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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To provide back pay to Federal contractors, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. PRESSLEY introduced the following bill; which was referred to the Committee on _____

A BILL

To provide back pay to Federal contractors, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fair Pay for Federal Contractors Act of 2025''.

SEC. 2. APPROPRIATION.

There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2026, such sums as may be

necessary for each Federal agency subject to the lapse in appropriations that began on or about October 1, 2025, and any subsequent lapse in appropriations occurring during fiscal year 2026 for adjustments in the price of contracts of such agency under section 3: *Provided that,* such sums shall be available for such purposes until December 31, 2026.

SEC. 3. BACK COMPENSATION FOR EMPLOYEES OF GOVERNMENT CONTRACTORS IN CONNECTION WITH THE LAPSE IN APPROPRIATIONS.

(a) BACK COMPENSATION.—

(1) IN GENERAL.—Each Federal agency subject to the lapse in appropriations shall adjust the price of any contract of such agency for which the contractor suspended, delayed, or interrupted all or part of the work of such contract, or stopped all or any part of the work called for in such contract, as a result of the lapse in appropriations to compensate the contractor for reasonable costs incurred—

(A) to provide compensation, at an employee's standard rate of compensation, to any employee who was furloughed or laid off, or who was not working, who experienced a reduction of hours, or who experienced a reduction in

compensation, as a result of the lapse in appropriations (for the period of the lapse); or

(B) to restore paid leave taken by any employee during the lapse in appropriations, if the contractor required or permitted employees to use paid leave as a result of the lapse in appropriations.

(2) ADJUSTMENT NOTWITHSTANDING CONTRACT TERMS.—An adjustment may be made under this subsection for costs incurred as described in paragraph (1) regardless of whether the contract concerned provides for, or otherwise prohibits, the contractor to incur such costs or receive such an adjustment for incurring such costs.

(b) LIMITATION ON AMOUNT OF WEEKLY COMPENSATION COVERED BY ADJUSTMENT.—The maximum amount of weekly compensation of an employee for which an adjustment may be made under subsection (a) may not exceed the lesser of—

(1) the employee's actual weekly compensation; or

(2) $1,442 (or an appropriate lesser amount pro-rated for an employee who works less than 40 hours per week).

(c) SCOPE OF ADJUSTMENT AUTHORITY.—

(1) ADJUSTMENT ONLY FOR COSTS ACTUALLY INCURRED.—An adjustment may be made under subsection (a) only for costs actually incurred by a contractor as described in paragraph (1) of that subsection.

(2) PROOF OF PROVISION OF COMPENSATION.—A contractor seeking an adjustment under subsection (a) shall provide the head of the Federal agency concerned such evidence of the costs incurred by the contractor as described in paragraph (1) of that subsection as the head of the agency, in consultation with the Administrator of the Office of Federal Procurement Policy, considers appropriate.

(d) TIMING OF ADJUSTMENTS.—The adjustments required by subsection (a) shall be made as soon as practicable after the date of the enactment of this Act.

(e) REPORT.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Administrator of the Office of Federal Procurement Policy shall submit to the appropriate committees of Congress and make publicly available a report on the adjustments made under subsection (a).

(2) ELEMENTS.—The report required by paragraph (1) shall set forth the following:

(A) Each Federal agency described in paragraph (1) of subsection (a) that made adjustments required by that subsection.

(B) For each agency, the following:

(i) The total number of contractor and subcontractor employees working for such agency as of the commencement of the lapse in appropriations described in subsection (a)(1).

(ii) The total number of contractor employees covered by clause (i) who were furloughed, laid off, or did not work as a result of the lapse in appropriations.

(iii) The total number, if any, of employees covered by clause (ii) who received back compensation in connection with the furlough, lay off, or cessation of work.

(iv) The total number, if any, of employees covered by clause (ii) who were required or permitted to use paid leave in place of the furlough, lay off, or cessation of work.

(v) The total number, if any, of employees covered by clause (ii) who received back compensation equal to such employ-

ees' actual weekly compensation in connection with the furlough, lay off, or cessation of work.

(vi) The total number, if any, of employees covered by clause (ii) who received back compensation that was subject to the limitation in subsection (b).

(f) DEFINITIONS.—In this section:

(1) The term ''appropriate committees of Congress'' means—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) the Committee on Oversight and Government Reform of the House of Representatives.

(2) The term ''compensation'' has the meaning given that term in section 6701(1) of title 41, United States Code.

(3) The term ''employee'' means the following:

(A) A ''service employee'' as that term is defined in section 6701(3) of title 41, United States Code, except that the term also includes service employees described in subparagraph (B) or (C) of that section notwithstanding such subparagraph.

(B) A ''laborer or mechanic'' covered by section 3142 of title 40, United States Code.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for each Federal agency subject to a lapse in appropriations for adjustments in the price of contracts of such agency under section 3.