(b) APPLICATION.—In carrying out subsection
23 (a)(3)—

24 “(1) notwithstanding such section 5754, any re-
25 tention bonus paid under such subsection may not

1 exceed an amount equal to 10 percent of the applica-
2 ble employee’s basic pay; and

3 “(2) any amounts remaining of such total funds
4 after paying all bonuses under such subsection shall
5 be used for payments of principal and interest on
6 the public debt.

7 “(c) BUDGET REQUEST.—If subsection (a) is applied
8 to the funds of a Federal agency, with respect to the fiscal
9 year following the fiscal year in which the availability of
10 such funds expired, the budget submission of the agency
11 to the Office of Management and Budget, and the budget
12 request for the agency in the President’s annual budget
13 submission to Congress under section 1105(a) of this title,
14 may not be greater than the total amount of the budget
15 request for the agency for the fiscal year in which the
16 availability of such funds expired, adjusted by the percent-
17 age change in the Consumer Price Index (all items—
18 United States city average) between such fiscal years.

19 “(d) DEFINITION OF FEDERAL AGENCY.—As used in
20 this section, the term ‘Federal agency’ means an Execu-
21 tive agency (as that term is defined in section 105 of title
22 5) or any other agency of the executive branch of the Fed-
23 eral Government, including the United States Postal Serv-
24 ice and the Postal Regulatory Commission, but does not
25 include the American National Red Cross.”.

- 1 (b) CLERICAL AMENDMENT.—The table of contents
- 2 for such subchapter is amended by inserting after the item
- 3 relating to section 1310 the following:

“1311. Special rules for unexpended Federal agency appropriations.”.

