

(m) Waiver.—The Secretary may waive subsection (h), (i), or (j) only for exceptional or uncontrollable circumstances, including a natural disaster, a material decline in student enrollment, a material decline in the number of children with disabilities served, or a precipitous and unforeseen decline in State or local revenues, except that a revenue decline caused by tax reductions, rebates, credits, exclusions, deductions, or other discretionary reductions in revenue shall not constitute exceptional or uncontrollable circumstances.

(n) Report to Congress.—Not later than January 1, 2029, the Secretary shall submit to Congress a report recommending permanent school funding formulas that measure educational need without relying on poverty paperwork, school-meal eligibility, or other pre-Jubilee proxies.

Subtitle A—Good Government

SEC. 1011. ENDING GOVERNMENT SHUTDOWNS.

(a) Definitions.—In this section:

(1) Account.—The term "account" means any account of the United States Government for which budget authority was provided in the preceding fiscal year, excluding any account funded by permanent or indefinite appropriation under any other provision of law.

(2) Activity.—The term "activity" means any activity funded through an account for the preceding fiscal year for which a program or project was carried out.

(3) Automatic continuing appropriation.—The term "automatic continuing appropriation" means budget authority made available under subsection (b) or subsection (h) for any account, program, project, benefit payment, or activity.

(4) Benefit payment.—The term "benefit payment" means any payment to an individual or entity made under mandatory spending authority or entitlement authority in the preceding fiscal year, excluding any benefit payment made from a trust fund or account funded by permanent or indefinite appropriation.

(5) Congressional employee.—The term "congressional employee" means an employee of the personal office of a Member of Congress, an employee of a committee of either House of Congress, or an employee of a joint committee of Congress.

(6) Gross domestic product price index.—The term "gross domestic product price index" means the implicit price deflator for the gross domestic product published by the Bureau of Economic Analysis.

(7) Lapse in appropriations.—The term "lapse in appropriations" means, with respect to an account, program, project, benefit payment, or activity, any period during a fiscal year during which budget authority for that account, program, project, benefit payment, or activity has not been enacted or is no longer available, and no continuing appropriation or other temporary budget authority is in effect for that account, program, project, benefit payment, or activity, and ending on the date such budget authority is enacted or again becomes available.

(8) Member of Congress.—The term "Member of Congress" has the meaning given that term in [section 2106 of title 5](#), United States Code.

(9) National Capital Region.—The term "National Capital Region" has the meaning given that term in [section 8702 of title 40](#), United States Code.

(10) Preceding fiscal year.—The term "preceding fiscal year" means the fiscal year immediately before the fiscal year in which a lapse in appropriations occurs.

(11) Program.—The term "program" means any program funded through an account for the preceding fiscal year.

(12) Project.—The term "project" means any project funded through an account for the preceding fiscal year.

(13) Rate for operations.—The term "rate for operations" means the daily rate of budget authority calculated—

(A) for any account, program, project, benefit payment, or activity for which budget authority was available for the entire preceding fiscal year, by dividing the total amount of such budget authority by the number of days in the preceding fiscal year; or

(B) for any account, program, project, benefit payment, or activity for which budget authority was available for only a portion of the preceding fiscal year, by dividing the total amount of such budget authority by the number of days during which such budget authority was available.

(b) Daily automatic continuing appropriations.—During a lapse in appropriations for any fiscal year, there is appropriated each day, for each account, program, project, benefit payment, or activity for which budget authority was provided in the preceding fiscal year, an automatic continuing appropriation in an amount equal to the rate for operations for that account, program, project, benefit payment, or activity.

(c) Availability of funds.—Budget authority made available under subsection (b) shall remain available until the earliest of—

(1) the enactment of an appropriation Act providing budget authority for the account, program, project, benefit payment, or activity for the remainder of the fiscal year in which the lapse in appropriations occurs;

(2) the activation of a full-year automatic continuing appropriation under subsection (h); or

(3) the end of that fiscal year.

(d) Terms and conditions.—Budget authority made available under this section shall be subject to the same terms and conditions that applied to the budget authority provided for the preceding fiscal year.

(e) Charging of obligations and expenditures; supersession.—Any obligation or expenditure made under an automatic continuing appropriation shall be charged to the applicable appropriation, fund, or authorization upon the enactment of an appropriation Act for that fiscal year. Budget authority made available under this section and charged to a subsequently enacted appropriation Act shall be treated as included in, and not in addition to, the total budget authority provided by that Act.

