

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 5578
OFFERED BY MS. PRESSLEY OF MASSACHUSETTS**

Add at the end of the bill the following new section:

1 **SEC. _____. FAIR PAY FOR FEDERAL CONTRACTORS.**

2 (a) APPROPRIATION.—There is hereby appropriated,
3 out of any money in the Treasury not otherwise appro-
4 priated, for the fiscal year ending September 30, 2026,
5 such sums as may be necessary for each Federal agency
6 subject to the lapse in appropriations that began on or
7 about October 1, 2025, and any subsequent lapse in ap-
8 propriations occurring during fiscal year 2026 for adjust-
9 ments in the price of contracts of such agency under sub-
10 section (b): *Provided that*, such sums shall be available for
11 such purposes until December 31, 2026.

12 (b) BACK COMPENSATION FOR EMPLOYEES OF GOV-
13 ERNMENT CONTRACTORS IN CONNECTION WITH THE
14 LAPSE IN APPROPRIATIONS.—

15 (1) BACK COMPENSATION.—

16 (A) IN GENERAL.—Each Federal agency
17 subject to the lapse in appropriations shall ad-
18 just the price of any contract of such agency for
19 which the contractor suspended, delayed, or in-

1 interrupted all or part of the work of such con-
2 tract, or stopped all or any part of the work
3 called for in such contract, as a result of the
4 lapse in appropriations to compensate the con-
5 tractor for reasonable costs incurred—

6 (i) to provide compensation, at an em-
7 ployee's standard rate of compensation, to
8 any employee who was furloughed or laid
9 off, or who was not working, who experi-
10 enced a reduction of hours, or who experi-
11 enced a reduction in compensation, as a re-
12 sult of the lapse in appropriations (for the
13 period of the lapse); or

14 (ii) to restore paid leave taken by any
15 employee during the lapse in appropria-
16 tions, if the contractor required or per-
17 mitted employees to use paid leave as a re-
18 sult of the lapse in appropriations.

19 (B) ADJUSTMENT NOTWITHSTANDING
20 CONTRACT TERMS.—An adjustment may be
21 made under this paragraph for costs incurred
22 as described in subparagraph (A) regardless of
23 whether the contract concerned provides for, or
24 otherwise prohibits, the contractor to incur such

1 costs or receive such an adjustment for incur-
2 ring such costs.

3 (2) LIMITATION ON AMOUNT OF WEEKLY COM-
4 PENSATION COVERED BY ADJUSTMENT.—The max-
5 imum amount of weekly compensation of an em-
6 ployee for which an adjustment may be made under
7 paragraph (1) may not exceed the lesser of—

8 (A) the employee's actual weekly com-
9 pensation; or

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

13 (3) SCOPE OF ADJUSTMENT AUTHORITY.—

14 (A) ADJUSTMENT ONLY FOR COSTS ACTU-
15 ALLY INCURRED.—An adjustment may be made
16 under paragraph (1) only for costs actually in-
17 curred by a contractor as described in subpara-
18 graph (A) of that paragraph.

19 (B) PROOF OF PROVISION OF COMPENSA-
20 TION.—A contractor seeking an adjustment
21 under paragraph (1) shall provide the head of
22 the Federal agency concerned such evidence of
23 the costs incurred by the contractor as de-
24 scribed in subparagraph (A) of that paragraph
25 as the head of the agency, in consultation with

1 the Administrator of the Office of Federal Pro-
2 curement Policy, considers appropriate.

3 (4) TIMING OF ADJUSTMENTS.—The adjust-
4 ments required by paragraph (1) shall be made as
5 soon as practicable after the date of the enactment
6 of this Act.

7 (5) REPORT.—

8 (A) IN GENERAL.—Not later than one year
9 after the date of the enactment of this Act, the
10 Administrator of the Office of Federal Procure-
11 ment Policy shall submit to the appropriate
12 committees of Congress and make publicly
13 available a report on the adjustments made
14 under paragraph (1).

15 (B) ELEMENTS.—The report required by
16 subparagraph (A) shall set forth the following:

17 (i) Each Federal agency described in
18 subparagraph (A) of paragraph (1) that
19 made adjustments required by that para-
20 graph.

21 (ii) For each agency, the following:

22 (I) The total number of con-
23 tractor and subcontractor employees
24 working for such agency as of the
25 commencement of the lapse in appro-

1 appropriations described in paragraph
2 (1)(A).

3 (II) The total number of con-
4 tractor employees covered by sub-
5 clause (I) who were furloughed, laid
6 off, or did not work as a result of the
7 lapse in appropriations.

8 (III) The total number, if any, of
9 employees covered by subclause (II)
10 who received back compensation in
11 connection with the furlough, lay off,
12 or cessation of work.

13 (IV) The total number, if any, of
14 employees covered by subclause (II)
15 who were required or permitted to use
16 paid leave in place of the furlough, lay
17 off, or cessation of work.

18 (V) The total number, if any, of
19 employees covered by subclause (II)
20 who received back compensation equal
21 to such employees' actual weekly com-
22 pensation in connection with the fur-
23 lough, lay off, or cessation of work.

24 (VI) The total number, if any, of
25 employees covered by subclause (II)

1 who received back compensation that
2 was subject to the limitation in para-
3 graph (2).

4 (6) DEFINITIONS.—In this subsection:

5 (A) The term “appropriate committees of
6 Congress” means—

7 (i) the Committee on Homeland Secu-
8 rity and Governmental Affairs of the Sen-
9 ate; and

10 (ii) the Committee on Oversight and
11 Government Reform of the House of Rep-
12 resentatives.

13 (B) The term “compensation” has the
14 meaning given that term in section 6701(1) of
15 title 41, United States Code.

16 (C) The term “employee” means the fol-
17 lowing:

18 (i) A “service employee” as that term
19 is defined in section 6701(3) of title 41,
20 United States Code, except that the term
21 also includes service employees described in
22 subparagraph (B) or (C) of that section
23 notwithstanding such subparagraph.

1 (ii) A “laborer or mechanic” covered
2 by section 3142 of title 40, United States
3 Code.

4 (c) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated such sums as may be
6 necessary for each Federal agency subject to a lapse in
7 appropriations for adjustments in the price of contracts
8 of such agency under subsection (b).

