119TH CONGRESS
2D SESSION

S. 5167

To require an assessment of program areas and administrative practices presenting the greatest risk to the integrity of Federal funds administered by States and local governments.

IN THE SENATE OF THE UNITED STATES

JULY 29, 2026

Mr. KIM (for himself and Mr. HAWLEY) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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A BILL

To require an assessment of program areas and administrative practices presenting the greatest risk to the integrity of Federal funds administered by States and local governments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Government Audit and Accountability of Federally Funded State-Administered Programs Act".

SEC. 2. FEDERALLY-FUNDED STATE-ADMINISTERED PROGRAMS VULNERABILITY ASSESSMENT.

(a) DEFINITIONS.—In this section:

(1) IMPROPER PAYMENT.—The term "improper payment" has the meaning given the term in section 3351 of title 31, United States Code.

(2) STATE.—The term "State" has the meaning given the term in section 6720(a) of title 31, United States Code.

(b) ASSESSMENT.—Not later than 2 years after the date of enactment of this Act, and periodically thereafter, the Comptroller General of the United States shall submit to Congress an assessment of program areas and administrative practices that present the greatest risk to the integrity of Federal funds administered by State and local governments and pass-through entities subject to audit under chapter 75 of title 31, United States Code.

(c) CONTENTS.—Each assessment required under subsection (b) shall—

(1) identify program areas and administrative practices at the Federal, State, and local level that present systematic vulnerabilities in the administration of Federal funds by State and local governments, including practices that are more susceptible to waste, fraud, abuse, and improper payments;

(2) assess evidence-based best practices and strategies that have strengthened the integrity of Federal funds administered by State and local governments and reduced waste, fraud, and abuse in Federally funded programs;

(3) assess program areas and administrative practices at the Federal, State, and local level that—

(A) have demonstrated effectiveness in mitigating waste, fraud, abuse, and improper payments; or

(B) have shown limited effectiveness in reducing such risks;

(4) identify Federal tools, resources, and technical assistance available to State and local governments and how such tools may be improved to prevent and mitigate the systemic vulnerabilities identified under paragraph (1); and

(5) include recommendations to Federal agencies and matters for consideration to Congress to address and improve the program areas and administrative practices identified under paragraph (1), including recommendations to improve eligibility determination and enrollment processes to mitigate risks.

(d) SOURCES.—

(1) AUDIT AND RELATED MATERIALS.—In carrying out the preparation of the assessment under subsection (b), the Comptroller General of the United States shall rely, to the extent practicable, on existing oversight, audit, and investigative materials to conduct an analysis of Federal funds administrated by State and local governments, which may include—

(A) any finding of a Federal, State, or local auditor, comptroller, treasurer, inspector general, attorney general, or any other similar official with respect to the administration of such funds;

(B) any audit required under section 7502 of title 31, United States Code; and

(C) any other publicly available Federal, State, or local oversight and program integrity data.

(2) ADDITIONAL MATERIALS.—In preparing each assessment required under subsection (b), the Comptroller General of the United States may supplement the materials described in paragraph (1) with additional analysis and new audit work, including by drawing on prior and ongoing work, where such materials are insufficient to assess the program

areas and administrative practices identified under subsection (c)(1).

(e) FORM AND METHODOLOGY.—The Comptroller General of the United States shall determine the appropriate form and methodology for preparing and submitting each assessment required under subsection (b).

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