

# Union Calendar No. 584

119TH CONGRESS  
2D SESSION

# H. R. 8872

**[Report No. 119–670]**

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.

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## 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

MAY 29, 2026

Additional sponsors: Mr. MOORE of Utah, Mrs. MILLER of West Virginia, and Mr. FEENSTRA

MAY 29, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on May 19, 2026]

# **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,*

3       **SECTION 1. SHORT TITLE.**

4       *This Act may be cited as the “Preventing Waste,*  
5       *Fraud, and Abuse in TANF Act”.*

6       **SEC. 2. STRENGTHENING PROGRAM INTEGRITY THROUGH**  
7               **IMPROPER PAYMENTS REVIEW.**

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

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

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

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

23       *Section 404 of the Social Security Act (42 U.S.C. 604)*  
24       *is further amended by adding at the end the following:*

1       “(m) *ESTABLISHING A THRESHOLD FOR FAMILIES IN*  
 2 *NEED.*—A State to which a grant is made under section  
 3 403(a)(1) shall use the grant only to provide assistance or  
 4 services to a family whose income is less than twice the pov-  
 5 erty guidelines updated periodically in the Federal Register  
 6 under section 673(2) of the Omnibus Budget Reconciliation  
 7 Act of 1981 (42 U.S.C. 9902(2)).”.

8       **SEC. 4. DEADLINES FOR THE OBLIGATION AND EXPENDI-**  
 9                               **TURE OF FUNDS.**

10       Section 404(e) of the Social Security Act (42 U.S.C.  
 11 604(e)) is amended to read as follows:

12       “(e) *DEADLINES FOR OBLIGATION AND EXPENDITURE*  
 13 *OF FUNDS BY STATES.*—

14               “(1) *IN GENERAL.*—Except as provided in para-  
 15 graph (2), a State to which funds are paid, after the  
 16 effective date of this subsection, under section  
 17 403(a)(1) for a fiscal year shall obligate the funds not  
 18 later than the end of the succeeding fiscal year, and  
 19 shall expend the funds not later than the end of the  
 20 2nd succeeding fiscal year.

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

23               “(A) *IN GENERAL.*—Notwithstanding para-  
 24 graph (1) of this subsection, a State to which  
 25 funds are paid under section 403(a)(1), after the

effective date of this subsection, for a fiscal year may reserve not more than 15 percent of the funds for future use in the State program funded under this part, subject to subparagraph (B) of this paragraph.

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

“(C) *NOTICE OF INTENT TO RESERVE FUNDS.*—A State that intends to reserve funds under subparagraph (A) shall notify the Secretary of the intention not later than the end of the period in which the funds are available for obligation without regard to subparagraph (A) of this paragraph.”.

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

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

“(n) *LIMITATION ON USE OF FEDERAL FUNDS TO REPLACE STATE GENERAL REVENUE FUNDS.*—A State shall

1 *use Federal funds received under this part only to supple-*  
2 *ment funds that, in the absence of the Federal funds, would*  
3 *be made available from State and local sources for pro-*  
4 *grams assisted under this part, and not to supplant the*  
5 *funds.”.*

6 (b) *STATE CERTIFICATION.*—Section 402(a) of such  
7 Act (42 U.S.C. 602(a)) is amended by adding at the end  
8 the following:

9 “(9) *CERTIFICATION OF STATE SUPPLEMEN-*  
10 *TATION.*—A certification by the chief executive officer  
11 of the State that the funds provided to the State  
12 under this part will not be used to supplant State or  
13 non-Federal funds for services and activities that pro-  
14 mote the purposes of this part.”.

15 **SEC. 6. EFFECTIVE DATE.**

16 The amendments made by this Act shall take effect on  
17 October 1, 2027.



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119<sup>TH</sup> CONGRESS  
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