

August 27, 2025

The Honorable Rudy Yakym 349 Cannon House Office Building Washington, DC 20515

Dear Representative Yakym,

On behalf of National Taxpayers Union, the nation's oldest taxpayer advocacy organization, I write to express our strong support for H.R. 1771, the Improper Payments Transparency Act. This legislation marks a critical step in reducing the waste of taxpayer dollars by strengthening transparency and accuracy in improper payments reporting. NTU is proud to endorse H.R. 1771 and encourages all members to co-sponsor this important bipartisan pro-taxpayer legislation.

Improper payments through federal programs have been a persistent problem costing taxpayers hundreds of billions of dollars every year. Since 2003, the federal government has made \$2.8 trillion in improper payments. In Fiscal Year 2023 alone, 14 federal agencies reported a total of \$236 billion in improper payments across 71 government programs, according to a <u>report</u> by the Government Accountability Office (GAO). These mistakes not only inflate the national debt, but also erode public trust in the policymaking process.

Despite all of this, improper payment reporting requirements remain woefully inadequate. In Fiscal Year 2023, the GAO identified eight programs that failed to report improper payments estimates despite being required to do so. Moreover, the GAO also found that 10 of the 24 largest executive branch agencies did not fully comply with reporting criteria under federal law. The lack of consistent reporting has contributed to the unimpeded growth of improper payments over the last couple of decades.

The Improper Payments Transparency Act addresses the glaring gaps in reporting requirements by directing the President's budget request to Congress to include the amounts and rates of improper payments at each executive agency. This legislation also mandates a detailed explanation of year-over-year trends as well as a summary of any corrective actions taken to address improper payments. Requiring the disclosure of this information would help streamline funding to essential government programs and reduce wasteful use of taxpayer dollars.

Every improper payment represents a lost opportunity for deficit reduction or tax relief and the Improper Payments Transparency Act is an important step toward empowering policymakers with the information necessary to address the entrenched problem of improper payments. NTU is proud to support this legislation and looks forward to working with you to help it become law.

Sincerely,

Alexander Ciccone Policy and Government Affairs Manager