

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 8467

To reform the Payment Integrity Information Act of 2019 to ensure executive agencies focus on fraud prevention, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2026

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

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## A BILL

To reform the Payment Integrity Information Act of 2019 to ensure executive agencies focus on fraud prevention, 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 “Zeroing Out Monetary  
5 Benefits Improperly Expended Act” or the “ZOMBIE  
6 Act”.

7 **SEC. 2. REFORMS TO PAYMENT INTEGRITY INFORMATION**

8 **ACT OF 2019.**

9 (a) DEFINITIONS.—Section 3351 of title 31, United  
10 States Code, is amended—

1 (1) in paragraph (2)—

2 (A) in subparagraph (A)—

3 (i) in clause (i)—

4 (I) by inserting “information on”  
5 before “improper payments”;

6 (II) by striking “information  
7 with” and inserting “resulting in fi-  
8 nancial loss to the Government with”;  
9 and

10 (III) by striking “and” at the  
11 end; and

12 (ii) by inserting after clause (ii) the  
13 following new clause:

14 “(iii) published information on im-  
15 proper payments resulting in financial loss  
16 to the Government with the annual budget  
17 justification of the executive agency for the  
18 most recent fiscal year;”;

19 (B) by redesignating subparagraphs (B)  
20 and (C) as clauses (iv) and (v), respectively  
21 (and by redesignating subparagraphs (D)  
22 through (F) as subparagraphs (B) through (D),  
23 respectively);

24 (C) in subparagraph (A)(iv), as so redesign-  
25 ated, by striking “if required, has”;

1 (D) in subparagraph (A)(v), as so redesignig-  
2 nated, by striking “if required, publishes” and  
3 inserting “published”;

4 (E) by striking subparagraph (B), as so  
5 redesignated; and

6 (F) by redesignating subparagraphs (C)  
7 and (D), as so redesignated, as subparagraphs  
8 (B) and (C); and

9 (2) by adding at the end the following new  
10 paragraph:

11 “(9) FINANCIAL LOSS TO THE GOVERNMENT.—

12 The term ‘financial loss to the Government’—

13 “(A) means any payment or part of a pay-  
14 ment made in excess of the correct amount au-  
15 thorized by law that results in a financial loss  
16 to the Federal Government; and

17 “(B) does not include any payment or part  
18 of a payment made to the correct person or en-  
19 tity for the correct amount authorized by law  
20 but not made in accordance with certain admin-  
21 istrative procedures applicable to the executive  
22 agency (excluding any such procedure necessary  
23 to establish eligibility or to verify that any pay-  
24 ment or part of a payment was made in such  
25 correct amount).”.

1 (b) ESTIMATES OF IMPROPER PAYMENTS RESULT-  
2 ING IN FINANCIAL LOSS TO THE GOVERNMENT AND RE-  
3 PORTS ON ACTIONS TO REDUCE SUCH PAYMENTS.—Sec-  
4 tion 3352 of title 31, United States Code, is amended—

5 (1) in the heading—

6 (A) by inserting “**resulting in finan-**  
7 **cial loss to the Government**” before  
8 “**and reports**”; and

9 (B) by striking “**reduce improper**  
10 **payments**” and inserting “**reduce such**  
11 **payments**”;

12 (2) in subsection (a)—

13 (A) in paragraph (1)—

14 (i) in subparagraph (A), by striking  
15 “periodically review all programs and ac-  
16 tivities” and inserting “submit annually a  
17 list of each program and activity required  
18 to be reported on the Program Inventory  
19 under section 1122”; and

20 (ii) in subparagraph (B)—

21 (I) by striking “all programs and  
22 activities” and inserting “each pro-  
23 gram and activity from each such  
24 list”; and

1 (II) by striking “(3)” and insert-  
2 ing “(2)”;

3 (B) by striking paragraph (2);

4 (C) by redesignating paragraph (3) as  
5 paragraph (2); and

6 (D) in paragraph (2), as so redesignated—

7 (i) in subparagraph (A), by striking  
8 “improper payments and payments whose  
9 propriety cannot be determined” and in-  
10 sserting “improper payments resulting in fi-  
11 nancial loss to the Government and pay-  
12 ments lacking sufficient documentation to  
13 determine whether the payments result in  
14 financial loss to the Government”;

