

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

November 15, 2022

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Becerra,

We write to request information regarding the Department of Health and Human Services (HHS) oversight actions and efforts to promote accountability and safeguard funds in the Temporary Assistance for Needy Families (TANF) program.

Taxpayers across the country deserve clear answers about how social safety net programs operate to alleviate poverty and help people in need take steps on the path to self-sufficiency. Unfortunately, rampant state misuse of TANF funds only harms our effort to help vulnerable families across the country.

A series of headlines from Mississippi has drawn national attention to the vulnerability of TANF. The state's auditor has flagged at least \$77 million in misused funds from Mississippi's TANF program from 2017 to 2020, resulting in charges against multiple state officials.¹ Press reports indicate misuse of TANF dollars in Mississippi was initially uncovered on account of a state audit conducted pursuant to federal oversight. It is our understanding that the misuse of funds was initially discovered as a result of a routine audit required by Section 409(a)(1) of the Social Security Act.

The Mississippi case is emblematic of a systemic problem: TANF lacks necessary guardrails making it susceptible to fraud and abuse similar to the improper use of funds auditors uncovered in Mississippi.² Since its enactment in 1996, states have identified loopholes that allow re-direction of TANF funds in ways that are loosely related to getting people out of poverty and many states have used federal TANF funds to fill state budget gaps.

Committee Republicans have been fighting to get reforms to TANF since 2018. Republican policies included in our *JOBS for Success Act* (H.R. 4509) would close these loopholes and restore accountability to prevent fraud and protect taxpayers.

TANF was last reauthorized in 2010. Since then, the program has been extended by Congress through a series of short-term extensions without making substantive reforms. Committee

¹ "Auditor's Office Questions Over \$90 Million in Spending of Welfare Grants and Other Funds," Mississippi Office of the State Auditor, May 4, 2020.

² *Favre Welfare Scandal Highlights Need to Hold Washington Accountable*, Committee on Ways and Means - Republicans, Oct. 3, 2022.

Democrats have failed to hold a single hearing on TANF or conduct oversight to identify ways the program could be improved. Similarly, President Biden’s proposed budget for Fiscal Year 2023 included no meaningful proposals to improve TANF accountability or restrict use of funds to help people truly in need.

TANF is just one of more than 80 federal programs designed to fight poverty. American taxpayers spend more than a trillion dollars every year to provide benefits and services to low-income families. It’s critical we ensure that hard earned tax dollars are being spent to achieve their intended purpose.

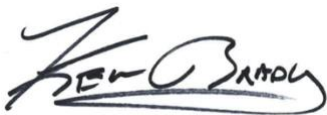
During testimony before our Committee in April, you said you would welcome the opportunity to work with Congress on TANF reauthorization and reforms.³ In light of recently uncovered abuses, we ask that your Department engage with Republicans in Congress to strengthen TANF so it can achieve its stated purposes instead of lining the pockets of people who need no assistance from the federal government.

In order to understand the Department’s process for monitoring states, uncovering fraud, and overseeing TANF funds, we request that you provide written responses to the questions below no later than **December 9th**.

- Has HHS taken any corrective action or provided technical assistance to respond to the Mississippi auditor’s 2020 report and allegations?
- What oversight tools does the Department have at its disposal to monitor use of funds in the TANF program, particularly when fraud is identified?
- Has HHS imposed any penalties on states administering the TANF program in the last ten years, including any penalties for failure to meet work participation rates?
- What action is HHS taking to ensure other states do not misuse TANF funds?
- Does the Department have processes in place to measure and report the amount of improper payments in the TANF program?
- Has HHS conducted a systematic review to identify areas of fiscal, administrative, or programmatic weaknesses in the TANF program? If so, what are those?

Should you have any questions please contact Cheryl Vincent, Staff Director, Worker and Family Support Subcommittee: cheryl.vincent@mail.house.gov.

Sincerely,



Kevin Brady
Republican Leader
Committee on Ways and Means



Brad Wenstrup
Acting Republican Leader
Subcommittee on Worker and
Family Support

³ “Hearing on the President’s Proposed Fiscal Year 2023 Budget,” Committee on Ways and Means, April 2022.



Vern Buchanan
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