(f) Recess limitation.—During a lapse in appropriations, it shall not be in order in either House of Congress to recess or adjourn for a period longer than 24 hours.

(g) Daily quorum verification.—During a lapse in appropriations, at noon each day, the presiding officer of each House of Congress shall ascertain whether a quorum is present.

(h) Enforcement; full-year inflation-adjusted appropriation.—

(1) Trigger.—If either House of Congress:

(A) recesses or adjourns in violation of subsection (f); or

(B) fails to establish a daily quorum pursuant to subsection (g),

the automatic continuing appropriations provided under subsection (b) shall, for each account, program, project, benefit payment, or activity then subject to the lapse in appropriations, be converted into a full-year automatic continuing appropriation for the remainder of the fiscal year in which the lapse in appropriations occurs, calculated as provided in paragraph (2).

(2) Amount for fiscal year.—The aggregate amount of budget authority made available for the fiscal year under subsection (b) and this subsection for each account, program, project, benefit payment, or activity shall equal the product of the rate for operations for that account, program, project, benefit payment, or activity multiplied by the number of days in the fiscal year and multiplied by one plus the percentage increase, if any, in the gross domestic product price index for the 12-month period ending on June 30 of the preceding fiscal year. Upon activation of paragraph (1), the amount newly made available under this subsection shall equal the amount necessary to bring the aggregate amount made available under subsection (b) and this subsection to the amount calculated under the preceding sentence, but may not be less than zero.

(i) Coordination with national defense budget limitation.—

(1) In general.—For fiscal years 2027 through 2030, new budget authority provided under subsection (b) or (h) for accounts, programs, projects, benefit payments, or activities, to the extent such authority is classified in national defense budget function 050, shall be adjusted so that the aggregate new budget authority provided for that budget function for the fiscal year under this section and any other provision of law does not exceed the applicable limit determined under section 1342(a)(1) and imposed under section 1342(b)(1), including any provisional limit administered under section 1342(d).

(2) Proportional adjustment.—For purposes of paragraph (1), the Director of the Office of Management and Budget shall—

(A) determine the greater of zero or the amount by which the applicable limit exceeds the aggregate new budget authority already provided for the fiscal year for national defense budget function 050 before the adjustment takes effect, after application of subsection (e) and section 1342(g)(4);

(B) determine the aggregate amount that, but for this subsection, would become available after the adjustment takes effect and through the end of the fiscal year under

subsection (b) or (h) for accounts, programs, projects, benefit payments, and activities, to the extent such authority is classified in national defense budget function 050; and

(C) if the amount determined under subparagraph (B) is greater than zero, multiply each amount described in that subparagraph by a uniform adjustment factor equal to the lesser of—

(i) 1; or

(ii) the quotient obtained by dividing the amount determined under subparagraph (A) by the amount determined under subparagraph (B).

If the amount determined under subparagraph (B) is zero, the adjustment factor shall be 1.

(3) Daily appropriations.—For purposes of subsection (b), the adjustment factor determined under paragraph (2) shall be applied to each daily automatic continuing appropriation becoming available on or after the time the adjustment takes effect. An adjustment may not retroactively reduce an obligation validly incurred before that time.

(4) Full-year appropriations.—For purposes of subsection (h), the adjustment factor determined under paragraph (2) shall be applied to the amount newly made available upon activation of subsection (h), as determined under subsection (h)(2), and no adjustment for an increase in the gross domestic product price index may cause the aggregate amount made available for national defense budget function 050 to exceed the applicable limit.

(5) Recalculation.—The Director shall promptly recalculate an adjustment under this subsection whenever the amount determined under paragraph (2)(A) or (B) changes, including upon—

(A) publication of a final or revised final baseline amount under section 1342(c);

(B) enactment of a law that changes new budget authority provided for national defense budget function 050;

(C) a transfer, cancellation, reclassification, or other adjustment that changes the amount counted toward the applicable limit; or

(D) activation of subsection (h).

(6) No double counting or reduction.—Budget authority that has already been reduced under another provision of law to comply with section 1342 shall be taken into account at the reduced amount and shall not be reduced again under this subsection except to the extent necessary to comply with paragraph (1). Budget authority charged to or superseded by a subsequently enacted appropriation Act shall be counted in accordance with subsection (e) and section 1342(g)(4).

