SECURE & SOVEREIGN NATION

FROM ELIGIBILITY TO ENFORCEMENT:

Strengthening Public Benefit Eligibility and Enforcement in Texas

WRITTEN BY **Ammon Blair**

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KEY POINTS

- **Texas must repeal laws** authorizing discretionary public benefits for illegal aliens and establish a uniform statewide eligibility rule that preserves exempt and legally required services.
- **Eligibility verification must produce enforceable** decisions requiring administrators to resolve conflicting records and deny or terminate benefits when the law requires it.
- **Public money must retain its eligibility** and spending restrictions through every contractor and nonprofit, with government administrators remaining responsible for final eligibility decisions.
- **Texas must protect taxpayers** by verifying billed services, independently investigating suspected fraud, and recovering public money legally owed.
- **Texas must compel officials** to perform assigned duties and impose financial, personnel, or criminal consequences for knowing violations when each remedy's legal requirements are met.

EXECUTIVE SUMMARY

Texas should end illegal aliens' eligibility for discretionary state and local public benefits, which are benefits Texas chooses to make available rather than services it is legally required to provide. Checking immigration status alone cannot accomplish that change. Health and Safety Code § 285.201 expressly authorizes certain locally funded nonemergency healthcare benefits for people the general federal eligibility rule excludes. Administrators must apply the governing law, including any applicable Texas authorization. Texas should repeal that authorization and withdraw the other optional authorizations covered by these recommendations (Tex. Health & Safety Code § 285.201; 8 U.S.C. § 1621).

Changing eligibility law also requires officials to enforce it. The Legislature should assign responsibility for verifying eligibility, require evidence supporting each decision, and impose consequences for violations. Contractors, nonprofits, and local governments distributing covered benefits must follow the same eligibility restrictions. Changing the organization that administers a benefit must not change who qualifies.

Protecting public money requires additional controls even when a beneficiary qualifies. Agencies must verify that providers delivered the services they billed for and collect money owed. The U.S. Department of Health and Human Services' Office of Inspector General (HHS OIG) found that Texas had neither calculated nor collected approximately $10.5 million in hospice payments above program limits (HHS OIG, 2025, pp. 3–5). That failure requires an assigned official to calculate the excess payments and pursue collection. An immigration status check cannot perform either task.

Texas needs clear rules governing who qualifies for public benefits, how public money may be spent, and which officials must enforce those rules. The Legislature should adopt five coordinated reforms:

- Require officials to document legal authority and supporting evidence before committing or paying public money.

- Repeal the identified Texas laws allowing optional benefits for illegal aliens and require administrators to verify eligibility and enforce the replacement rules.

- Require contractors, nonprofits, and other organizations distributing public money to follow the eligibility and spending restrictions attached to it.

- Strengthen investigations of suspected fraud and other violations, verify that providers delivered the services they billed for, and collect money legally owed.

- Assign enforcement duties to named officials, authorize other designated officials to act when the responsible agency fails to perform its duties, and impose consequences for knowing violations.

The proposed eligibility restrictions apply to the benefits and immigration categories identified in these recommendations. The broader protections against fraud and misuse of public money apply regardless of a participant's citizenship.

Recent executive commitments make those legislative choices timely. On October 15, 2026, Vice President JD Vance launched an antifraud pledge that Gov. Greg Abbott signed with 21 other governors (Office of Governor Jim Pillen, 2026). Abbott directed the Texas Workforce Commission (TWC) and Texas Health and Human Services Commission (HHSC) to investigate potential childcare funding fraud on January 5, 2026 (Office of the Governor of Texas, 2026). On October 20, 2026, the U.S. Department of Justice (DOJ) announced a whistleblower incentive backed by a $25 million Treasury commitment (DOJ, 2026b). Texas needs legislation that turns these objectives into eligibility decisions, verified payments, investigations, and collections.

CONTROL ELIGIBILITY AND SPENDING BEFORE PAYMENT

Enforce Spending Restrictions and Follow Public Money

A benefit restriction cannot operate reliably when officials cannot establish why money was paid or who ultimately received it. Texas already requires county claim review, school district audits, and state contract controls. Federal grant rules require monitoring of organizations that administer part of an award. Those safeguards do not create one record across every state and local award, for example, Government Code § 403.024(h) limits records created solely for the expenditure database, and Chapter 783 covers a narrower set of local entities (Tex. Loc. Gov't Code §§ 113.064–113.065; Tex. Educ. Code § 44.008; Tex. Gov't Code §§ 2261.101, 2261.202, 2261.253; 2 C.F.R. § 200.332; Tex. Gov't Code § 403.024(h); Tex. Gov't Code §§ 783.003–783.007, 783.052).

The Legislature should impose a common approval and evidence requirement directly on state agencies, public colleges and universities, counties, municipalities, school districts, hospital districts, other special districts, and public authorities. It should cover their locally raised revenue as well as state grants. Covered awards include discretionary grants, service contracts, reimbursements, and economic development assistance. Individual benefits and medical claims retain their distinct eligibility and payment rules; the public award ledger must not expose household or medical records.

Before committing money, the entity must designate an officer to authorize the expenditure and a separate reviewer to check the supporting documents. They must establish the legal purpose, available funds, recipient, promised performance, and official responsible for accepting delivery. If the entity fails to designate an officer, the chief executive, or the presiding officer where there is no chief executive, receives the duty to obtain and document lawful approval. That default does not replace a vote constitutionally reserved to the governing

body. Missing approval stops the new discretionary commitment. A finance officer directed to make a prohibited payment must refuse certification and preserve the instruction for enforcement.

Each award should receive a permanent identifier that follows agreements, payments, amendments, refunds, and transfers. A *fiscal sponsor* administers funds for another organization; an *interlocal transfer* moves money between public entities. Neither arrangement should break the record. Recipients must record every *subaward*, an award that delegates part of the funded program, and every payment to a related party, regardless of amount. Ordinary independent supplier payments receive separate reporting when related purchases reach $10,000 within a rolling 12-month period, but every invoice remains available for audit. Combining controlled payees and related split invoices prevents evasion of that reporting threshold.

Recipients must reconcile receipts, spending, commitments, refunds, and balances quarterly. The awarding entity checks their records against its own payments before the comptroller publishes the information that may lawfully be disclosed. Fiscal and performance records remain available for 10 years after final payment and through pending proceedings. Missing evidence stops the disputed discretionary payment; failure to reconcile within 30 days after a specific correction notice bars further discretionary payments under that award. Repayment still requires a legally recoverable amount. The $10,000 threshold limits routine reporting work, not audit authority, and the comptroller must report its cost and coverage for legislative review.