15 (ii) by redesignating subparagraphs  
16 (B) and (C) as subparagraphs (D) and  
17 (E), respectively;

18 (iii) by inserting after subparagraph  
19 (A) the following new subparagraphs:

20 “(B) DEVELOPMENT OF RISK ASSESSMENT  
21 GUIDANCE.—Not later than 1 year after the  
22 date of the enactment of this Act, the Secretary  
23 of the Treasury shall develop risk assessment  
24 guidance to assess the risk of improper pay-

1           ments resulting in financial loss to the Govern-  
2           ment that addresses the following:

3                   “(i) The likelihood of payment errors  
4                   and the magnitude of such errors that do  
5                   not result in financial loss to the Govern-  
6                   ment.

7                   “(ii) The likelihood of payment errors  
8                   and the magnitude of such errors that do  
9                   result in financial loss to the Government.

10                   “(iii) A formula for estimating finan-  
11                   cial loss to the Government.

12                   “(iv) Relevant governmentwide docu-  
13                   ments and best practices for managing im-  
14                   proper payments and mitigating fraud  
15                   risks in Federal programs, such as the  
16                   document of the Government Account-  
17                   ability Office entitled ‘A Framework for  
18                   Managing Fraud Risks in Federal Pro-  
19                   grams’ (or any successor document), as ap-  
20                   plicable and appropriate.

21                   “(C) SCOPE.—In preparing a list under  
22                   paragraph (1)(A), the head of each executive  
23                   agency shall require, within 6 months after  
24                   issuing the risk assessment guidance, a risk as-  
25                   sessment using the guidance developed under

1           subparagraph (B) for each program or activity  
2           listed under paragraph (1)(A) for each—

3                   “(i) existing programs or activities  
4                   prior to the next disbursement of Federal  
5                   funds with respect to the program or activ-  
6                   ity; and

7                   “(ii) newly authorized programs and  
8                   activities prior to any disbursement of  
9                   Federal funds with respect to the program  
10                  or activity.”;

11                  (iv) in subparagraph (D), as so redes-  
12                  ignated—

13                   (I) in the heading, by striking  
14                   “SCOPE” and inserting “REQUIRE-  
15                   MENTS”;

16                   (II) in the matter preceding  
17                   clause (i)—

18                           (aa) by striking “In con-  
19                           ducting a review under para-  
20                           graph (1), the head of each exec-  
21                           utive agency shall” and inserting  
22                           “Risk assessments are to be con-  
23                           ducted on an ongoing basis, but  
24                           no less frequently than once  
25                           every 3 years, and”; and

1 (bb) by inserting “, includ-  
2 ing with respect to fraud in any  
3 program or activity listed under  
4 paragraph (1)(A) that causes im-  
5 proper payments resulting in fi-  
6 nancial loss to the Government”  
7 before “, such as”;

8 (III) in clause (x), by striking  
9 “data systems” and inserting “data  
10 assets”; and

11 (IV) in clause (xi)—

12 (aa) by inserting “or im-  
13 proper payments” before “as as-  
14 sessed”; and

15 (bb) by inserting “, or any  
16 successor document” after  
17 “(commonly known as the ‘Green  
18 Book’)”; and

19 (v) in subparagraph (E), as so reded-  
20 icated—

21 (I) in the heading, by striking  
22 “ANNUAL REPORT” and inserting  
23 “REPORTS”;

24 (II) in the matter preceding  
25 clause (i), by striking “Each executive

1 agency shall publish an annual re-  
2 port” and inserting “Not less than  
3 once every 3 years, the head of each  
4 executive agency shall publish a re-  
5 port”;

6 (III) in clause (i), by striking “;  
7 and” and inserting a semicolon;

8 (IV) in clause (ii), by striking the  
9 period at the end and inserting “;  
10 and”; and

11 (V) by adding at the end the fol-  
12 lowing new clause:

13 “(iii) a prioritized listing of risks iden-  
14 tified in subparagraph (D) associated with  
15 each program and activity listed under  
16 paragraph (1)(A) and any corresponding  
17 financial and administrative control to  
18 mitigate any such risk, including the use of  
19 the Do Not Pay Initiative (or any suc-  
20 cessor system) and any other system or  
21 data asset maintained by the Secretary of  
22 the Treasury or the Inspector General of  
23 the executive agency to prevent fraud or  
24 improper payments resulting in financial  
25 loss to the Government prior to making an