(7) Publication.—Not later than 1 day after the beginning of a lapse in appropriations, and promptly after any recalculation under paragraph (5), the Director shall publish the determinations, calculations, and adjustments made under this subsection. An adjustment required by this subsection shall take effect by operation of law notwithstanding a delay in publication. Pending publication, the Director shall reserve from obligation the amount

reasonably estimated to be necessary to prevent obligations against budget authority subject to reduction under this subsection.

(j) Limitation on official travel.—During a lapse in appropriations, no funds may be obligated or expended for official travel by a Member of Congress or a congressional employee outside the National Capital Region, except for direct travel between the seat of Government and the Member's congressional district.

(k) Exercise of rulemaking power.—Subsections (f) and (g) are enacted pursuant to Article I, Section 5, Clause 2 of the Constitution of the United States—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such shall be considered as part of the rules of each House, respectively, and shall supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the Constitutional right of either House to change the rules, so far as relating to the procedure of that House, in the same manner and to the same extent as in the case of any other rule of that House.

(l) Applicability.—This section applies to any lapse in appropriations occurring on or after the date of enactment of this Act.

SEC. 1012. REPEAL OF THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

(a) Repeal.—The Balanced Budget and Emergency Deficit Control Act of 1985 ([2 U.S.C. 900 et seq.](#)) is repealed.

(b) Conforming amendments.—Not later than March 1, 2027, the Secretary of the Treasury, in consultation with the Director of the Office of Management and Budget, shall submit to Congress proposed conforming amendments to remove references to the Balanced Budget and Emergency Deficit Control Act of 1985 from the United States Code.

(c) Temporary preservation of cross-referenced provisions.—Notwithstanding subsection (a), any provision of the Balanced Budget and Emergency Deficit Control Act of 1985 expressly referenced or incorporated by another provision of Federal law in effect on the date of enactment of this Act shall continue in effect solely for purposes of giving effect to that reference or incorporation, and only to the minimum extent necessary to administer that other provision, until an Act of Congress eliminating or replacing the reference or incorporation takes effect. This subsection shall not revive or continue any sequestration, enforcement mechanism, limitation, authority, or requirement of the Balanced Budget and Emergency Deficit Control Act of 1985 except to the extent expressly made applicable by that other provision of Federal law.

SEC. 1013. CONGRESSIONAL RESTRICTIONS ON TRADE OF INVESTMENTS.

(a) Restrictions.—[Chapter 131 of title 5](#), United States Code, is amended by inserting after subchapter III the following new subchapter:

"SUBCHAPTER IV—RESTRICTIONS ON TRADE AND OWNERSHIP OF COVERED INVESTMENTS

"SEC. 13151. Definitions.

"SEC. 13152. Trade and ownership of covered investments.

"SEC. 13153. Penalties.

"Sec. 13151. Definitions.

"(a) Definitions.—In this subchapter, the following definitions apply:

"(1) Commodity.—The term 'commodity'—

"(A) has the meaning given the term in section 1a of the Commodity Exchange Act ([Z U.S.C. 1a](#)); and

"(B) does not include a precious metal (as defined in section 1027.100 of title 31, Code of Federal Regulations).

"(2) Covered individual.—The term 'covered individual' means—

"(A) a Member of Congress;

"(B) a spouse or dependent child of a Member of Congress;

"(C) an individual or entity described in section 13104(f)(3)(A) with respect to a covered investment placed in a trust for any individual described in subparagraphs (A) or (B); and

"(D) any congressional employee serving—

"(i) in a senior staff position (including Chief of Staff, Deputy Chief of Staff, Legislative Director, Policy Director, Committee Staff Director, Counsel, Senior Counsel, Senior Advisor, or any position compensated at GS–15 or above or equivalent); or

"(ii) in any position with significant policymaking, supervisory, legislative negotiation, or market-moving information access, as determined by the supervising ethics office.

"(3) Covered investment.—The term 'covered investment'—

"(A) means an investment in a security, a commodity, a future, or any comparable economic interest acquired through synthetic means, such as the use of a derivative, including an option, warrant, or other similar means; and

"(B) does not include—

"(i) a widely held investment fund described in section 13104(f)(8) that is diversified and publicly traded on a national or regional stock exchange;

"(ii) a United States Treasury bill, note, or bond;

"(iii) a State or municipal government bill, note, or bond;

"(iv) any compensation received by the spouse or dependent child of a covered individual from their employer;

"(v) an interest in a small business concern;

"(vi) an interest in a limited liability company created for the sole purpose of purchasing or holding real estate that serves as the personal residence of the Member of Congress;

"(vii) any share of Settlement Common Stock issued under section 7(g)(1)(A) of the Alaska Native Claims Settlement Act ([43 U.S.C. 1606\(g\)\(1\)\(A\)](#)); or

"(viii) any share of Settlement Common Stock, as defined in section 3 of the Alaska Native Claims Settlement Act ([43 U.S.C. 1602](#)).