Public assistance also includes tax abatements, rebates, fee waivers, guarantees, discounted land, and infrastructure support (Tex. Gov't Code § 2264.001). The same approval record should identify who controls the recipient, what investment or performance it promised, how the assistance is valued, and how much assistance the government actually provided. Forgone revenue, guarantee exposure, and cash payments require separate accounting. Knowingly false material certifications and knowing concealment of repayment obligations should support the general remedy for misuse of public funds. Chapter 2264's separate remedy triggered by a qualifying employment conviction remains unchanged (Tex. Gov't Code §§ 2264.051–.052, 2264.101).

Some spending choices require a prohibition, not better documentation. The Legislature should end new discretionary public purchases of private representation in federal removal proceedings, including purchases through intermediaries. This reserves those funds for the public services lawmakers select rather than an additional individual defense benefit. The exclusion covers representation before immigration courts, the Board of Immigration Appeals, and federal courts reviewing removal orders. Privately financed counsel, independently required representation, and counsel for the public entity remain available. Public entities must honor a binding preexisting contract only through its enforceable fixed term, pay compensation already lawfully earned, and prohibit renewals or extensions that add public money or scope.

The restriction concerns the purchased service, not the arguments a lawyer may make. *Legal Services Corp. v. Velazquez* rejected a funding condition that distorted private legal advocacy; it does not permit government to fund a case while forbidding challenges to government illegality (*Legal Services Corp. v. Velazquez*, 2001, pp. 540–549). Texas should state the service exclusion expressly and apply it prospectively.

Public counsel must also be able to stop a prohibited payment before recovery becomes difficult. The Texas Supreme Court's June 2026 temporary restraint of specified Harris County payments for immigration services illustrates that timing problem, without deciding the merits or finding recipient fraud (*In re State of Texas*, 2026, pp. 1–2). Texas should authorize the attorney general and other public

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counsel with the required authority to seek court orders stopping identified prohibited payments. Recipients must also have a forum to challenge unlawful holds. An express, limited *immunity waiver* would let the court hear those specified suits against government. Ordinary contract damages retain their governing procedures. Section 311.034 requires clear waiver language; it does not forbid the Legislature from providing a remedy (Tex. Gov't Code § 311.034; Tex. Gov't Code §§ 2260.004–2260.005, 2260.051; Tex. Loc. Gov't Code §§ 271.151–271.160).

End Discretionary Benefits for Illegal Aliens and Enforce Eligibility

The eligibility restriction requires changing the law that permits the payment. In 2001, Attorney General Opinion JC-0394 found no affirmative eligibility statute applicable to the hospital district's nonemergency services. The opinion nevertheless identified the 1997 Family Code provisions as an example of a Texas eligibility authorization. The Legislature added the healthcare authorization in § 285.201 in 2003. Opinion GA-0219 later described that authorization as permissive, without deciding every independent hospital district obligation (Tex. Att'y Gen. Op. JC-0394, 2001, pp. 3–4; Tex. Health & Safety Code § 285.201; Tex. Att'y Gen. Op. GA-0219, 2004).

Repeal is a choice about who receives discretionary public resources. Congress' stated welfare policy favors self-support through personal resources, family, sponsors, and private organizations and seeks to avoid public benefits encouraging illegal immigration (8 U.S.C. § 1601). Texas should reserve the covered discretionary benefits for the eligibility categories it retains rather than provide additional optional eligibility for illegal aliens. The proposed statewide rule would replace those local eligibility choices. The evidence does not establish the resulting net savings or migration effects, and those effects should not be assumed in funding the reform.

Federal law does not exclude every noncitizen from state and local benefits. Section 1621(a) places qualified aliens, nonimmigrants, and people paroled for less than 1 year outside its general prohibition on state and local benefits; they must still meet the particular program's requirements. Section 1621(b) exempts specified assistance, and § 1621(d) permits states to affirmatively authorize eligibility for people not lawfully present. The proposed withdrawal concerns those optional authorizations, not a claim that every noncitizen is ineligible. *Graham v. Richardson* (1971, pp. 370–383) invalidated the state restrictions on lawful resident noncitizens before it; federal permission alone does not resolve whether a state rule satisfies equal protection (8 U.S.C. § 1621).

The rule reaches the state and local benefits defined in § 1621(c), including covered grants, contracts, loans, professional and commercial licenses, and assistance for retirement, welfare, health, disability, housing, postsecondary education, food, and unemployment. The statute's exclusions and each program's eligibility requirements still apply (8 U.S.C. § 1621(c)).

Texas should repeal § 285.201 and expressly withdraw earlier eligibility authorizations for the applicants and benefits covered by the statewide restriction, including authorizations in general laws, special district laws, and uncodified laws. The statute itself must accomplish the withdrawal. Each covered administrator must publish an inventory identifying every affected program, its funding source, the eligibility authorization being withdrawn or retained, the controlling legal provision, and the responsible official. For every retained category or exception, the administrator must cite the specific legal authority

and distinguish services the law requires from assistance it exempts from a prohibition or merely permits Texas to fund. Omission from the inventory cannot preserve an authorization the Legislature withdraws. General appropriation language, a local ordinance, or a contract cannot recreate the withdrawn eligibility. The restriction should retain § 1621(b)'s exempt assistance, independently required federal services, and only the authorization necessary to perform an existing Texas constitutional healthcare duty. A federal exception permits a service; it does not by itself require Texas to finance it (8 U.S.C. § 1621). North Carolina requires its health and housing administrators to cite the federal laws or regulations that prevent them from denying specified benefits (SB 153, 2026, Secs. 2(c)(3), 3(c)(2)). Texas must extend that reporting requirement to every covered administrator. An unexplained assertion that federal law requires continued eligibility cannot substitute for the controlling authority.

The retained § 1621(b) categories include emergency medical assistance, short-term in-kind disaster relief, specified assistance for immunizations and communicable diseases, and specified community services protecting life or safety. Their exemption from the federal prohibition is distinct from any independent duty to provide them (8 U.S.C. § 1621(b)).

Family Code §§ 264.004(c) and 264.006 provide another concrete application. They authorize specified services for otherwise eligible children and families without regard to immigration status (Tex. Fam. Code §§ 264.004(c), 264.006). Texas should amend those authorizations to apply the statewide restriction and retain exempt assistance, independently required services, child protection investigations, emergency protection, and care required under an enforceable custody or protection order. The Department of Family and Protective Services (DFPS) and county administrators must classify the actual service and beneficiary. A parent's status does not decide a citizen child's eligibility.

