



OFFICE OF THE SPECIAL INSPECTOR GENERAL FOR
PANDEMIC RECOVERY

Quarterly Report to the United States Congress

October to December 2021





MESSAGE FROM THE SPECIAL INSPECTOR GENERAL FOR PANDEMIC RECOVERY

Unless Congress acts, my office will run out of money in July 2022. This could be my second-to-last Quarterly Report.

In the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, Congress granted the Special Inspector General for Pandemic Recovery (SIGPR) an initial appropriation of \$25 million to stand up a new agency dedicated to fighting pandemic fraud. Due to my colleagues' outstanding work, SIGPR has proven to be an excellent return on Congress's investment. Earlier this month, on January 20, a recipient of a loan from the Main Street Lending Program in Oklahoma pleaded guilty to bank fraud and money laundering in a case that SIGPR investigated.

But \$25 million in start-up funds is not enough money to establish a new law enforcement agency and maintain it through a five-year term. We spent about half that sum in the first 15 months on overhead to the Department of the Treasury (Treasury), leasing offices, and paying 55 full-time employees. Determining whether businesses lied on their loan applications, laundered money, or impermissibly double-dipped into various programs is expensive and labor-intensive work. We estimate that there is about \$22.5 billion in outstanding Treasury loans and investments within our oversight. Offices with comparable missions operate on greater budgets. Congress, for example, gave the Special Inspector General for the Troubled Assets Relief Program \$50 million in start-up funds and additional funds each year.

For over a year, SIGPR has worked with Treasury, the Office of Management and Budget, and Congress to enter the annual appropriations cycle. We appreciate the support that we have received from agency officials, key

congressional members, and staff, including those of you with whom we spoke, to fund us this fiscal year. The President's budget requested SIGPR receive \$25 million; the Senate appropriations bill would provide us with \$10 million. Congress, however, has not yet reached agreement on appropriations and has instead kept funding at 2021 levels by a continuing resolution. Because SIGPR has not been part of the annual appropriations cycle, we do not receive a pro rata share of last year's budget. As a result, SIGPR is nearing exhaustion of its CARES Act appropriation.

During my confirmation hearings, I told Congress I planned to build SIGPR to a staff of at least 75 to 100 full-time employees. We currently have only 52 full-time employees. All plans to add staff are now on hold. In addition to the hiring freeze, SIGPR has had to stop entering new contracts, even for a much-needed e-discovery tool. And even on the existing appropriation, SIGPR cannot fund operations through the end of Fiscal Year 2022.

Even while operating on an overstretched budget, my outstanding staff have continued to advance our mission of conducting audits and investigations into pandemic fraud, waste, and abuse. To date, SIGPR's investigative efforts have led to an indictment and a guilty plea in federal court. In addition, SIGPR's experience in combatting fraud through a staff that includes current and former federal prosecutors resulted in our office providing assistance on another indictment for fraud relating to the Main Street Lending Program. Furthermore, the Office of Investigations increased its caseload by about 400 percent over nine months last fiscal year and is actively working 27 open cases. SIGPR's proactive initiatives accounted for more than 80 percent of its casework. We have served numerous subpoenas and have executed search and seizure warrants to gather evidence.

The Office of Audits has completed its survey of the Main Street Lending Program's lender banks and borrowers and expanded an audit of the Direct Loan Program.

The COVID-19 pandemic is not over, and Congress's unprecedented investment in the American economy has been prey to unprecedented levels of crime and fraud. We are grateful for the bipartisan support to fund SIGPR in the anticipated omnibus budget bill, or should that not pass, through an

anomaly under a continuing resolution. Without such funding, for the first time in history, an inspector general office will close prematurely for want of funding.

The CARES Act promised American taxpayers something better. In just two years, SIGPR has proven to be a force-multiplier. We have partnered with law enforcement agencies and offices of inspectors general in critical audits and investigations. And our work has already resulted in criminal charges and recovered funds.

I appeal to all members of Congress to stand up for oversight and fund SIGPR.