"(4) Diversified.—The term 'diversified', with respect to an investment fund, means such fund does not have a stated policy of concentrating its investments in any industry, business, single country other than the United States, or bonds of a single State within the United States except for the State in which the Member of Congress resides.

"(5) Future.—The term 'future' means a financial contract obligating the buyer to purchase an asset or the seller to sell an asset, such as a physical commodity or a financial investment, at a predetermined future date and price.

"(6) Security.—The term 'security' has the meaning given the term in section 3(a) of the Securities Exchange Act of 1934 ([15 U.S.C. 78c\(a\)](#)).

"(7) Small business concern.—The term 'small business concern' has the meaning given that term under section 3 of the Small Business Act ([15 U.S.C. 632](#)).

"(8) Other terms.—The terms 'dependent child', 'Member of Congress', and 'supervising ethics office' have the meanings given such terms in section 13101.

"Sec. 13152. Trade and ownership of covered investments.

"(a) Conduct during Federal service.—Except as described in subsection (b)(1)(B) and subsections (d) through (f), no covered individual may, directly or indirectly, own or trade a covered investment.

"(b) Compliance.—

"(1) Requirement.—To comply with subsection (a)—

"(A) a covered individual may not purchase a covered investment; and

"(B) a covered individual shall divest of any covered investment by the effective date established in paragraph (2) at fair market value.

"(2) Effective date.—The effective date is established as follows:

"(A) January 4, 2027, for an individual who is a covered individual on the date of enactment of this Act; and

"(B) 90 days after the date on which an individual becomes a covered individual if such date is after the date of enactment of this Act.

"(c) Certificates of divestiture.—

"(1) Application of certificate of divestiture program.—For purposes of [section 1043](#) of the Internal Revenue Code of 1986 ([26 U.S.C. 1043](#))—

"(A) this section shall be treated as a Federal conflict of interest statute;

"(B) any covered individual described in section 13151(2)(A) shall be treated as an eligible person described in section 1043(b)(1)(A) of such Code; and

"(C) any spouse or dependent child described in section 13151(2)(B) shall be treated as an eligible person described in section 1043(b)(1)(B) of such Code.

"(2) Issuance of certificate of divestiture.—

"(A) In general.—Each supervising ethics office shall issue a certificate of divestiture to each covered individual required to divest under this subchapter upon submission of proof of compliance by such individual with the requirements to divest or any extensions granted by the supervising ethics office.

"(B) Eligibility.—Such certificate shall include an identification of each specific property eligible for the application of the certificate of divestiture program as determined by the supervising ethics office.

"(d) Occupational exception.—A spouse or dependent child of a Member of Congress may trade any covered investment if such covered investment is not owned by a covered individual and if such trade is performed as a function of the primary occupation of the spouse or dependent child.

"(e) Trusts.—

"(1) Qualified blind trust.—Any covered investment held in a qualified blind trust as defined in section 13104(f)(3) shall be divested in accordance with subsection (b)(1)(B) by the effective date established in subsection (b)(2).

"(2) Family trust.—A supervising ethics office may grant an exemption for covered investments held in a family trust only if—

"(A) no covered individual—

"(i) is a grantor of the family trust;

"(ii) contributed any covered investment to the family trust; or

"(iii) has any authority over a trustee of the family trust, including the authority to appoint, replace, or direct the actions of such a trustee; and

"(B) the grantor of the family trust is or was a family member of the covered individual.

"(3) Requests.—A covered individual seeking an exemption under paragraph (2) shall submit to the applicable supervising ethics office a request for the exemption, in writing, certifying that the conditions described in that paragraph are met.

"(f) Assets acquired in special circumstances.—In the event that a covered individual acquires a covered investment after the date of enactment of this Act, other than by purchase (such as by marriage, inheritance, divorce settlement, or other circumstance), the covered individual shall have 90 days from the date on which such investment was acquired to divest such covered investment at fair market value.