County healthcare applicants must satisfy Chapter 61's financial and residency requirements and the replacement eligibility rule. Hospital districts must perform any independent constitutional duty until the separate Article IX amendment authorizes the uniform restriction on covered nonemergency benefits. The amendment would permit the Legislature to apply that rule despite district-specific language concerning needy inhabitants, without impairing bond obligations or transferring general hospital operating costs to the state. The attorney general and affected applicants could ask a court to determine a disputed duty and order future compliance. An ordinary statutory repeal does not amend the Constitution (Tex. Health & Safety Code §§ 61.002, 61.022–61.023, 61.052; Tex. Const. art. IX, §§ 4, 9).

Once the Legislature adopts the rule, HHSC and each covered administrator must preserve the governing law, applicant information, authorized verification result, decision, and resolution of conflicting evidence. Existing statutes requiring verification and recurring data matches supply a starting point, but the Legislature should require additional state and local administrators to record the rule, evidence, and reason supporting each eligibility decision (Tex. Gov't Code §§ 545.0102–.0103; Tex. Gov't Code §§ 544.0455–.0456). The federal *Systematic Alien Verification for Entitlements* service, known as SAVE, supplies status information; it does not decide the benefit. The public administrator applies the program's law to that information (U.S. Citizenship and Immigration Services, n.d.).

Changing eligibility also requires reviewing existing recipients. Florida required institutions to begin reevaluating students already receiving the affected out-of-state fee waiver on July 1, 2025, when the eligibility change took effect (SB 2-C, 2025, Secs. 25–26). Texas administrators must begin reviewing affected recipients when the replacement rule takes effect. Within 90 days of September 1, 2027, each administrator must identify affected existing recipients and publish a review schedule stating completion dates and the controlling legal requirements. Prior approval

does not preserve eligibility under an authorization the Legislature has withdrawn. Required notice, review, and legally mandated continuation periods govern the transition; payments lawful when made do not become recoverable merely because eligibility later changes.

A supervisor must assign a reviewer within 2 business days after a material discrepancy, meaning conflicting information that could affect eligibility. The reviewer obtains authorized source confirmation, including an interstate inquiry when reliable evidence establishes a material conflict, and applies the governing denial, termination, recalculation, or recovery rule after required verification and review. Section 544.0455(f) already requires HHSC to remove a recipient determined ineligible no later than the 20th day after verification of the electronic match. The new assignment duty does not restart that deadline or require completion of every investigation in 2 days (Tex. Gov't Code § 544.0455(f)). The reviewer must correct a mistaken match and send the correction to authorized recipients of the error. Evidence of identity theft must lead investigators to the responsible person, not turn the victim into a debtor. Federal requirements for notice and verification, along with protections for established citizenship, continue to govern (42 C.F.R. § 435.956; 42 U.S.C. § 1320b–7).

The same restriction must follow a covered benefit through a nonprofit. Section 1642(d) exempts nonprofit charities from verification duties imposed "under this chapter"; it does not expressly prohibit every independently authorized state duty (8 U.S.C. § 1642(d)). Texas should place the final eligibility decision with the government administrator and require publicly funded intermediaries to cooperate with authorized checks, preserve evidence, report material conflicts, and submit reimbursement claims only for authorized benefits. These conditions govern publicly funded benefits, not assistance financed solely by private charity (2 C.F.R. § 200.332).

North Carolina expressly assigns housing-benefit duties to its Department of Commerce, Housing Finance Agency, and local housing authorities, including programs administered through contracts (SB 153, 2026, Sec. 3(a)–(d)). Florida's 2026 CS/HB 1307 proposed prohibiting down-payment assistance financed with state or local funds for unauthorized aliens and requiring repayment from recipients who were unauthorized when they received it (CS/HB 1307, 2026, Sec. 5). The bill died in committee (Florida Senate, n.d.-a).

Texas must assign the statewide eligibility duties expressly to the Texas Department of Housing and Community Affairs, local housing authorities, housing finance corporations, and other covered housing administrators. Covered rental assistance, down-payment and closing-cost subsidies, subsidized mortgages, and forgivable loans must follow the replacement rule. Paying a landlord, lender, developer, or nonprofit instead of the beneficiary must not bypass the eligibility restriction. Administrators must identify the actual beneficiary and apply the program's eligibility and allocation rules. Before disbursement, the responsible officer must document eligibility and the public funding source. For an unlawful payment, the collection officer must determine whether the recipient was eligible when the payment was made, establish the legally recoverable amount, and pursue repayment after required notice and review.

Licensing boards and education administrators need the same documented application of their governing rules. The Texas Department of Licensing and Regulation already has a documentation procedure under § 60.39; legislation should preserve compatible checks and extend the defined duties to additional boards (Texas Department of Licensing and Regulation, 2026). Tuition, scholarships, waivers, grants, and loans remain separate decisions. The Legislature should amend Education Code §§ 54.051(m) and 54.052(a) as they apply to the tuition advantages prohibited by federal law and the existing judgment, while preserving classifications for citizens and unaffected students (8 U.S.C. § 1623; Tex. Educ. Code §§ 54.051(m), 54.052(a); *United States v. Texas*, 2026, pp. 2–4).

Sponsor resources affect eligibility before any reimbursement debt arises. Florida counts a sponsor's and the sponsor's spouse's income or resources in temporary cash-assistance eligibility to the maximum extent federal law permits (Fla. Stat. § 414.095(3)). Federal law requires sponsor-resource attribution for covered federal means-tested benefits and separately permits states to adopt it for covered state benefits, with statutory exceptions (8 U.S.C. § 1631; 8 U.S.C. § 1632). Texas must require administrators to apply each program's sponsor-income and resource rules, verify the amounts counted, and document any applicable exception. This eligibility determination does not replace reimbursement when benefits are lawfully paid. An immigrant's sponsor may owe reimbursement even when the beneficiary correctly received assistance. When the sponsor's legally enforceable affidavit and the federal conditions establish that obligation, the agency must demand repayment; concern about collection costs cannot cancel a mandatory demand (8 U.S.C. § 1183a(b)). Texas should amend § 545.0103 to require identification of the sponsor, covered benefits, exceptions, obligation period, and unpaid amount. The collection officer then separately decides litigation, repayment, or authorized compromise. Credits prevent duplicate state and hospital recovery. A sponsor's default does not itself end an otherwise payable benefit (Tex. Gov't Code § 545.0103; Tex. Health & Safety Code § 61.012).

Future optional authorizations should state the benefit, eligible group, funding, administrator, and duration, with legislative review every 4 years. A new optional federal commitment that adds an eligibility class or recurring state obligation requires legislative approval, not merely an agency agreement. Existing accepted federal conditions remain binding unless Texas changes participation through a lawful route. Later legislatures remain free to make a different express choice; administrators cannot quietly reverse the adopted restriction.

