## **Congress of the United States Bouse of Representatives**

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM 2157 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515–6143 MAJORITY (202) 225–5074 MINORITY (202) 225–5051 https://oversight.house.gov

## Ranking Member Kweisi Mfume Subcommittee on Government Operations "Shifting Gears: Moving from Recovery to Prevention of Improper Payments and Fraud" March 11, 2025

Thank you, Chairman Sessions, and thank you to the witnesses for being with us here today.

Throughout the 118<sup>th</sup> Congress, my colleagues and I on this Subcommittee remained laserfocused on combatting waste, fraud, and abuse within our federal government. I think we agreed this is not a partisan issue – no matter what side of the aisle you are on, we should all agree that every dollar directed to a program ought to go to its intended purpose.

For that reason, I am pleased that the Government Operations Subcommittee is continuing its bipartisan work by holding a hearing on Improper Payments and Fraud as our very first hearing of the 119<sup>th</sup> Congress.

However, before I discuss this matter further, I would be remiss if I did not address the elephant in the room.

From the very beginning of President Trump's term, the so called "Department of Government Efficiency," or as I prefer to call it, the "Department of Government Evil," has wreaked havoc upon our country.

While there is still no public accounting on who the Trump Administration has dismissed, I have no doubt that among the hundreds of thousands of federal employees affected by the "Fork in the Road" email and mass firings of probationary staff were many with significant experience in combatting improper payments and fraud.

This is to say nothing of President Trump's chilling and illegal firing of 18 Inspectors General. Inspectors General are nonpartisan, expert fraud-fighting officials assigned to every executive branch agency. They traditionally serve across presidential administrations, and President Trump's move to fire these independent oversight officials does not convey a serious desire to combat waste, fraud, and abuse.

When we are already in a situation where 10 out of 24 Agencies subject to the *Payment Integrity Information Act* were not fully compliant with improper payment reporting requirements as of 2022, it is the furthest thing from common sense to fire the employees and Inspectors General who have real experience addressing this problem.

As witnesses discussed in our previous hearing on this issue last September, combatting fraud and improper payments is not as simple as waving a magic wand, swinging a chainsaw around on stage, or giving unsanctioned officials illegal access to Americans' private data.

Real progress relies on access to quality data, thoughtful partnerships with agency leaders, and investments in the technology and staff needed to create proper internal controls to prevent improper payments and fraud. I was proud to join many of my Democratic colleagues on the Oversight Committee in introducing the <u>Taxpayer Funds Oversight and</u> <u>Accountability Act</u>, which would make important strides in addressing these challenges.

Simply put, President Trump ought to stop giving a corrupt billionaire free reign to destroy our federal government, and should instead support and empower the career civil servants and Inspectors General who have worked for decades to truly understand the systems they are trying to fix.

From the helpful work of the Government Accountability Office, the Pandemic Response Accountability Committee, and others, our Subcommittee has learned that the potential extent of improper payments and fraud is simply astounding.

For example, in April of 2024, the GAO released a report estimating that between \$233 and \$521 billion per year worth of fraud occurred from 2018 to 2022.

The GAO recently reported a total of \$162 billion in improper payments government-wide in Fiscal Year 2024. While that marks a significant reduction from the \$236 billion in improper payments in Fiscal Year 2023, it's still up by almost \$25 billion since 2015.

In recognition of this shared challenge, Chairman Sessions and I have worked on a bipartisan basis to discover real pathways to reducing fraud and improper payments.

This past October, Chairman Sessions and I sent a joint letter to the GAO requesting that they review the \$2.7 trillion in improper payments and fraud that have occurred since 2003 and provide actionable recommendations.

Before I conclude, I must mention the importance of staying grounded in the scope of this problem. While improper payments and some fraud exist, that does not mean that bedrock social safety net programs like Medicare, Medicaid, and Social Security should be cut or privatized. The existence of these problems does not justify, in any way, the mass firings of federal government employees, failures to pay non-profit organizations for funds we owe for work already done, and plans to destroy entire federal agencies.

Despite claims that Social Security is rife with fraudulent payments to long-dead individuals, the program has a payment accuracy rate of over 99 percent, according to the Center on Budget and Policy Priorities. This is due to a robust series of safeguards, including strict documentation requirements and quality assurance measures, that should be emulated across the federal government.

As we move forward in combatting waste, fraud, and abuse, I hope that we as a Congress remember that the purpose of this weighty task is not to exploit these problems to destroy our federal government, but to make the federal government work better for our country. And let's not forget the fact that the Pentagon, where we spend most of our money, has failed seven straight audits.

Contact: Alexandra Bell, Communications Director (202) 226-5181