1 eligibility determination to receive Federal  
2 funds with respect to any such program or  
3 activity listed under paragraph (1)(A),  
4 issuing an award, or requesting a pay-  
5 ment.”;

6 (3) in subsection (b)—

7 (A) in the heading, by inserting “THAT  
8 RESULT IN FINANCIAL LOSS TO THE GOVERN-  
9 MENT” after “IMPROPER PAYMENTS”;

10 (B) in paragraph (1)—

11 (i) by redesignating subparagraphs  
12 (A) and (B) as subparagraphs (B) and  
13 (C), respectively;

14 (ii) by inserting before subparagraph  
15 (B), as so redesignated, the following new  
16 subparagraph:

17 “(A) review each statistically valid estimate  
18 developed under subsection (c)(1)(A) and make  
19 a recommendation to the head of the executive  
20 agency on whether the agency estimate should  
21 be reassessed and reestablished;”;

22 (iii) in subparagraph (B)—

23 (I) by inserting “and activities”  
24 after “high-priority Federal pro-  
25 grams”; and

- 1 (II) by inserting “that result in  
2 financial loss” after “improper pay-  
3 ments” each place it appears; and  
4 (iv) in subparagraph (C)—  
5 (I) by striking “(A)” and insert-  
6 ing “(B)”; and  
7 (II) by striking “associated” and  
8 inserting “and financial loss associ-  
9 ated”; and  
10 (C) in paragraph (2)—  
11 (i) in the heading, by inserting “THAT  
12 RESULT IN FINANCIAL LOSS TO THE GOV-  
13 ERNMENT” after “IMPROPER PAYMENTS”;  
14 (ii) in subparagraph (A), by striking  
15 “shall on an annual basis” and inserting “,  
16 not less frequently than once every 3 years,  
17 shall”;  
18 (iii) in subparagraph (B)—  
19 (I) in clause (i)—  
20 (aa) in subclause (I)—  
21 (AA) by inserting “that  
22 result in financial loss to the  
23 Government” after “im-  
24 proper payments”; and

1 (BB) by striking “;  
2 and” and inserting a semi-  
3 colon;

4 (bb) in subclause (II), by in-  
5 serting “that result in financial  
6 loss to the Government, including  
7 by making it harder for fraudu-  
8 lent actors to exploit the pro-  
9 gram” after “improper pay-  
10 ments”; and

11 (cc) by adding at the end  
12 the following new subclause:

13 “(III) has taken or plans to take  
14 to reduce the percentage of improper  
15 payments that result in financial loss  
16 to the Government;” and

17 (II) by inserting after clause (i)  
18 the following new clause (and redesign-  
19 ating the succeeding clause accord-  
20 ingly):

21 “(ii) shall include—

22 “(I) an estimate of the total  
23 amount of the payments that result in  
24 financial loss to the Government;

1           “(II) an estimate of the total  
2 amount of the payments that do not  
3 result in financial loss to the Govern-  
4 ment;

5           “(III) the percentage of pay-  
6 ments that result in financial loss to  
7 the Government;

8           “(IV) an assessment of the por-  
9 tion of the total amount of payments  
10 that result in financial loss to the  
11 Government that are due to fraudu-  
12 lent actions by the recipient of such  
13 payments;

14           “(V) the total amount of dis-  
15 bursed payments; and

16           “(VI) a description of resources  
17 or legislative changes proposed to im-  
18 prove or maintain the integrity of the  
19 relevant program or activity; and”;

20 (iv) in subparagraph (E)(i)—

21           (I) in subclause (I), by striking  
22 “improper payment” and inserting  
23 “improper payments that result in fi-  
24 nancial loss”; and

1 (II) in subclause (II), by striking  
2 “improper payments” and inserting  
3 “improper payments that result in fi-  
4 nancial loss”; and  
5 (v) by amending subparagraph (F) to  
6 read as follows:

