

Amendment to Division C of the Financial Services and General Government and National Security, Department of State, and Related Programs Appropriations Act, 2026

OFFERED BY MR. MASSIE OF KENTUCKY

At the end of Division C, insert the following new section:

“Sec. 10_. Temporary Withholding of Certain Funds Pending Daycare Fraud Review.

“(a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available to the Department of Health and Human Services may be obligated or expended for the States designated by the Secretary of Health and Human Services as presenting a high risk of fraud, misuse, or improper payments, under the—

- (1) Child Care and Development Fund;
- (2) Temporary Assistance for Needy Families program; or
- (3) Social Services Block Grant program.

“(b) Funds withheld pursuant to subsection (a) may be made available for a designated State only after the Secretary of Health and Human Services, acting through the Administration for Children and Families, submits a written certification to the House Committee on Appropriations and to the Senate Committee on Appropriations that—

“(1) the Secretary has completed a review of the State’s administration of the applicable program to assess compliance with Federal eligibility, documentation, and expenditure requirements;

“(2) the Secretary has determined that adequate internal controls and fraud-prevention measures are in place to prevent misuse of Federal funds;

“(3) the State has provided sufficient documentation, including receipts and eligibility verification, to justify prior expenditures under the applicable program; and

“(4) the Secretary has determined that benefits under such programs are being provided only to individuals eligible under Federal law.

“(c) Not later than 60 days after the date of enactment of this Act, and every 30 days thereafter until all withheld funds are released, the Secretary shall submit to the Committees on Appropriations a report identifying—

“(1) The status of each State subject to subsection (a);

“(2) any findings of fraud, misuse, or improper payments;

“(3) corrective actions required of each State; and

“(4) an estimate of the total amount of Federal funds affected.

“(d) Nothing in this section shall be construed to—

“(1) reduce the total amount of funds already appropriated for any program listed in subsection (a); or

“(2) prohibit the Secretary from restoring access to funds upon satisfaction of the conditions in subsection (b).”