

119TH CONGRESS  
1ST SESSION

# H. R. 2108

To prevent and address intentional misuse of subrecipient TANF funds.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 14, 2025

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

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## 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 2025”.

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 require 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.

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