7 “(F) AGENCY LIAISON DESIGNATION AND  
8 MANDATORY COORDINATION MEETINGS.—Not  
9 less frequently than once every fiscal year, the  
10 head of each executive agency with a high-pri-  
11 ority Federal program or activity identified  
12 under paragraph (1)(B) shall designate a senior  
13 official of the executive agency to serve as the  
14 liaison of the executive agency for work under  
15 this subchapter who shall meet for a non-audit  
16 or investigative purpose with the Director of the  
17 Office of Management and Budget (or a des-  
18 ignee of the Director), the Commissioner of the  
19 Bureau of the Fiscal Service of the Department  
20 of the Treasury (or a designee of the Commis-  
21 sioner), the Inspector General of the executive  
22 agency (or a designee of the Inspector General),  
23 and the Pandemic Response Accountability  
24 Committee established under section 15010 of  
25 the CARES Act (Public Law 116–136; 134

1 Stat. 533) (or any successor organization) to  
2 report on any action taken during the preceding  
3 fiscal year and any planned action, including  
4 any reform to any financial or administrative  
5 control, to prevent improper payments (with a  
6 focus on improper payments that lead to finan-  
7 cial loss to the Government) and mitigate fraud  
8 in such program or activity.”;

9 (4) in subsection (c)—

10 (A) in the heading, by inserting “THAT  
11 RESULT IN FINANCIAL LOSS TO THE GOVERN-  
12 MENT” after “IMPROPER PAYMENTS”;

13 (B) in paragraph (1)—

14 (i) by amending subparagraph (A) to  
15 read as follows:

16 “(A) develop a statistically valid estimate  
17 of improper payments that result in financial  
18 loss to the Government;”;

19 (ii) by striking subparagraph (B); and

20 (iii) by adding at the end the fol-  
21 lowing new subparagraphs:

22 “(B) include such estimate in the annual  
23 budget justification of the executive agency; and

24 “(C) revise such estimate if the head of the  
25 executive agency determines, which may be

1 based on a recommendation from the Director  
2 in consultation with the Secretary of the Treas-  
3 ury and the Inspector General of the executive  
4 agency, that there is a need to reestablish the  
5 estimate of improper payments that result in fi-  
6 nancial loss to the Government due to—

7 “(i) a significant change, as deter-  
8 mined by the agency head, to the program  
9 or activity’s appropriation or authorization;

10 “(ii) newly establishing the program  
11 or activity; or

12 “(iii) a recommendation from the  
13 agency Inspector General in the annual  
14 compliance report issued under section  
15 3353(a).”; and

16 (C) in paragraph (2)—

17 (i) in subparagraph (A), by inserting  
18 “resulting in financial loss to the Govern-  
19 ment,” after “improper payment”; and

20 (ii) in subparagraph (B), by striking  
21 “improper payments” before “estimate”;

22 (5) in subsection (d)—

23 (A) in the heading—

24 (i) by striking “REDUCE” and insert-  
25 ing “REDUCE AND PREVENT”; and

1 (ii) by inserting “THAT RESULT IN  
2 FINANCIAL LOSS TO THE GOVERNMENT”  
3 after “IMPROPER PAYMENTS”;

4 (B) in the matter preceding paragraph  
5 (1)—

6 (i) by inserting “that result in finan-  
7 cial loss to the Government” after “esti-  
8 mated improper payments”; and

9 (ii) by striking “reduce improper pay-  
10 ments” and inserting “reduce and prevent  
11 such payments”;

12 (C) in paragraph (1), by inserting “that  
13 result in financial loss to the Government (in-  
14 cluding actions used to commit fraud)” after  
15 “improper payments”;

16 (D) in paragraph (2)—

17 (i) in the matter preceding subpara-  
18 graph (A), by inserting “that result in fi-  
19 nancial loss to the Government” after “in  
20 order to reduce improper payments”;

21 (ii) in subparagraph (B), by striking  
22 “; and” and inserting a semicolon at the  
23 end;

1 (iii) in subparagraph (C), by striking  
2 the period at the end and inserting “;  
3 and”; and

4 (iv) by adding at the end the following  
5 new subparagraph:

6 “(D) access to appropriate records and  
7 data assets, whether maintained by an executive  
8 agency, a State or local government, or a pri-  
9 vate sector organization;”;

