



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

Chairman Arrington Statement on *First Ever* Government-Wide Fraud Estimate Report

WASHINGTON, D.C. – Yeasterday, the Government Accountability Office (GAO) unveiled a first-ever [fraud estimate report](#) across all government programs. According to the report, the federal government faces estimated annual financial losses due to fraud ranging from **\$233 billion to \$521 billion**. These losses stem from various fraud risks within federal programs and operations, underscoring a critical need for enhanced fraud risk management and prevention strategies.

In response to the report, House Budget Committee Chairman Jodey Arrington (R-TX) released the following statement:

“To restore fiscal responsibility to Washington, we must root out the rampant fraud and abuse of a wasteful and bloated bureaucracy. GAO’s latest alarming report, which found that up to half a trillion in taxpayer dollars are squandered annually, underscores the urgency of the work the House Budget Committee and United States House is conducting to rein in waste, fraud, and abuse.”

BACKGROUND

- GAO’s report estimated total government losses due to fraud to be between **\$233 billion and \$521 billion** between FY2018 and FY2022.
- The estimated range is due to uncertainty associated with estimating fraud and the different risk environments that existed during the time period.
- Data for the estimate came from three key sources: investigative data, Office of Inspector General semiannual report information, and confirmed fraud data from agencies as reported to the Office of Management and Budget.



- According to the GAO, *“[this fraud] estimate is not comparable to improper payment estimates...GAO has also consistently reported that the federal government does not know the full extent of improper payments and has long recommended that agencies improve their improper payment reporting. In contrast, GAO’s fraud estimate includes all federal programs and operations and is based on fraud-related data.”*

Last month, GAO [released a report](#) estimating FY2023 improper payments to be roughly **\$236 billion**. Budget Committee Chairman Jodey Arrington and Oversight Committee Chairman James Comer, co-leads of the Improper Payments Working Group, [released statements](#) on the report.

The Government-wide fraud estimate report can be found [here](#).

Information on FY2023 improper payments can be found [here](#).

