May 6, 2024

The Honorable Representative Jack Bergman The Honorable Representative Rudy Yakym House Budget Committee United States House of Representatives Washington, DC 20515

Dear Representatives Berman and Yakym,

We write in strong support of the Improper Payments Transparency Act (H.R.).

As a nonprofit organization that holds the largest private database of public spending, our researchers have done extensive reporting on improper payments. We believe every wasted dollar harms taxpayers, fails a critical mission and erodes public trust in the federal government.

Before that trust can be restored, it's critical that the government demonstrate it can fully quantify the problem and that agencies are in fact taking steps to minimize these instances of fraud, overpayment and other mistaken payments.

As it stands today, the Government Accountability Office has reported that improper payments have totaled \$2.7 trillion since 2003. But that figure is likely much higher, because every agency and office does not report its mistakes. A similar report from my organization revealed \$2.9 trillion inflationadjusted dollars were spent improperly since 2004.

During the nation's Covid response, improper payments skyrocketed to \$281 billion in 2021, as money was rushed into the economy. Some agencies just simply didn't count the mistakes in 2022. That year, OpenTheBooks.com calculated that improper payments totaled \$1,673 for every individual tax return filed that year (\$167,915,264 according to the Internal Revenue Service). That's \$846 for every man, woman and child in the country.

The Improper Payments Transparency Act would ensure that the extent of improper payments is communicated more accurately to Congress by requiring the White House to submit critical data as part of the President's annual budget request. The Act would ensure Congress receives a description of the programs required to submit improper payment reports; an explanation of why they occurred; trends over a three-year period; and what steps the reporting agency plans to take to correct the problem. Consequently, lawmakers and executive agency employees would be better equipped to not only identify but help agencies cure patterns of improper payments.

Support for Congress and federal employees to detect and prevent improper payments allows the government to communicate improvements to the public and, over time, restore public trust in the use of tax revenue. We strongly encourage a vote in favor of the Improper Payments Transparency Act.

Sincerely,

Adam Andrzejewski Founder & CEO

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