Respectfully,



Brian D. Miller
Special Inspector General for Pandemic Recovery
January 31, 2022

HIGHLIGHTS

THIS QUARTER SIGPR:

- Completed a survey of the Main Street Lending Program.
- Expanded an audit of the Direct Loan Program.
- Launched a separate audit of Treasury’s monitoring of the Direct Loan Program.
- Managed 23 full investigations and 4 preliminary inquiries.
- Received and vetted 202 hotline complaints, referring 100 to other agencies.
- Completed an investigation that resulted in an indictment alleging bank fraud and false statements in connection with applications for CARES Act funding.¹
- Continued an investigation that, on January 20, 2022, ultimately resulted in a guilty plea for bank fraud and money laundering related to a loan obtained through the Main Street Lending Program.² Because the plea occurred after the reporting period, it will appear in the investigative activities for SIGPR’s next quarterly report. That report will also discuss the case in more detail.

¹ See U.S. Attorney’s Office for D. Md., *Baltimore Woman Facing Federal Indictment for Allegedly Obtaining More Than \$1.6 Million in Federal Funds Intended to Relieve Financial Distress Caused by the Covid-19 Pandemic* (Dec. 15, 2021), <https://www.justice.gov/usao-md/pr/baltimore-woman-facing-federal-indictment-allegedly-obtaining-more-16-million-federal>.

² See U.S. Attorney’s Office for W.D. Okla., *Edmond Woman Pleads Guilty to Cares Act Main Street Lending Program Fraud* (Jan. 20, 2022), <https://www.justice.gov/usao-wdok/pr/edmond-woman-pleads-guilty-cares-act-main-street-lending-program-fraud>.

PROFILE

ABOUT

SIGPR is an independent organization within Treasury whose mission is to promote the economy, efficiency, effectiveness, and integrity of CARES Act funds and programs. SIGPR was established by section 4018 of the CARES Act with duties, responsibilities, and authority under the Inspector General Act of 1978.

STAFFING AND BUDGET

In mid-Fiscal Year 2020, SIGPR received an initial appropriation of \$25 million to establish its framework and to commence operations. In Fiscal Year 2021, SIGPR requested \$25 million. SIGPR's Fiscal Year 2021 budget request was not supported, and SIGPR did not receive additional funding. SIGPR's Fiscal Year 2022 budget request for \$25 million was included in the President's budget. Unfortunately, it was not included in the House Appropriations bill, although the Senate Appropriations bill did include \$10 million for SIGPR. Progress halted when Congress passed a continuing resolution, which continues funding at current levels. A continuing resolution does not help SIGPR because, as noted, SIGPR was left out of the Fiscal Year 2021 budget. At this point, SIGPR has slightly less than one third of the original \$25 million remaining.

Faced with the challenge of continuing its congressionally mandated and critical mission on a reduced budget, SIGPR cut projected staffing levels by 20 full-time employees. Plans to staff up to the optimal level of 76 positions are on hold due to SIGPR's severe financial constraints. In addition to the hiring freeze, SIGPR has ceased entering any new contracts. SIGPR's inability to enter new contracts seriously impedes its ability to conduct operations and accomplish its mission. Most recently, SIGPR has had to delay acquiring a much-needed investigative analytics tool that is critical to supporting the Office of Investigations and Office of General Counsel.

Since SIGPR's Fiscal Year 2021 budget request was not supported, during Fiscal Year 2021 SIGPR designed a careful strategy to ensure that its initial \$25 million appropriation would support operations until Fiscal Year 2022. Many cost-reduction measures followed. For example: SIGPR acquired free office furniture from GSA's local warehouse instead of new furniture; SIGPR purchased minimal quantities of office supplies; having scrapped the planned acquisition of the investigative analytics tool, SIGPR instead considered licensing and using the existing Treasury

data analytics system; and, SIGPR has asked staff to do more with less. Additionally, because SIGPR's projected staffing level dropped from 76 to a new cap of 56 positions, SIGPR successfully negotiated an approximate reduction of 30 percent from its initial \$1 million cost allocation from the Administrative Resource Center of the Bureau of the Fiscal Service. Unfortunately, similar attempts to proportionately reduce the \$1.8 million cost allocation from Treasury Shared Services have been unsuccessful. Even with these creative, expeditious, and austere actions, it is not possible for SIGPR to stretch its remaining budget allocation through the remainder of Fiscal Year 2022 to bridge the gap until a Fiscal Year 2023 appropriation is received.

