


(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To prevent and address intentional misuse of subrecipient TANF funds.

IN THE HOUSE OF REPRESENTATIVES

Mr. DAVIS of Illinois introduced the following bill; which was referred to the
Committee on _____

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”.

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

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

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

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

9 “(b) AUTHORITY TO PREVENT INTENTIONAL MISUSE
10 OF SUBRECIPIENT FUNDS.—

11 “(1) SUBRECIPIENT MONITORING.—

12 “(A) IN GENERAL.—The Secretary—

13 “(i) shall develop a framework for the
14 monitoring of subrecipient use of funds
15 provided under section 403(a)(1) of this
16 Act, for the purpose of identifying inten-
17 tional misuse, to supplement single State
18 audits conducted under chapter 75 of title
19 31, United States Code;

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

22 “(iii) may request States to report to
23 the Secretary such information to supple-
24 ment the report provided under section
25 411(a) as the Secretary determines is nec-
26 essary to enable the Secretary to comply

1 with clauses (i) and (ii) of this subpara-
2 graph.

3 “(B) NO EFFECT ON SINGLE STATE AUDIT
4 AUTHORITY.—Clause (i) of this subparagraph
5 shall not be interpreted to limit the authority of
6 the Secretary to conduct single State audits
7 under chapter 75 of title 31, United States
8 Code.

9 “(2) PROGRAM INTEGRITY UNIT AUTHORIZA-
10 TION AND FUNDING.—

11 “(A) TANF PROGRAM INTEGRITY UNIT.—
12 The Secretary shall create a TANF Program
13 Integrity Unit at the Administration for Chil-
14 dren & Families, which shall conduct the moni-
15 toring described in paragraph (1)(A)(i).

16 “(B) APPROPRIATION.—Out of any money
17 in the Treasury not otherwise appropriated, the
18 amount made available in section 403(a)(1)(C)
19 for each fiscal year shall be increased by
20 \$10,000,000, and the amount of the increase
21 shall be available for the staffing and oper-
22 ations of the TANF Program Integrity Unit
23 and related functions.

24 “(3) ANNUAL REPORT TO THE CONGRESS.—
25 The Secretary shall submit an annual report to the

1 Congress on the activities undertaken under para-
2 graph (2)(A) in the fiscal year covered by the re-
3 port.”.

4 (b) REMEDIES.—Section 409(a)(1)(B) of such Act
5 (42 U.S.C. 609(a)(1)(B)) is amended—

6 (1) by striking “(B) ENHANCED PENALTY FOR
7 INTENTIONAL VIOLATIONS.—If” and inserting the
8 following:

9 “(B) ENHANCED PENALTY FOR INTEN-
10 TIONAL VIOLATIONS.—

11 “(i) IN GENERAL.—If”; and

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

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

19 “(I) notify the State involved of
20 the finding; and

21 “(II) in addition to any penalty
22 imposed under clause (i), require the
23 State to expend, in addition to any
24 other amount required to be expended
25 under the State program funded

1 under this part, an amount equal to
2 the amount so misused, for the provi-
3 sion of cash assistance directly to
4 families with an income below 100
5 percent of the poverty line (as defined
6 in section 673(2) of the Omnibus
7 Budget Reconciliation Act of 1981,
8 including any revision required by
9 such section, applicable to a family of
10 the size involved).”.

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

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

18 (1) the 1st day of the 5th calendar quarter that
19 begins after the date of the enactment of this Act;
20 or

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