"(g) Extension.—A supervising ethics office may grant a covered individual an extension of time to comply with a divestment deadline under this subchapter if a covered investment cannot be divested by such deadline due to low liquidity, vesting schedules, or contractual restrictions.

"(h) Interpretive guidance.—The supervising ethics office shall issue interpretive guidance on any relevant term not defined in this subchapter and on calculating the value of each prohibited covered investment for purposes of section 13153.

"Sec. 13153. Penalties.

"(a) Civil penalties.—

"(1) Penalty.—Any covered individual who violates section 13152 shall pay—

"(A) a civil penalty equal to 10 percent of the value of each prohibited covered investment;

"(B) a civil penalty of \$1,000 for each day of noncompliance; and

"(C) disgorgement of any profit, gain, or income derived from any prohibited ownership or transaction.

"(2) Payment to Treasury.—All civil penalties and disgorged amounts shall be deposited in the Treasury of the United States.

"(b) Assessment and enforcement.—The supervising ethics office for the covered individual shall assess any civil penalty or disgorgement under subsection (a), provide notice and an opportunity to respond before final assessment, and refer any unpaid final assessment to the Attorney General for collection in a civil action in an appropriate district court of the United States. Nothing in this subsection shall limit the authority of the Attorney General to investigate or prosecute a criminal violation of this section.

"(c) Criminal penalties.—Any covered individual who knowingly and willfully violates section 13152 shall be guilty of a misdemeanor punishable by—

"(1) a fine under title 18, United States Code;

"(2) imprisonment for not more than 180 days; or

"(3) both.

"(d) Concealment.—Any covered individual who knowingly falsifies, conceals, or covers up ownership of a covered investment in violation of this subchapter shall be guilty of a felony punishable by—

"(1) a fine under title 18, United States Code;

"(2) imprisonment for not more than 5 years; or

"(3) both.

"(e) Payment restrictions.—A Member of the House of Representatives or the Senate may not pay any civil or criminal penalty under this section using—

"(1) the Members' Representational Allowance; or

"(2) any campaign contribution or political donation.

"(f) Publication.—Each supervising ethics office shall publish on a publicly available website a description of—

"(1) each penalty assessed pursuant to this section;

"(2) the reason why each such penalty was assessed; and

"(3) the result of each assessment."

SEC. 1014. STABILIZING SOCIAL SECURITY.

(a) In general.—Subsection 230(b) of the Social Security Act ([42 U.S.C. 430\(b\)](#)) is amended to read as follows:

"(b) Determination of amount.—The amount of such contribution and benefit base shall (subject to subsection (c)) be the amount of the contribution and benefit base in effect in the year in which the determination is made or, if larger, the product of—

"(1) the basic wage as calculated in [section 1398c of title 42](#), United States Code; and

"(2) 25."

(b) Effective date.—The amendments made by this section shall apply to net earnings from self-employment derived, and remuneration paid, on or after January 1, 2027.

SEC. 1015. PROHIBITING CORPORATE CONFLICTS ON CBO ADVISORY PANELS.

(a) Definitions.—In this section:

(1) Advisory panel.—The term "advisory panel" means the Panel of Economic Advisers, the Panel of Health Advisers, or any other standing panel, board, committee, council, working group, or substantially similar body convened by the Congressional Budget Office to provide outside advice on forecasts, models, methods, assumptions, cost estimates, budget projections, economic analysis, health analysis, or other analytical work of the Office.

(2) Corporate entity.—The term "corporate entity" means a for-profit business concern, financial institution, health care provider organization, health insurance issuer, trade association, business league, or professional association that principally represents commercial, financial, or industry interests, and includes any affiliate, parent, subsidiary, successor, or predecessor of such an entity.

(3) Director.—The term "Director" means the Director of the Congressional Budget Office.

(4) Lobbyist.—The term "lobbyist" has the meaning given the term in section 3 of the Lobbying Disclosure Act of 1995 ([2 U.S.C. 1602](#)).

(5) Restricted person.—The term "restricted person" means an individual who, during the 4-year period preceding appointment to, or service on, an advisory panel, served as an officer, director, board member, partner, principal, senior employee, lobbyist, paid consultant, paid advocate, or paid representative of, for, or on behalf of a corporate entity.

(b) Prohibition on service.—Beginning 90 days after the date of enactment of this Act, a restricted person may not serve as a member of an advisory panel.