PREVENT EVASION AND RECOVER PUBLIC MONEY

Bind Intermediaries to Public Conditions and Independent Review

An eligibility decision at the public agency is insufficient if an intermediary can disregard it or conceal the final expenditure. Federal rules distinguish a *subrecipient*, which carries out part of a public program, from an ordinary supplier and require monitoring of the subrecipient (2 C.F.R. § 200.331; 2 C.F.R. § 200.332). Texas should impose a comparable minimum for covered state and local awards, such as permitted uses, performance evidence, inspection rights, records of later transfers, and repayment terms that follow delegated public work. Changing the payee's name must not change the conditions on the benefit or expenditure.

An omitted contract clause should not defeat those duties. Minnesota makes specified audit authority implicit in covered grant agreements and permits attorney general enforcement despite the granting agency's contrary opinion (Minn. Stat. § 16B.98, subds. 8–9). Texas should likewise attach essential conditions by statute, give recipients notice before acceptance, and hold awarding officers responsible for including the terms. Officials invoking an emergency purchasing exception or approving a material amendment must document its grounds and obtain the required approval. Related awards and transfers should be combined when evidence establishes common funding, work, and control, rather than treating every nominally separate entity as independent.

Minnesota's Feeding Our Future record shows why the entity receiving a complaint cannot always decide whether to close it. The 2024 legislative audit found inadequate application checks, complaint investigation, and follow-up; officials sometimes asked the organization to investigate allegations against itself. The education department disputed the overall assessment and described corrections (Minnesota Office of the Legislative Auditor, 2024). Texas should require a state investigator without a

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conflict of interest to evaluate complaints about a sponsor, local workforce board, or awarding official, preserve the evidence, and verify claimed corrections. The subject's response informs the investigation but cannot substitute for an independent decision.

A federal court sentenced Feeding Our Future founder Aimee Bock to 500 months for her lead role in the $250 million child nutrition fraud scheme, which involved false meal claims and attendance records (DOJ, 2026a). The prosecution supplies evidence of fraud; the audit identifies the supervisory failures the Texas recommendations address.

Nutrition oversight must connect the sponsoring organization to its sites, principals, meal claims, payments, and monitoring results. The Texas Department of Agriculture (TDA) already administers sponsor requirements under federal child nutrition rules (Texas Department of Agriculture, n.d.; 7 C.F.R. §§ 226.6, 226.16). The Legislature should require the TDA reviewer to test contradictions that could affect payment and record how the reviewer verified a claimed correction. Decisions to reject a charge, suspend payment, or disqualify a participant must follow the applicable nutrition procedures, not a generic grant deadline that conflicts with federal law.

Before an award, officials must identify who controls the publicly financed work and who benefits from related payments. Existing interested-party disclosures provide a starting point but do not replace a record identifying who controls the work financed by the grant (Tex. Gov't Code §§ 2252.906–2252.908). Recipients should identify the people who direct the funded work and disclose relevant transactions before payment and update material changes. A specific investigation may seek further relevant records through court-enforced demands, but routine disclosure should not collect unrelated donor lists. *Americans for Prosperity Foundation v. Bonta* (2021) rejects administrative convenience as sufficient justification for the blanket collection at issue there.

Conflict screening should examine the specified ownership, control, compensated award work, and decision-linked interests of the official, the official's spouse, and relatives within the third degree by blood or adoption or the second degree by marriage. Kinship alone does not establish a conflict. For the official personally, employment, management, or consulting for the recipient or controlling affiliate during the preceding 24 months requires the official to step aside from the award decision; current negotiations and continuing financial interests remain relevant afterward. These proposed duties expand the existing financial interest and relationship rules for covered awards (Tex. Loc. Gov't Code §§ 171.002–.004; Tex. Gov't Code §§ 573.021–.025).

Disclosure cannot make a conflicted decision independent. Texas should replace § 171.004(c)'s exception allowing participation after a majority discloses similar conflicts with a qualified, nonconflicted public decision maker. When no authorized state or local officer can act, the comptroller should designate a public contracting officer for functions the Legislature can delegate. The substitute administers an already authorized purchase within its appropriation and selection criteria; the officer cannot levy taxes, incur new debt, choose a new program, or exercise a constitutionally reserved vote. A reserved decision awaits a lawful decision maker. This expands permissible statutory delegation without transferring the governing body's constitutional

powers (Tex. Loc. Gov't Code § 171.004(c); Tex. Loc. Gov't Code §§ 252.002, 252.021(c); Tex. Loc. Gov't Code § 262.001).

Advance payments need protection before the recipient spends the money. The Legislature should require enhanced review when an award of at least $1 million permits more than 25% in advance, when the recipient has a final finding of material nonperformance within 5 years, or when a newly formed recipient without verified operating statements seeks at least $250,000 in advance. These are legislative risk thresholds, not findings that smaller awards are safe. The awarding officer selects effective, proportionate protection such as reimbursement after performance, staged payments, money retained until completion, funds held until release conditions are met, or a bond. Compatible protections also apply to awards that combine funding sources (2 C.F.R. § 200.208).

A final adjudicated finding of knowing material fraud should require 5 years' exclusion from new covered awards. Willful material nonperformance should permit 1–3 years, based on severity and correction. A second final finding of intentional fraud may support permanent exclusion, with a petition for reinstatement after 5 years based on changed control, repayment, and verified safeguards. Existing stronger procurement sanctions remain in force (2 C.F.R. § 180.800; Tex. Gov't Code § 2261.306). A temporary bar on new awards or disputed payments requires documented grounds and prompt independent review. The exclusion reaches a successor organization proved to be under the excluded operator's control and participating in evasion. When removal threatens a legally owed service, the agency must arrange an authorized replacement rather than keep paying unsupported invoices.

Workers who report misuse need protection from retaliation. Texas should extend § 2261.307's existing procurement protections to uncovered grants and local awards, allow 2 years after the adverse action to sue, and preserve stronger remedies without duplicate compensation. Under the proposed rule, a worker establishes a protected report or act of cooperation, the defendant's actual knowledge, and a materially adverse action capable of deterring a reasonable worker from reporting. An adverse action within 120 calendar days after the protected report or a separately documented act of cooperation creates a presumption that the protected activity contributed to it. Outside that period, the worker can still prove the connection. Once contribution is established or presumed, the defendant must prove by clear and convincing evidence that it would have acted the same way without the report. Honest reports remain protected even when unsubstantiated; repetition without new information does not restart the period (Tex. Gov't Code § 2261.307(b)–(f), (i); 41 U.S.C. § 4712(c)(6); 5 U.S.C. § 1221(e)).

Publicly purchased advocacy requires a separate spending decision, not an inference from fraud. Section 556.0055 restricts specified state funds, not every purchase with local general tax revenue (Tex. Gov't Code § 556.0055). Texas should prohibit covered local taxes from purchasing outside services that require state lobbying registration, including the identified lobbying share of dues or intermediary charges. This reserves those taxes for public services and representation by accountable officials. Official communications, public testimony, legal representation in adjudications, unrelated association services, and privately funded advocacy remain available. Finance officers must identify and reject the prohibited charge rather than infer misuse from a recipient's political views.