10 (E) in paragraph (5), by striking “; and”  
11 and inserting a semicolon at the end;

12 (F) in paragraph (6), by striking the pe-  
13 riod at the end and inserting “; and”; and

14 (G) by adding at the end the following new  
15 paragraph:

16 “(7) information on the progress of the execu-  
17 tive agency with respect to—

18 “(A) implementing the financial and ad-  
19 ministrative controls required to be established  
20 under subsection (a)(2)(E)(iii);

21 “(B) implementing relevant government-  
22 wide documents and best practices for man-  
23 aging improper payments and mitigating fraud  
24 risks in Federal programs, such as the docu-  
25 ment of the Government Accountability Office

1 entitled ‘A Framework for Managing Fraud  
2 Risks in Federal Programs’ (or any successor  
3 document), as applicable and appropriate, in-  
4 cluding with respect to the identification of—

5 “(i) any dedicated entity that leads  
6 the fraud risk management activity of the  
7 executive agency;

8 “(ii) responsibilities of such entity, in-  
9 cluding any program or operation for  
10 which the entity is responsible;

11 “(iii) capacity, including any limita-  
12 tions, to strategically manage fraud risks;

13 “(iv) any program or operation within  
14 the executive agency for which there is not  
15 a dedicated entity that leads fraud risk  
16 management, along with a detailed jus-  
17 tification for not having such a dedicated  
18 entity; and

19 “(v) the status of implementing the  
20 overarching concepts with associated lead-  
21 ing practices identified in such document  
22 entitled ‘A Framework for Managing  
23 Fraud Risks in Federal Programs’ (or any  
24 such successor document), as applicable  
25 and appropriate;

1           “(C) implementing the Office of Manage-  
2           ment and Budget Circular A–123, or any suc-  
3           cessor policy, with respect to leading practices  
4           for managing fraud and improper payments  
5           risk;

6           “(D) identifying fraud risks and  
7           vulnerabilities, including but not limited to pay-  
8           roll, beneficiary payments, grants, large con-  
9           tracts, and purchase and travel cards; and

10           “(E) establishing strategies, procedures,  
11           and other steps to prevent, detect, and respond  
12           to fraud.”;

13           (6) in subsection (e)—

14           (A) in the matter preceding paragraph  
15           (1)—

16           (i) by inserting “that result in finan-  
17           cial loss to the Government,” after “With  
18           respect to improper payments”; and

19           (ii) by striking “the improper pay-  
20           ments” and inserting “such payments”;

21           (B) in paragraph (1), by inserting “that  
22           result in financial loss to the Government,”  
23           after “improper payments”; and

1 (C) in paragraph (2), by inserting “that  
2 result in financial loss to the Government,”  
3 after “improper payments”;

4 (7) in subsection (f)(1)—

5 (A) in the matter preceding subparagraph  
6 (A)—

7 (i) by inserting “that result in finan-  
8 cial loss to the Government” after “regard-  
9 ing improper payments”; and

10 (ii) by inserting “such” after “re-  
11 cover”;

12 (B) in subparagraph (B)—

13 (i) by inserting “Government” before  
14 “Reform”; and

15 (ii) by striking “and” at the end; and

16 (C) by inserting after subparagraph (B)  
17 the following new subparagraphs (and redesign-  
18 ating the succeeding subparagraph accord-  
19 ingly):

20 “(C) the Committee on the Budget of the  
21 Senate;

22 “(D) the Committee on the Budget of the  
23 House of Representatives;

24 “(E) the Committee on Appropriations of  
25 the Senate;

1           “(F) the Committee on Appropriations of  
2 the House of Representatives; and”;

3 (8) in subsection (g)—

4           (A) in paragraph (1), by inserting “and  
5 periodically thereafter,” after “Not later than 1  
6 year after the date of enactment of this sec-  
7 tion”; and

8           (B) in paragraph (2)(B), by striking “pre-  
9 payment and postpayment” and inserting “pre-  
10 award and pre-payment”; and

11 (9) in subsection (i)(2)—

12           (A) in subparagraph (C), by striking “25”  
13 and inserting “10”; and

14           (B) in subparagraph (D), by striking “25”  
15 and inserting “75”.

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