

118TH CONGRESS
2D SESSION

H. R. 8203

To prevent and address intentional misuse of subrecipient TANF funds.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2024

Mr. DAVIS of Illinois (for himself, Ms. CHU, Ms. MOORE of Wisconsin, Mr. EVANS, Mr. GOMEZ, and Mr. THOMPSON of Mississippi) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To prevent and address intentional misuse of subrecipient
TANF funds.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “TANF State Expendi-
5 ture Integrity Act of 2024”.

6 **SEC. 2. AUTHORITY TO PREVENT AND ADDRESS INTEN-**
7 **TIONAL MISUSE OF SUBRECIPIENT FUNDS**
8 **UNDER THE TANF PROGRAM.**

9 (a) IN GENERAL.—Section 417 of the Social Security
10 Act (42 U.S.C. 617) is amended—

1 (1) by inserting “(a) IN GENERAL.—” before
2 “No”; and

3 (2) by adding at the end the following:

4 “(b) AUTHORITY TO PREVENT INTENTIONAL MIS-
5 USE OF SUBRECIPIENT FUNDS.—

6 “(1) SUBRECIPIENT MONITORING.—

7 “(A) IN GENERAL.—The Secretary—

8 “(i) shall develop a framework for the
9 monitoring of subrecipient use of funds
10 provided under section 403(a)(1) of this
11 Act, for the purpose of identifying inten-
12 tional misuse, to supplement single State
13 audits conducted under chapter 75 of title
14 31, United States Code;

15 “(ii) may establish State plan require-
16 ments or formats relating to clause (i); and

17 “(iii) may request States to report to
18 the Secretary such information to supple-
19 ment the report provided under section
20 411(a) as the Secretary determines is nec-
21 essary to enable the Secretary to comply
22 with clauses (i) and (ii) of this subpara-
23 graph.

24 “(B) NO EFFECT ON SINGLE STATE AUDIT
25 AUTHORITY.—Clause (i) of this subparagraph

1 shall not be interpreted to limit the authority of
2 the Secretary to conduct single State audits
3 under chapter 75 of title 31, United States
4 Code.

5 “(2) PROGRAM INTEGRITY UNIT AUTHORIZA-
6 TION AND FUNDING.—

7 “(A) TANF PROGRAM INTEGRITY UNIT.—

8 The Secretary shall create a TANF Program
9 Integrity Unit at the Administration for Chil-
10 dren & Families, which shall conduct the moni-
11 toring described in paragraph (1)(A)(i).

12 “(B) APPROPRIATION.—Out of any money
13 in the Treasury not otherwise appropriated, the
14 amount made available in section 403(a)(1)(C)
15 for each fiscal year shall be increased by
16 \$10,000,000, and the amount of the increase
17 shall be available for the staffing and oper-
18 ations of the TANF Program Integrity Unit
19 and related functions.

20 “(3) ANNUAL REPORT TO THE CONGRESS.—

21 The Secretary shall submit an annual report to the
22 Congress on the activities undertaken under para-
23 graph (2)(A) in the fiscal year covered by the re-
24 port.”.

1 (b) REMEDIES.—Section 409(a)(1)(B) of such Act
2 (42 U.S.C. 609(a)(1)(B)) is amended—

3 (1) by striking “(B) ENHANCED PENALTY FOR
4 INTENTIONAL VIOLATIONS.—If” and inserting the
5 following:

6 “(B) ENHANCED PENALTY FOR INTEN-
7 TIONAL VIOLATIONS.—

8 “(i) IN GENERAL.—If”; and

9 (2) by adding at the end the following:

10 “(ii) ADDITIONAL REMEDIES.—If the
11 Secretary finds, as a result of subrecipient
12 monitoring under section 417(b)(1) of this
13 Act, that an amount has been intentionally
14 misused in violation of this part, then the
15 Secretary shall—

16 “(I) notify the State involved of
17 the finding; and

18 “(II) in addition to any penalty
19 imposed under clause (i), require the
20 State to expend, in addition to any
21 other amount required to be expended
22 under the State program funded
23 under this part, an amount equal to
24 the amount so misused, for the provi-
25 sion of cash assistance directly to

1 families with an income below 100
2 percent of the poverty line (as defined
3 in section 673(2) of the Omnibus
4 Budget Reconciliation Act of 1981,
5 including any revision required by
6 such section, applicable to a family of
7 the size involved).”.

8 (c) DEADLINE FOR PUBLICATION OF NOTICE OF
9 RULEMAKING.—Within 2 years after the date of the en-
10 actment of this Act, the Secretary of Health and Human
11 Services shall publish a notice of rulemaking to implement
12 the amendments made by this section.

13 (d) EFFECTIVE DATE.—The amendments made by
14 this section shall take effect on the later of—

15 (1) the 1st day of the 5th calendar quarter that
16 begins after the date of the enactment of this Act;
17 or

18 (2) the 1st day of the 1st Federal fiscal year
19 that begins after such date of enactment.

○