Investigate Violations, Recover Funds, and Reward Original Evidence

Payment verification must test the service, not merely the beneficiary's identity. New York's February 2026 social adult day care audit found that 7,964 of 92,969 reviewed claims, approximately 9%, lacked supporting sign-in logs; those claims totaled $672,147. It separately questioned payments after providers left another health plan's network. Removal by one plan did not automatically exclude a provider

from all plans. The receiving plan needed the reason and evidence, followed by a recorded decision (New York State Office of the State Comptroller, 2026, pp. 2, 9–14). Texas should require that response, not merely another transmission of names.

Federal Medicaid rules already require service sampling, specified reports, and fraud controls (42 C.F.R. § 438.608; 42 C.F.R. § 455.452). Texas should require evidence suited to the billed service, including authorized care, attendance where relevant, location, the provider's ability to deliver the service, and available independent confirmation. Plans must resolve contradictory records before approving the disputed charge. HHSC's Office of Inspector General (HHSC OIG) must assign unresolved findings for investigation and examine who controls providers and where they deliver services so renamed operators cannot evade established exclusions. Payment suspensions based on credible allegations of fraud retain their federal grounds, exceptions, notice, and review requirements (42 C.F.R. § 455.23). Preserving emergency coverage does not place claims beyond review. Florida's CS/CS/SB 1758 would have authorized retrospective review of emergency Medicaid claims to determine whether an emergency existed, how long it lasted, and whether the billed services were medically necessary, even after prior authorization (CS/CS/SB 1758, 2026, Sec. 1). The bill did not become law (Florida Senate, n.d.-b). The Legislature must require HHSC to conduct those reviews under the governing emergency Medicaid payment standards, document its determinations, and recover established overpayments after notice and review (42 U.S.C. § 1396b(v)(2)–(3)). Prior authorization must not shield a claim that fails those standards. Payment review must not delay legally required emergency examination or treatment (42 U.S.C. § 1395dd(a)–(c), (h)).

Texas' own audits identify a different failure after payment. Federal investigators found $10.5 million in excess hospice payments to 174 providers for federal fiscal years 2020–2022. State officials told auditors that no one had been assigned the calculation after the program's 2017 transfer into HHSC. Approximately $6.9 million represented the federal share. The audit establishes a calculation and collection failure, not that every affected provider knowingly submitted a false claim (HHS OIG, 2025, pp. 3–5). The published tracker still listed both recommendations as open on October 28, 2026, without establishing that no partial collection occurred (HHS OIG, n.d.). The remedy is a named officer responsible for calculation, notice, collection, and any federal refund, with responsibility passing automatically to the successor office when a program moves.

Child care collection needs the same connection between a finding and an assigned action. Texas auditors found that 12 of 40 tested closed cases lacked evidence of the required initial collection letter within 30 days. The sample came from 297 cases, was not statistically representative, and carried no questioned costs; it establishes a failure in collection controls, not a statewide fraud rate (Texas State Auditor's Office, 2026, pp. 221–222). Rules effective June 8, 2026, strengthened TWC intervention and recovery assignments (Child Care Services, 2026). The Legislature should require TWC to supervise collections, require proof that notices were sent, and take over a case when a local workforce board fails to act. DFPS must supply the relevant funding records.

The June 2026 Sunset staff review separately found inconsistent child care fraud investigations across the 28 local boards and inadequate visibility into DFPS child care spending. Staff recommended direct TWC supervision; that recommendation was not itself enacted law (Sunset Advisory Commission, 2026, p. 5). Those findings support requiring evidence that investigations and collection duties are performed, rather than treating adoption of a rule as proof of compliance.

The governing payment rule determines what investigators must prove. TWC pays for authorized enrollment despite occasional absences, so an empty room on one visit does not by itself establish an

improper payment (Texas Workforce Commission, 2026). Meal reimbursement, by contrast, requires the qualifying meals and supporting records (7 C.F.R. §§ 226.6, 226.16). Each payer must test the actual payment condition, preserve a record identifying who created or changed the supporting documents, and refer supported deception for investigation. Licensing compliance, benefit eligibility, service delivery, and intentional fraud are separate determinations.

Texas should require investigative units to acknowledge complete reports of suspected violations, assign an investigator, and record whether the unit accepted the matter, transferred it, requested further evidence, or closed it for a stated reason. A supervisor must address an unanswered report and send it to another enforcement official when the approved alternative route is available. The approving agency cannot close a complaint against itself solely on its own assurance of correction. Joint investigations must preserve each agency's jurisdiction, authorized access, and ownership of recoveries. Investigators must preserve source records and seek court enforcement when a recipient withholds them; deliberate destruction receives the applicable civil or criminal response, not an automatic finding based on a missing document. A referral does not establish that an investigation produced action. Florida authorizes public-assistance investigations and court-enforced subpoenas through its Department of Financial Services. It also requires the departments of Health and Children and Families to report final dispositions of specified fraud cases based on those investigations (Fla. Stat. § 414.411(1)–(4)). Texas must require each agency receiving an investigative referral to return a documented disposition, identify corrective action and any established debt, and report collections to the referring investigator and public owner. Transferring a referral must not end the originating office's responsibility to track its resolution.

Existing healthcare fraud remedies do not provide the same general action for other state and local funds. California's state and local law and the federal False Claims Act supply models for expanding that coverage (California Department of Justice, n.d.; 31 U.S.C. § 3729(a)–(b)). Texas should enact a general civil action for knowingly presenting a materially false demand, using a material false record, or improperly avoiding an established repayment obligation. Knowledge includes actual knowledge, deliberate ignorance, and reckless disregard, not ordinary negligence. The remedy reaches cash and noncash assistance according to the value actually conferred or obligation evaded.

Materiality concerns whether false information can influence the payment or receipt of money or property, not merely whether a billing error exists (31 U.S.C. § 3729(b)(4)). In *Laboratory Corp. of America Holdings v. State* (2026, pp. 30–37), the court examined materiality in light of government knowledge and continued payments. Agencies must identify which conditions govern payment and document their response to violations. Under the proposed remedy, total compensation and multiplied damages may reach three times proved loss, plus $5,000–$15,000 for each distinct material false demand, adjusted prospectively for inflation. Supporting attachments or technical resubmissions do not multiply the penalty unless they seek a distinct payment or concern a separate repayment obligation.