(c) Certification.—Before appointing or reappointing an individual to an advisory panel, and annually thereafter during the individual's service on the advisory panel, the Director shall require the individual to certify that the individual is not a restricted person.

(d) Removal.—The Director shall remove from an advisory panel any member who becomes a restricted person during the member's term of service.

(e) Public disclosure.—For each member of an advisory panel, the Director shall make publicly available on the website of the Congressional Budget Office, in a downloadable format, the member's current employer, institutional affiliations, board memberships, significant paid consulting relationships, and certification under subsection (c).

(f) Technical consultation preserved.—Nothing in this section shall be construed to prohibit the Congressional Budget Office from obtaining technical information, data, or analysis from a restricted person or corporate entity, if such person or entity is not appointed to serve as a member of an advisory panel.

(g) Rule of construction.—Nothing in this section shall be construed to affect the authority or responsibility of the Congressional Budget Office to determine the content, assumptions, methods, conclusions, or estimates contained in any report, cost estimate, forecast, projection, or other analytical product of the Office.

SEC. 1016. RESTORATION AND REBUILDING OF THE UNITED STATES DIGITAL SERVICE.

(a) Findings.—Congress finds the following:

(1) The United States Digital Service was created to improve the usefulness, reliability, accessibility, and security of public-facing digital services provided by the Federal Government, and should be restored and rebuilt as a public-service technology office.

(2) Public digital infrastructure should help people access public benefits, public services, public information, and public rights without unnecessary delay, confusion, paperwork, or contractor-controlled chokepoints.

(3) Federal agencies require in-house technical capacity to design, procure, build, maintain, and oversee digital systems serving the public and reduce avoidable dependence on contractor-operated systems.

(4) Contractors may assist Federal agencies in building digital infrastructure, but contractor arrangements should not transfer control over public services, public data, public-facing interfaces, essential source code, or fee collection to private entities in a manner that undermines public accountability.

(5) Digital modernization should reduce administrative burden, improve service delivery, consolidate duplicative systems, build shared tools, preserve institutional knowledge, and improve public-facing digital services while preserving privacy, cybersecurity, transparency, accessibility, and lawful agency control over agency records and systems.

(b) Definitions.—In this section:

(1) Agency.—The term "agency" has the meaning given the term in [section 3502 of title 44](#), United States Code.

(2) Covered former digital service employee.—The term "covered former digital service employee" means an individual who, on or after January 20, 2025, was employed by, detailed to, or assigned to the United States Digital Service, 18F, the Technology Transformation Services, the Defense Digital Service, or an agency digital service unit, and who was separated, resigned, transferred, reassigned, or displaced in connection with the reorganization of the United States Digital Service, the establishment or operation of the United States DOGE Service, or a substantial change in digital service mission.

(3) Director.—The term "Director" means the Director of the Office of Management and Budget.

(4) Public digital infrastructure.—The term "public digital infrastructure" means software, source code, application programming interfaces, data standards, user interfaces, identity tools, eligibility tools, benefit delivery systems, public-facing digital services, documentation, and operational capabilities used by an agency to provide information, benefits, services, rights, or access to the public.

(5) Service.—The term "Service" means the United States Digital Service established under subsection (c).

(6) USDS Director.—The term "USDS Director" means the Director of the United States Digital Service appointed under subsection (e).

(c) Establishment.—There is established in the Office of Management and Budget an office to be known as the United States Digital Service.

(d) Mission.—The mission of the Service shall be to assist agencies in designing, procuring, building, improving, securing, and maintaining public-facing digital services and public digital infrastructure that—

- (1) improve public access to benefits, services, information, and rights;
- (2) reduce administrative burden, paperwork, delay, and unnecessary complexity;
- (3) automate unnecessary paperwork and consolidate duplicative systems;
- (4) improve accessibility for individuals with disabilities and individuals with limited English proficiency;
- (5) protect privacy, cybersecurity, and data integrity;
- (6) reduce improper payments and improve benefit delivery;
- (7) strengthen in-house Federal technical capacity;
- (8) reduce avoidable dependence on proprietary vendors, contractor lock-in, and privately controlled chokepoints;
- (9) promote reusable public digital infrastructure, open standards, interoperability, and public accountability; and
- (10) comply with subtitle C of this title and any other applicable limitation on the use of artificial intelligence by the Federal Government.

(e) Leadership, staffing, coordination, and transition.—

(1) USDS Director.—The Service shall be headed by a USDS Director, who shall be appointed by the Director and shall have demonstrated expertise in technology delivery, public administration, cybersecurity, digital service design, procurement, or public benefit administration.

