

119TH CONGRESS
2^D SESSION

H. R. 8872

To amend part A of title IV of the Social Security Act to target funds to low-income families, strengthen program integrity guardrails for State expenditure of funds, require measurement of improper payments, and establish goals for eliminating fraud and improper payments under the program of block grants to States for temporary assistance for needy families, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2026

Mr. CAREY (for himself, Mr. ARRINGTON, Mr. BEAN of Florida, Mr. MILLER of Ohio, Mr. SMITH of Nebraska, and Ms. TENNEY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend part A of title IV of the Social Security Act to target funds to low-income families, strengthen program integrity guardrails for State expenditure of funds, require measurement of improper payments, and establish goals for eliminating fraud and improper payments under the program of block grants to States for temporary assistance for needy families, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Preventing Waste,
3 Fraud, and Abuse in TANF Act”.

4 **SEC. 2. STRENGTHENING PROGRAM INTEGRITY THROUGH**
5 **IMPROPER PAYMENTS REVIEW.**

6 (a) IN GENERAL.—Section 404 of the Social Security
7 Act (42 U.S.C. 604) is amended by adding at the end the
8 following:

9 “(l) APPLICABILITY OF PAYMENT INTEGRITY LAW.—
10 The Payment Integrity Information Act of 2019 shall
11 apply to a State in respect of the State program funded
12 under this part in the same manner in which such Act
13 applies to a Federal agency.”.

14 (b) REPORT TO CONGRESS.—Within 1 year after the
15 date of the enactment of this Act, the Secretary of Health
16 and Human Services shall submit to the Congress a writ-
17 ten report that contains a plan to reduce or eliminate im-
18 proper payments made by States under part A of title IV
19 of the Social Security Act within 10 years.

20 **SEC. 3. TARGETING FUNDS TO FAMILIES IN NEED.**

21 Section 404 of the Social Security Act (42 U.S.C.
22 604) is further amended by adding at the end the fol-
23 lowing:

24 “(m) ESTABLISHING A THRESHOLD FOR FAMILIES
25 IN NEED.—A State to which a grant is made under sec-
26 tion 403(a)(1) shall use the grant only to provide assist-

1 ance or services to a family whose income is less than twice
 2 the poverty guidelines updated periodically in the Federal
 3 Register under section 673(2) of the Omnibus Budget
 4 Reconciliation Act of 1981 (42 U.S.C. 9902(2)).”.

5 **SEC. 4. DEADLINES FOR THE OBLIGATION AND EXPENDI-**
 6 **TURE OF FUNDS.**

7 Section 404(e) of the Social Security Act (42 U.S.C.
 8 604(e)) is amended to read as follows:

9 “(e) **DEADLINES FOR OBLIGATION AND EXPENDI-**
 10 **TURE OF FUNDS BY STATES.—**

11 “(1) **IN GENERAL.—**Except as provided in para-
 12 graph (2), a State to which funds are paid, after the
 13 effective date of this subsection, under section
 14 403(a)(1) for a fiscal year shall obligate the funds
 15 not later than the end of the succeeding fiscal year,
 16 and shall expend the funds not later than the end
 17 of the 2nd succeeding fiscal year.

18 “(2) **EXCEPTION FOR LIMITED AMOUNT OF**
 19 **FUNDS SET ASIDE FOR FUTURE USE.—**

20 “(A) **IN GENERAL.—**Notwithstanding para-
 21 graph (1) of this subsection, a State to which
 22 funds are paid under section 403(a)(1), after
 23 the effective date of this subsection, for a fiscal
 24 year may reserve not more than 15 percent of
 25 the funds for future use in the State program

1 funded under this part, subject to subparagraph
2 (B) of this paragraph.

3 “(B) LIMITATION.—The total amount held
4 in reserve by a State under subparagraph (A)
5 of this paragraph shall not exceed an amount
6 equal to 50 percent of the total amount paid to
7 the State under section 403(a)(1) for the then
8 preceding fiscal year.

9 “(C) NOTICE OF INTENT TO RESERVE
10 FUNDS.—A State that intends to reserve funds
11 under subparagraph (A) shall notify the Sec-
12 retary of the intention not later than the end of
13 the period in which the funds are available for
14 obligation without regard to subparagraph (A)
15 of this paragraph.”.

16 **SEC. 5. PROHIBITION ON STATE DIVERSION OF FEDERAL**
17 **FUNDS TO REPLACE STATE SPENDING.**

18 (a) IN GENERAL.—Section 404 of the Social Security
19 Act (42 U.S.C. 604) is further amended by adding at the
20 end the following:

21 “(n) LIMITATION ON USE OF FEDERAL FUNDS TO
22 REPLACE STATE GENERAL REVENUE FUNDS.—A State
23 shall use Federal funds received under this part only to
24 supplement funds that, in the absence of the Federal
25 funds, would be made available from State and local

1 sources for programs assisted under this part, and not to
2 supplant the funds.”.

3 (b) STATE CERTIFICATION.—Section 402(a) of such
4 Act (42 U.S.C. 602(a)) is amended by adding at the end
5 the following:

6 “(9) CERTIFICATION OF STATE SUPPLEMEN-
7 TATION.—A certification by the chief executive offi-
8 cer of the State that the funds provided to the State
9 under this part will not be used to supplant State
10 or non-Federal funds for services and activities that
11 promote the purposes of this part.”.

12 **SEC. 6. EFFECTIVE DATE.**

13 The amendments made by this Act shall take effect
14 on October 1, 2027.

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