An intercepted $100,000 false invoice illustrates the distinction: It may support a civil penalty but no damages for money never paid. If the government lost $100,000, total damages could reach $300,000, not $300,000 plus another $100,000 for the same loss. Courts must credit other compensation and review proportionality. The proposed filing period is 6 years from the violation or 3 years after the responsible official knew or reasonably should have known the facts, whichever is later, subject to a 10-year outer limit. New liability applies prospectively and does not revive extinguished claims (31 U.S.C. § 3729(a)–(b); 31 U.S.C. § 3731).

Texas should recover awards obtained through material deception, concealed disqualification, prohibited duplication, or actual calculation error after notice and review, not because a case failed.

A private person with original evidence should also be able to pursue an expressly assigned part of the government's claim to recover money or property. That person, a *relator*, does not receive general authority to sue over policy disagreements. The proposed claimant shares are 15%–25% when government joins and 25%–30% without intervention, reflecting contribution and litigation burden. Notice to the public owner, an opportunity to intervene, judicial review of dismissal and settlement, and credits against overlapping awards remain mandatory (31 U.S.C. § 3730).

Federal precedent supports examining the model of assigned public claims. In *Stevens*, the Supreme Court recognized federal *standing*, the right to bring the claim in federal court, based on a partial assignment of the government's damages claim (*Vermont Agency of Natural Resources v. United States ex rel. Stevens*, 2000, pp. 773–774). In 2025, the Fifth Circuit's *Montcrief* majority treated the objection concerning federal executive power as foreclosed by circuit precedent (*United States ex rel. Montcrief v. Peripheral Vascular Associates*, 2025, p. 10 n. 3). Those rulings do not resolve the distinct Texas constitutional questions. Express constitutional authority remains the selected legislative route, not a claim that every narrower statutory alternative has been invalidated.

The private route needs a legally effective trigger. *LabCorp* recognized standing because the State intervened, rather than approving every action pursued without government participation (*Laboratory Corp. of America Holdings v. State*, 2026, pp. 15–16). Texas should propose express constitutional authority and permit earlier activation only if a final Supreme Court of Texas merits decision resolves both standing and separation-of-powers objections for a materially equivalent assigned claim. The court hearing the new case must determine that the earlier holding covers the new claim's assignment and public-control features before allowing the private claimant to litigate the merits. A procedural ruling or a case in which government joined is insufficient. After activation, the complaint remains *under seal*, unavailable to the public, during the government's review period; a qualified relator may then proceed without government intervention. Until activation, the new action requires an authorized public plaintiff to file or join at filing; existing public enforcement continues.

The statute must distinguish original contributions from repeated allegations. The July 2, 2026, substituted opinion in *State v. Alvarez* (2026, pp. 20–30) applied the historical public-disclosure bar and held that the relators did not satisfy the original-source exception. The proposed law should expressly recognize independent material knowledge or analysis supplied to government before filing, including a genuine original source's prior publication. It must also bar duplicate actions on the same essential transactions. These are proposed rules for future civil actions; existing rights under other statutes remain.

Recovery must continue after liability is established. Every covered public entity should report final award debts to the comptroller and participate in coordinated collection. An *offset* applies money legally payable to the same debtor against an enforceable debt after notice and review. It cannot reach a debt whose collection is legally suspended, protected benefit, unrelated local grant, or third party's property. Local receipts return to the proper local fund and federal shares to their owner (Tex. Gov't Code §§ 403.055–.0551; Tex. Gov't Code §§ 2107.002–2107.003).

A settlement must identify the claims and people released; settling with a sponsor does not automatically release its vendors or operators.

Waiting for final judgment is not always necessary to protect a recovery. Chapter 24 of the Business and Commerce Code recognizes specified remedies for fraudulent transfers and contingent or disputed claims (Tex. Bus. & Com. Code §§ 24.002, 24.005–24.008). Public counsel should seek a court order stopping a transfer, securing identified property, or appointing a receiver to safeguard the identified assets when those grounds are established. Evidence must prove the relevant transfer, control, or participation; common ownership alone does not create successor liability. Court protection preserves assets while liability is decided rather than declaring suspected property already belongs to government.

Useful evidence may arrive years before collection. The federal whistleblower program offers discretionary early awards after qualifying criminal charges, rather than making every reporter await final recovery (DOJ, 2026b; National Fraud Enforcement Division, n.d.). Texas should enact and fund a separate incentive, administered by the attorney general, for evidence contributing to a filed civil or criminal action. The base award is $10,000 for verified original evidence materially contributing to a filed action involving public funds. It rises to $20,000 when documented potential covered loss exceeds $1 million, and $30,000 when potential loss exceeds $5 million and the evidence materially exposes coordinated misconduct involving multiple entities. Only the highest tier applies.

Parents, beneficiaries, employees, contractors, independent researchers, and journalists qualify under the same evidence test. An existing investigation or the source's own publication does not defeat a materially new contribution; copying another report creates no second entitlement. An award officer independent of the investigation must verify the contribution, method used to estimate loss, related transactions, competing reports, and available appropriation. Amended claims and affiliated defendants cannot inflate the same loss into a higher tier. Related reporters share one pool according to their contributions, and investigators must assess credible anonymous tips and credible reports from people who do not qualify for rewards.

An honestly earned early award remains the reporter's even if the case fails or yields no recovery. Additional compensation equals only the excess of 1% of qualifying cumulative cash retained by Texas over the combined early award, later Texas percentage payments, and federal compensation for those same dollars retained by Texas. A $20,000 early award and $1 million retained produce no additional payment and no refund; $5 million retained with no overlapping award produces another $30,000. Required federal and local distributions, victim restitution, and refundable money are excluded. Shares from private actions and other Texas rewards receive corresponding credits. Local governments may fund equivalent awards from their own retained receipts.

Texas should recover awards obtained through material deception, concealed disqualification, prohibited duplication, or actual calculation error after notice and review, not because a case failed. Compensation for ordinary official duties or participation in the same scheme remains excluded. Written decisions and administrative and judicial review make the entitlement enforceable. If the appropriation is exhausted, the attorney general must notify qualifying reporters and place them in an ordered queue for later appropriated funds, without promising payment from funds that have not been appropriated. Section 403.0195's information contracts, which condition payment on recovery, do not already authorize this retained early award; the Legislature must establish and fund it separately (Tex. Gov't Code § 403.0195).

MAKE OFFICIAL RESPONSIBILITY ENFORCEABLE

Give Responsible Institutions the Power and Duty to Act

The preceding controls depend on officials completing their assigned work. Existing powers of auditors, inspectors general, and the attorney general address different functions; new duties need access to evidence and a lawful response when the responsible institution refuses (Tex. Gov't Code §§ 321.013, 321.018–321.019; Tex. Gov't Code §§ 544.0115, 544.0152; Tex. Gov't Code §§ 402.021, 402.026, 402.028). The Legislature should expand those particular powers rather than create another general coordination body. An amendable statutory limit is a subject for reform, not a constitutional ceiling.