(2) Coordination.—In carrying out this section, the USDS Director shall coordinate with the Administrator of the Office of Electronic Government, the Administrator of General Services, the Federal Chief Information Officers Council, agency chief information officers, agency chief privacy officers, agency chief information security officers, and other relevant agency officials.

(3) Staffing.—The USDS Director may employ, appoint, detail, or assign technologists, software engineers, designers, product managers, user researchers, cybersecurity experts, procurement specialists, accessibility experts, benefits delivery experts, data governance experts, and implementation specialists, subject to applicable civil service and appropriations law.

(4) Transition plan.—Not later than January 1, 2027, the Director, in consultation with the Director of the Office of Personnel Management and the Administrator of General Services, shall establish a transition plan to restore and rebuild the Service, including procedures to—

(A) transfer or convert employees serving in mission-compatible digital service positions in the United States DOGE Service to positions in the Service without loss of pay, grade, tenure, or benefits;

(B) provide priority consideration for employment in the Service to covered former digital service employees;

(C) exclude from automatic transfer any employee whose primary duties involved generalized data extraction, surveillance, enforcement, impoundment, payment freezes, or personnel actions unrelated to the mission described in subsection (d); and

(D) rebuild Federal digital service capacity by recruiting and retaining personnel with expertise in technology delivery, public administration, cybersecurity, procurement, privacy, accessibility, and public benefit administration.

(f) Technical assistance and sensitive access.—

(1) Technical assistance.—The Service may assist an agency at the request of such agency.

(2) Written authorization for sensitive access.—The Service may access nonpublic agency records, nonpublic agency data, production systems, administrative credentials, personally identifiable information, or other sensitive agency systems only pursuant to express statutory direction or a written authorization approved by the head of the agency, the agency chief information officer, or another senior agency official designated by the head of the agency.

(3) Scope and safeguards.—A written authorization under paragraph (2) shall identify the public-service purpose of the access, the systems or data to be accessed, the duration of access, the approving agency official, and shall limit access to the minimum systems necessary for the approved purpose.

(g) Public control and contractor limitations.—

(1) Public control.—In carrying out this section, the Service shall, to the maximum extent practicable, assist agencies in preserving public control over public digital infrastructure, including public control over source code, documentation, data, application programming interfaces, user interfaces, operational knowledge, and service delivery capacity.

(2) Contractor fees.—The Service may not design, recommend, approve, or materially assist a public-facing digital service arrangement that gives a contractor authority to collect, retain, or impose a transaction fee, convenience fee, reservation fee, service fee, or other user charge for access to a public benefit, public service, public information, public land, public record, or public right, unless such charge is expressly authorized by statute.

(3) Contractor dependency review.—Before materially assisting a major public-facing digital service project that relies on contractor operation, proprietary software, or contractor-controlled user interfaces, the Service shall provide the agency with a written assessment of whether the project increases or reduces contractor lock-in, proprietary dependence, private control over public data, private control over public-facing interfaces, and transaction fee or user fee dependence.

(h) Prohibited uses.—The Service may not be used—

(1) to impound, withhold, delay, freeze, or cancel funds, grants, loans, contracts, payments, or benefits;

(2) to terminate, suspend, or dismantle an agency, office, program, or statutory function, except to provide technical support for a transition expressly authorized by statute;

(3) to conduct law enforcement, civil enforcement, immigration enforcement, tax enforcement, intelligence, or surveillance activities;

(4) to obtain generalized access to agency records, data, software systems, or information technology systems outside an approved project under subsection (f); or

(5) to create, procure, deploy, or operate an artificial intelligence system for any purpose prohibited by subtitle C of this title.

(i) Supersession.—Any Executive order, memorandum, directive, reorganization, designation, delegation, or other Executive action is superseded to the extent inconsistent with this section.

(j) No DOGE successor authority.—No funds appropriated or otherwise made available to the Service may be used to carry out the United States DOGE Service, the United States DOGE Service Temporary Organization, an agency DOGE team, or any substantially similar successor structure, except to wind down such structure, transfer mission-compatible functions and personnel under subsection (e)(4), or preserve records for oversight and accountability.

