



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

Chairman Arrington Introduces Legislation to Eliminate Fraud and Improper Payments in Temporary Assistance for Needy Families (TANF)

WASHINGTON, DC — Last week, House Budget Committee Chairman Jodey C. Arrington reintroduced legislation to ensure states using federal Temporary Assistance for Needy Families (TANF) funds are held to the same program integrity standards as federal agencies.

“In order to restore fiscal responsibility in Washington, we must root out the over two hundred billion dollars in wasteful and fraudulent spending every year, this legislation puts controls over states’ distribution of welfare dollars to ensure taxpayer money is not wasted.”

The *Eliminating Fraud and Improper Payments in TANF Act* would apply federal improper payment criteria to state programs funded by federal TANF dollars. The bill also requires the Secretary of Health and Human Services to submit a plan to Congress on best practices for the reduction of improper payments by state agencies administering the TANF program.

This commonsense legislation would help eliminate erroneous payments within the TANF program. TANF provides a block grant to states for a range of benefits, including childcare, employment services, and cash benefits. Financial mismanagement of crucial TANF dollars can be devastating to the millions of low-income families who rely on this assistance.

The text of the bill can be found [here](#).

Background on Improper Payments

The federal government makes hundreds of billions of dollars of improper payments every year, including fraudulent payments, underpayments, and overpayments. In fiscal year (FY) 2023 alone, the federal government spent at least \$236 billion on improper payments, according to the [Office of Management and Budget](#).

Federal programs report high improper payment rates, spending billions incorrectly year after year. The Improper Payments Act of 2002 requires federal agencies to estimate and report to Congress on the annual amount of improper payments in their programs, the causes of improper payments, and the corrective actions taken to reduce improper payments. However, there is a clear lack of accountability in the practice of these standards in federally funded, state-administered programs.

Pursuant to the House Budget Committee's oversight responsibilities, Chairman Arrington is committed to combatting this costly waste, fraud, and abuse in the federal government. Together, the House Committees on the Budget and Oversight and Accountability are spearheading efforts within Congress to develop legislative and oversight proposals to address improper payments and better ensure stewardship of taxpayer funds.

More information on the House Budget Committee's work on improper payments can be found [here](#).