With a lean monthly spend rate of \$1.3 million, SIGPR anticipates that its funds will be exhausted by early July 2022, only two years into Congress's mandated five-year program.

This means that absent any supplemental funding, SIGPR will be forced to initiate program phasedown actions to avoid non-compliance with the Antideficiency Act, resulting in the cessation of SIGPR's operations.

The unfortunate timing of the continuing resolution creates a challenge for SIGPR, but we are meeting the challenge and working with Treasury, the Office of Management and Budget, and key members of Congress to get SIGPR fully funded. SIGPR remains confident that Congress will provide more funding for SIGPR so that it can accomplish its mission.

Through the end of the quarter, SIGPR had 52 full-time employees on board.³

³ The quarter ended on December 31, 2021. SIGPR now has 52 full-time employees.

CONTENTS

SIGPR OVERSIGHT

Audits	2
Investigations	5

FINDINGS AND DEVELOPMENTS

Direct Loans and Other Investments	11
Other Developments	18

APPENDICES

Appendix A	21
Appendix B	25



SECTION 1

SIGPR OVERSIGHT

SIGPR employs proactive efforts to prevent, detect, and investigate fraud, waste, and abuse involving CARES Act funds and programs within SIGPR's jurisdiction.

Below is a summary of SIGPR's activities during the reporting period:

- The Office of Audits completed its survey of the Main Street Lending Program's lender banks and borrowers. The office also expanded its work on the Direct Loan Program by initiating attestation reviews of recipients' application submissions and creating a new audit to review Treasury's monitoring of borrowers' compliance with program requirements.
- The Office of Investigations vetted 202 hotline complaints. It also initiated 2 new preliminary and full investigations, bringing the total number of open investigative matters to 27. In addition, the office secured a criminal indictment through its participation in the Pandemic Response Accountability Committee (PRAC) Fraud Task Force.

Audits

The Office of Audits conducts audits and evaluations of loans, loan guarantees, and other investments made by Treasury under programs within SIGPR's jurisdiction.⁴

Engagements

During this quarter, the Office of Audits has worked on the following projects:

Survey of the Main Street Lending Program. SIGPR completed its survey of the Main Street Lending Program's lender banks and borrowers. The Main Street Lending Program was established pursuant to section 13(3) of the Federal Reserve Act by the Federal Reserve, with approval of the Secretary of the Treasury to support lending to small and mid-sized businesses and non-profit organizations. The Federal Reserve Bank of Boston operates the program. To implement it, the Federal Reserve Bank of Boston established a Special Purpose Vehicle (SPV) to purchase participations in loans originated by eligible lenders. The SPV consists of the Federal Reserve Bank of Boston as the Managing Member and Treasury as the Preferred Equity Member, as

⁴ See CARES Act § 4018(c)(1).

Treasury originally made a \$37.5 billion equity investment in the SPV using funds appropriated by the CARES Act.⁵ Banks that participated in the Main Street Lending Program and issued loans under the program retained a 5 percent stake in the loans, while the SPV purchased 95 percent.

SIGPR's survey team distributed surveys to all program participants and received responses from 58 lender banks and 627 borrowers. The survey asked lenders and borrowers about their opinions on the program and questions about the application process. SIGPR published the results of the survey on January 27, 2022.

Overall, the survey results demonstrated that feedback on the program was positive. Both lenders and borrowers responded that the program enabled businesses to continue operating during the pandemic and that the program met their expectations. In addition, nearly all surveyed lenders and borrowers responded that they would be willing to participate in a similar program in the future. However, the responses did contain some critiques of the program. Although most lenders and borrowers described the loan application process as "acceptable" or better, some borrowers and lenders indicated that they thought the process was complex and that loan eligibility requirements made it difficult to qualify for a loan. In addition, some borrowers commented that it was difficult to find banks that were willing to participate in the program.

Audit of the Direct Loan Program. The Office of Audits continued its review of the Direct Loan Program. This program was established under the CARES Act and authorized Treasury to provide loans, loan guarantees, and other investments to passenger air carriers and related businesses, cargo air carriers, and businesses critical to maintaining national security.