(k) Reports.—Not later than July 1, 2027, and annually thereafter, the USDS Director shall submit to Congress and make publicly available a report describing—

(1) each project carried out by the Service;

(2) each agency assisted;

(3) major improvements to public-facing digital services;

(4) reusable public digital infrastructure developed or improved;

(5) steps taken to reduce contractor lock-in, proprietary dependence, and private tollbooth arrangements;

(6) compliance with privacy, cybersecurity, accessibility, records management, and artificial intelligence safeguards;

(7) staffing, hiring, attrition, and use of details or temporary appointments;

(8) recommendations received from agency personnel, public stakeholders, civil society organizations, and outside technical experts; and

(9) any recommendation for legislation needed to improve public digital infrastructure and Federal digital service capacity.

SEC. 1017. FREE DIRECT ELECTRONIC FILING.

(a) Amendment.—[Section 6011\(f\)](#) of the Internal Revenue Code of 1986 ([26 U.S.C. 6011\(f\)](#)) is amended to read as follows:

"(f) Free direct electronic filing.—

"(1) Establishment.—The Secretary shall establish, operate, and maintain a free direct efile tax return system that shall—

"(A) be available to taxpayers universally, without regard to income, filing status, return complexity, or type of income;

"(B) allow taxpayers to prepare and file Federal tax returns and associated schedules electronically;

"(C) support secure electronic submission of returns and communications;

"(D) build on the Direct File pilot program (or any successor program) and be operated on a permanent, nationwide basis;

"(E) be designed to be accessible to taxpayers with disabilities;

"(F) be available in multiple languages;

"(G) be compatible with mobile and desktop platforms;

"(H) incorporate robust safeguards to protect taxpayer data, privacy, and security, consistent with applicable law; and

"(I) be provided at no cost to the taxpayer.

"(2) State integration.—The Secretary shall seek to enter into agreements with States to permit taxpayers, at their option, to file State income tax returns through the same system described in paragraph (1).

"(3) No requirement to use system.—Nothing in this subsection shall be construed to require any taxpayer to use the free direct efile system in lieu of other lawful means of filing a return.

"(4) Rule of non-exclusivity.—The Secretary may not satisfy the requirements of this subsection solely through contracts, agreements, or partnerships with private entities; the core filing functionality shall be developed, owned, and operated by the Internal Revenue Service. Nothing in this subsection shall be construed to prohibit private persons from offering tax preparation or filing services."

(b) Effective date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2026.

SEC. 1018. CLARIFYING THE DEFAULT STATUTE OF LIMITATIONS.

(a) Correcting Corner Post, Inc. v. Board of Governors.—[Section 2401\(a\) of title 28](#), United States Code, is amended by striking "right of action first accrues" and inserting "last act or omission of the United States giving rise to the claim".

(b) Applicability.—This section and the amendment made by this section shall apply to any civil action pending on, or commenced on or after, the date of enactment of this Act, but shall not be construed to reopen any final judgment entered before the date of enactment of this Act.

Subtitle B—Reforming Government Surveillance

SEC. 1021. DEFINITIONS AND CONFORMING AMENDMENTS.

(a) Definitions relating to the Foreign Intelligence Surveillance Act of 1978.—

(1) In general.—Section 101 of the Foreign Intelligence Surveillance Act of 1978 ([50 U.S.C. 1801](#)) is amended by adding at the end the following:

"(q) The term 'Foreign Intelligence Surveillance Court' means the court established under section 103(a).

"(r) The terms 'Foreign Intelligence Surveillance Court of Review' and 'Court of Review' mean the court established under section 103(b).

"(s) The term 'appropriate committees of Congress' means—

"(1) the congressional intelligence committees (as defined in section 3 of the National Security Act of 1947 ([50 U.S.C. 3003](#)));

"(2) the Committee on the Judiciary of the Senate; and

"(3) the Committee on the Judiciary of the House of Representatives.".

(2) Title VII.—Section 701(b) of the Foreign Intelligence Surveillance Act of 1978 ([50 U.S.C. 1881](#)) is amended by adding at the end the following:

"(6) Covered person.—The term 'covered person' means, with respect to a query, a communication, an acquisition, or creation of information, a person who is—

"(A) a United States person; or

"(B) a person known or believed to be located in the United States—

"(i) at the time of the applicable query; or

"(ii) at the time of the acquisition, communication, or creation of the information subject to the applicable query.".

(b) Terms used in this subtitle.—In this subtitle—

(1) the terms "appropriate committees of Congress", "Foreign Intelligence Surveillance Court", and "Foreign Intelligence Surveillance Court of Review" have the meanings given such