The state auditor should be able to petition a district court for records relevant to an authorized audit after a documented failure to produce them. Legislative audit selection and the Legislative Audit Committee's subpoena power remain. The attorney general should have authority to issue civil investigative demands, formal requests requiring documents, written answers, or testimony, in investigations into the misuse of public funds. Local entities should receive equivalent court-enforced access for their own losses. Courts decide relevance, privilege, confidentiality, and undue burden. The auditor evaluates evidence; the court compels production; authorized public counsel pursues the remedy. The records power does not make the auditor a criminal prosecutor (Tex. Gov't Code §§ 321.013, 321.018–321.019; Tex. Const. art. II, § 1).

Direct statewide duties should require approval, records, referrals, calculation, and reporting from covered local entities as well as agencies. A state grant condition alone does not govern every locally raised dollar. The Legislature must confer the authority each institution needs, including local civil actions to protect and recover the locality's own money without attorney general permission. The powers of home-rule cities, counties, and special districts are not identical, but local revenue is not automatically outside generally applicable state law (Tex. Const. art. XI, § 5; Tex. Const. art. IX, §§ 4, 9).

When an agency or local entity can correct a missed legal duty without putting funds at risk, it should receive 10 business days after notice to correct the failure. Imminent prohibited spending permits immediate court action. For a claim belonging to the State, the attorney general's 30-calendar-day decision period begins with a complete referral identifying the public interest, conduct, requested remedy, and reasonably available evidence. A request for more information does not restart the clock; only a court may grant one supported extension of up to 15 days. Acceptance must identify counsel and produce a substantive investigative step, not merely a file number.

After refusal or expiration, an alternative claimant may act only through authority that has become effective. If no civil action has been filed within 60 days of the original complete referral, an authorized alternative public claimant may ask the court for permission to proceed. The court may temporarily defer overlapping litigation on a documented showing of necessity. Independent comptroller counsel, including appeals on the State's claim, remains tied to the separate constitutional amendment addressing Article IV, § 22. A ruling about a private relator does not activate that office's authority (Tex. Const. art. IV, § 22). Before activation, referrals still require preservation, a recorded decision, notice to the public owner, and use of existing authorized remedies. Delay never creates a power the law has not granted.

Personnel responsibility must survive agency changes. Duties attach to the office or program, and lawful successors assume pending calculations, records, claims, and deadlines automatically. The chief financial officer preserves records and performs nondiscretionary fiscal work when no lawful acting officer is available. For an abolished state entity without a named recipient, the comptroller preserves fiscal records and claims for

money owed while the governor assigns continuing nonfiscal obligations. A dissolved local entity uses its statutory trustee or successor, with a limited comptroller trusteeship only when neither exists. Proceeds remain the property of the proper public owner (Tex. Gov't Code § 325.017).

Knowing violations need more than a report to another office. A court should be able to compel a listed duty and award reasonable fees to a successful enforcement plaintiff. After a final adjudicated knowing violation, the official or governing body with disciplinary authority must remove the official from covered approval or reporting duties that can lawfully be reassigned and begin the applicable disciplinary process. A repeat final adjudicated knowing violation requires initiation of lawful termination or removal proceedings. Constitutional procedures still govern elected officers; an administrative finding cannot substitute for them (Tex. Const. art. V, § 24). Personal consequences lose their force when taxpayers pay them. Florida requires personal fines after a court finds a knowing and willful violation of its prohibition on local policies refusing immigration-detainer compliance. It also restricts public payment for defending or reimbursing that unlawful conduct, except where applicable law requires otherwise (Fla. Stat. § 908.105(4)(a)–(c)). Texas must prohibit public payment or reimbursement of personal penalties imposed for finally adjudicated knowing violations of the proposed duties. For future advances of defense costs, the Legislature must require a written obligation to repay costs attributable to misconduct finally adjudicated under those provisions. It must amend conflicting indemnification statutes prospectively, preserve constitutionally protected existing obligations, and prohibit new agreements that shift these personal costs to taxpayers.

A final adjudicated knowing local violation that caused an unauthorized payment should require the comptroller to suspend eligible future discretionary state grant payments accepted on that condition. The suspension equals the loss not yet repaid, as identified in the court's order. The court identifies the violation, amount, and lawful payment source. Restricted federal funds, mandatory transfers, earned compensation, and unrelated beneficiary entitlements remain unavailable. Withheld money stays in its original appropriation and is not a recovery or second repayment. Restoration and verified correction reduce or end the suspension. A reporting violation without financial loss receives the appropriate court and personnel remedies, not an invented monetary assessment.

The Legislature should enact a prospective Class B misdemeanor for a public servant who knowingly approves a covered benefit despite the express prohibition or knowingly fails to make a personally assigned, legally required report. The State must prove the facts and culpability beyond a reasonable doubt. The proposed defense requires reasonable reliance in good faith on applicable written advice from authorized counsel or a relevant final federal verification response, after full disclosure of material facts. Fabricated advice, omitted material facts, and known contrary controlling orders defeat it. Ordinary delay, unresolved status, or inability despite documented compliance efforts is not a knowing offense. Local prosecutors retain charging authority, with lawful attorney general assistance (Tex. Penal Code §§ 2.01, 2.03; Tex. Penal Code § 12.22). The proposed criminal defense does not authorize a prohibited payment or prevent a court from ordering prospective compliance.

Court, financial, personnel, and criminal remedies should each be available when their own legal requirements are met, without requiring officials to exhaust one before pursuing another. Independent attorney general criminal prosecution requires a separate constitutional route under *State v. Stephens* (2021). Texas should propose concurrent authority for defined crimes involving public funds, with local notice, conflict resolution, and one coordinated prosecution. Neither a private relator nor comptroller civil counsel receives criminal charging power. Civil investigations and collections continue without waiting for that amendment (Tex. Gov't Code §§ 402.021, 402.026, 402.028).

The Legislature should appropriate the proposed $50 million startup package: $2 million for lawful advance preparation and $48 million for fiscal years 2028–2029.

Officials also need lawful access to the information that triggers action. Texas should amend § 544.0152(g) to remove the requirement that the agency supplying information give additional written permission before the recipient uses it for the newly authorized enforcement purposes. The Department of Information Resources (DIR) should establish secure standards. Each receiving office must preserve the source, purpose, access history, and corrections. Vendors must not resell or reuse protected records (Tex. Gov't Code § 544.0152(g); Tex. Gov't Code § 2054.054). Federal tax and benefit records retain their own recipient and purpose restrictions. Texas should use available permissions and seek a targeted congressional change for additional access, not postpone state duties pending federal action (26 U.S.C. § 6103; 42 U.S.C. § 1320b–7).