SIGPR continues to partner with the Department of Defense Office of Inspector General in its audit of national security designations for businesses.

⁵ On May 29, 2020, Treasury committed to an initial equity investment of \$37.5 billion into the SPV. See Am. & Restated Ltd. Liab. Co. Agreement of MS Facilities LLC ¶ 12 (May 29, 2020), <https://www.bostonfed.org/supervision-and-regulation/credit/special-facilities/main-street-lending-program/facility-agreements.aspx>. On November 19, 2020, the Secretary of the Treasury requested the return of Treasury's excess capital in the SPV. See Letter from Steven Mnuchin, Secretary of the Treasury, to Jerome H. Powell, Chair of the Board of Governors of the Federal Reserve System (Nov. 19, 2020), <https://home.treasury.gov/system/files/136/letter11192020.pdf>. On January 8, 2021, the Federal Reserve Bank of Boston caused the SPV to return the unused funds in the amount of \$20.9 billion, leaving a remainder of \$16.6 billion of equity investment as of January 31, 2021. See Letter from Senior Vice President and Chief Financial Officer, Federal Reserve Bank of Boston, to Principal Deputy Assistant Secretary of the Treasury, Financial Markets, and Principal Deputy Assistant Secretary of the Treasury, International Monetary Policy (Jan. 11, 2021), https://www.bostonfed.org/-/media/Documents/special-lending-facilities/mslp/legal/2021_01_11_Letter_to_UST.pdf.

This joint effort evaluates how the Department of Defense determined that businesses were critical to maintaining national security for loans under section 4003(b)(3) of the CARES Act.

The Office of Audits is also initiating a new set of attestation reviews of each loan recipient's application submission. This effort will help SIGPR determine whether Treasury acquired all required documents from each applicant prior to approving the applicant for funding from the Direct Loan Program.

Audit of Treasury's Monitoring of the Direct Loan Program. SIGPR's audit of the Direct Loan Program originally included plans to audit Treasury's monitoring of borrowers' compliance with the program. During this quarter, to convey timely results to Treasury, the Office of Audits detached the monitoring portion from the broader review and administered the monitoring portion as a distinct audit. Treasury provided SIGPR with access to, and a walkthrough of, Salesforce, its main system for monitoring borrowers' compliance. SIGPR held an entrance conference with Treasury on December 1, 2021.

Data Analysis

The Office of Audits Data Analytics Division continues to play an integral role in SIGPR's mission and success. The division handles all issues at SIGPR involving data and analysis. SIGPR's data analytic platform uses sophisticated software and tools that process large quantities of data and analyze them to detect potential program fraud and misuse. These tools are valuable not only for SIGPR's audit work, but also for other proactive initiatives. The division has developed a data library containing over 72 million rows of CARES Act funding information, drawn from both public and sensitive sources, and updates the library at least quarterly to maintain accurate and relevant information. In all, the Data Analytics Division:

- proactively creates complex risk assessment metrics by identifying, cleansing, normalizing, and joining relevant data tables;
- maintains a growing library of data tables to support the detection of anomalies;
- creates interactive dashboards and visualizations to assist users in better understanding and prioritizing program areas for audits, investigations, and evaluations;
- shares analytic methodologies and processes with various external government agencies, including the Department of Homeland

Security, Department of Defense, U.S. Agency for International Development Office of Inspector General, Pandemic Response Accountability Committee, Department of Health and Human Services, Amtrak, National Aeronautics and Space Administration, Department of Education, Small Business Administration Office of Inspector General, General Services Administration Office of Inspector General, and others; and

- collaborates with various inter-governmental agencies, committees, and third-party vendors to stay informed about emerging analytic technologies, techniques, tools, and methodologies.

Investigative Support

The Office of Audits provides forensic auditing services, including financial records analysis, in support of investigations conducted by the Office of Investigations. The Office of Audits is examining several requests for investigative support that it received during the reporting period.

Investigations

The Office of Investigations conducts criminal and civil investigations regarding allegations of fraud, waste, abuse, or misconduct involving CARES Act funds and programs within SIGPR's jurisdiction. In addition, the office manages SIGPR's hotline, which serves as a primary avenue for members of the public to report fraud, waste, abuse, or misconduct.