Reporting known unlawful presence is separate from deciding eligibility. DOJ's Office of Legal Counsel concluded in September 2026 that the relevant welfare reporting duty reaches component agencies of a participating state and does not universally require a final removal order as proof (Office of Legal Counsel, 2026, pp. 1–4, 18–19). The Temporary Assistance for Needy Families provision requires reports at least four times annually and on request (42 U.S.C. § 611a). Texas should designate reporting officers who verify identity and reliable status evidence, identify lawful fields and recipients, transmit qualifying reports, and correct errors. An unresolved match or benefit denial alone is insufficient, and executive legal advice does not override another controlling restriction.

Each agency's legal officer must update instructions for permitted verification and disclosure when a statute, agreement, or court order changes. Permission to make one query through the federal SAVE service does not authorize every disclosure. The program administrator remains responsible for the legal decision even when the vendor has not updated its software. A shared database must connect accountable decisions, not replace them.

FUND THE DUTIES AND MEASURE THE RESULTS

The Legislature should appropriate the proposed $50 million startup package: $2 million for lawful advance preparation and $48 million for fiscal years 2028–2029. The combined allowances are $18 million for 60 positions, $12 million for secure records and testing, $5 million for legal implementation and training, $10 million for verified incremental local compliance, $1 million for early awards, and $4 million for contingency costs. These are planning judgments, not a fiscal note certified by an agency. Agencies must submit workload and unit cost estimates to the Legislative Budget Board, separately identifying the added costs of recipient reviews, housing-benefit controls, emergency-claim audits, SNAP payment-accuracy work, hospital reporting, and enforcement. The board must assess whether these duties fit within the proposed staffing and funding allowances.

The staffing assumption is $150,000 annually per position including employer costs. At $120,000 or $180,000, with other allowances unchanged, the package becomes $46.4 million or $53.6 million. The funded positions must be assigned to the agencies responsible for the work, and local assistance must support lawful incremental compliance rather than prohibited hospital operating subsidies. Secure temporary procedures must keep existing duties functioning when technology is delayed.

Supplemental Nutrition Assistance Program (SNAP) costs require a separate appropriation analysis. Federal law reduces the ordinary federal

administrative share from 50% through federal fiscal year 2026 to 25% beginning in fiscal year 2027, raising the ordinary state share to 75%. Benefit cost sharing generally begins in fiscal year 2028 and varies with specified payment error rates and statutory elections or delays (7 U.S.C. § 2025(a); 7 U.S.C. § 2013(a)(2)). HHSC and the Legislative Budget Board must separate those obligations from the proposed reforms' startup costs and identify the rate year and expenditure base. A payment error rate is not a fraud rate, and new controls cannot change a completed historical measurement year. Reducing payment errors requires assigned corrective work, not merely a lower target. Florida's CS/CS/SB 1758 proposed a plan to reduce the SNAP payment error rate below 6% through staff training and testing, quality-control reviews, improved verification data, and quarterly progress reports (CS/CS/SB 1758, 2026, Sec. 9). That proposal did not become law (Florida Senate, n.d.-b). Texas must require HHSC's executive commissioner to implement those controls and target an error rate below 6%. Quarterly reports to the Legislature must distinguish agency from client errors, overpayments from underpayments, and preliminary estimates from official federal rates. Each corrective action must have a responsible official, a completion date, and a measured result.

The Legislature should set September 1, 2027, as the starting date for the eligibility repeal, prospective civil fraud and retaliation provisions, and new offense for official misconduct. Full award conditions apply to new awards, renewals, extensions, and material amendments from September 1, 2028, with interim approval and payment records required during preparation. Existing lawful obligations continue. Agencies have 90 days from September 1, 2027, for the citation-supported inventories, 180 days for common information and security standards, and 270 days for tested decision, correction, referral, and recovery procedures. Within the 90-day period, each administrator must identify affected existing recipients and publish its review schedule, including completion dates and the controlling legal requirements. The agency's legal officer must identify any requirement that governs continued payments during review. These preparation deadlines do not postpone the eligibility repeal or authorize otherwise prohibited payments. Private actions and independent comptroller counsel retain their distinct activation conditions.

Before a new discretionary program expected to commit at least $5 million in its first 2-year fiscal period makes an award, its executive must establish legal authority and independently tested payment, review, and recovery controls. Missing readiness evidence bars the new discretionary commitment, not required benefits. New discretionary state grant programs should expire after 4 full fiscal years without legislative reauthorization; local governing bodies conduct corresponding reviews of their programs unless a stricter state rule applies. Advance reports must give the responsible body time to act. Earned obligations and required closeout survive expiration.

Results must distinguish correct eligibility decisions, resolved discrepancies, verified services, established violations, final debts, cash collected, and federal refunds. Auditors must test approvals as well as denials and identify what was counted and the total used to calculate each rate. Reports should also disclose corrected errors, service interruptions, review costs, missed deadlines, and unassigned debts. A growing number of alerts is not proof that the law was enforced or money returned. Texas already requires covered hospitals to report immigration-related utilization and costs under Executive Order GA-46 (Exec. Order No. GA-46, 2024, p. 2). Florida places hospital reporting duties in statute (Fla. Stat. § 395.3027(1)–(3)). The Legislature must codify Texas' requirements and assign HHSC responsibility for checking submissions, enforcing common definitions, and publishing annual aggregate results from quarterly hospital reports. The statute must require reports to distinguish billed charges, actual costs, reimbursements, uncompensated care, and state or local expenditures. Unknown or declined status must remain separate from reported unlawful

presence. Patient responses must not delay legally required care, and public reports must not identify patients. Costs associated with required care must not be presented as savings from repealing optional benefits.

CONCLUSION

Texas should repeal the optional authorizations that sustain covered discretionary benefits for illegal aliens and require administrators to enforce the replacement rule. Public money must retain its eligibility and spending conditions through every intermediary. The additional reforms make officials verify services, investigate supported violations, protect threatened assets, collect established debts, and answer for knowing refusal. Those duties must remain enforceable when a contract omits a required term, an agency leaves a referral unanswered, or a program moves to another office. ■

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Ammon has over 10 years of experience as a U.S. Border Patrol Agent, serving in the Rio Grande Valley Sector, one of the busiest and most challenging areas of the southwest border. He has first-hand knowledge of the operational and strategic challenges faced by the Border Patrol and other law enforcement agencies in securing the border and enforcing immigration laws.

Ammon is also a 20 plus year Army Veteran, both as an enlisted soldier and as a commissioned officer. He has served in various leadership and staff positions, including as an Infantry Platoon Leader on Operation Lone Star, a joint military and law enforcement operation to enhance border security and public safety in Texas.

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