Investigative Activities

The Office of Investigations routinely collaborates with the rest of the SIGPR team, including auditors, analysts, and attorneys, to vet complaints, develop proactive initiatives, and pursue investigations. The office continued to expand these efforts throughout the first quarter of the fiscal year.

In addition, SIGPR conducts investigations in partnership with various U.S. Attorneys' Offices, the U.S. Department of Justice (DOJ), the PRAC Fraud Task Force, and other federal law enforcement partners.

During this reporting period, the office continued its investigative and proactive efforts to uncover and vigorously pursue fraud and wrongdoing related to CARES Act funding under Title IV, Subtitle A. The following table highlights SIGPR's investigative activities for the period.

SIGPR Investigative Activity – October 1, 2021 through December 31, 2021

Hotline Complaints	
Hotline Complaints Received	202
Referrals to Other Agencies	100
Preliminary Inquiries	
Opened	1
Closed	1
Converted to Full Investigation	8
Ongoing	4
Investigations	
Opened	9
Closed	1
Ongoing*	23
Criminal Actions †	
Referrals to the Department of Justice	3
Referrals to State/Local Prosecuting Authorities	0
Indictments/Informations**	1
Arrests	1
Convictions/Pleas	0
Sentencings	0
Civil Actions	
Referrals to the Department of Justice	2
Civil Judgments/Settlements	0

Note: Investigative data maintained via SIGPR's electronic case management system.

* Includes all SIGPR program-related cases, including PRAC Fraud Task Force investigations and joint investigations with other agencies.

† Actions reported include those resulting from PRAC Fraud Task Force investigations and joint investigations with other agencies.

** The total number includes all charging documents resulting from any prior referrals to prosecutorial authorities.

Pandemic Response Accountability Committee (PRAC) Fraud Task Force

In January 2021, the PRAC established a Fraud Task Force to serve as a resource for the Inspector General (IG) community by surging investigative resources into the areas of greatest need. Currently, the area of greatest need is pandemic loan fraud. Agents from Offices of Inspectors General across the government are detailed to work on Task Force cases. These agents have partnered with prosecutors at DOJ's Fraud Section and at U.S. Attorneys' Offices across the country.

The PRAC extended its authority to investigate pandemic-related fraud to SIGPR through a Memorandum of Understanding. Currently, SIGPR has four agents assigned to the PRAC Fraud Task Force on a part-time basis. These agents are assigned Paycheck Protection Program (PPP) cases while continuing to work their SIGPR investigative caseload. This initiative allows SIGPR to make a broader contribution to the IG community by assisting with a range of critical investigations that might otherwise remain unstaffed.

The following case summary highlights our investigative work in support of the PRAC Fraud Task Force during this reporting period.



MARYLAND WOMAN INDICTED FOR ALLEGEDLY OBTAINING MORE THAN \$1.6 MILLION IN FEDERAL COVID-19 PANDEMIC RELIEF FUNDS

In December 2021, a Baltimore, Maryland woman was indicted by a federal grand jury and charged with providing false statements and bank fraud in connection with fraudulent applications for Economic Injury Disaster Loans (EIDL) and PPP loans, totaling more than \$1.6 million. SIGPR and Federal Bureau of Investigation special agents determined that in April 2020, the woman allegedly filed fraudulent applications on behalf of her businesses through the EIDL and PPP programs. The programs were intended to provide emergency financial assistance to American businesses suffering from the economic effects caused by the COVID-19 pandemic. According to the indictment, the woman used the CARES Act funds for personal expenses such as plastic surgery, home renovations for both herself and relatives, rent and utilities for personal residences, as well as other family expenses. In addition, she filed six PPP Second Draw Borrower applications, and again allegedly included false statements and misrepresentations as to her businesses and number of employees. She also allegedly asserted that the initial PPP loan was used to pay allowable expenses, and she included fraudulent documentation, such as IRS forms that had never been filed with the IRS.

SIGPR Hotline Activity

The SIGPR hotline accepts reports of potential fraud, waste, abuse, and mismanagement related to CARES Act funding, programs, and personnel. The hotline also accepts whistleblower complaints from federal employees, former federal employees, employment applicants, employees of contractors, subcontractors, grantees and subgrantees, and personal service contractors,

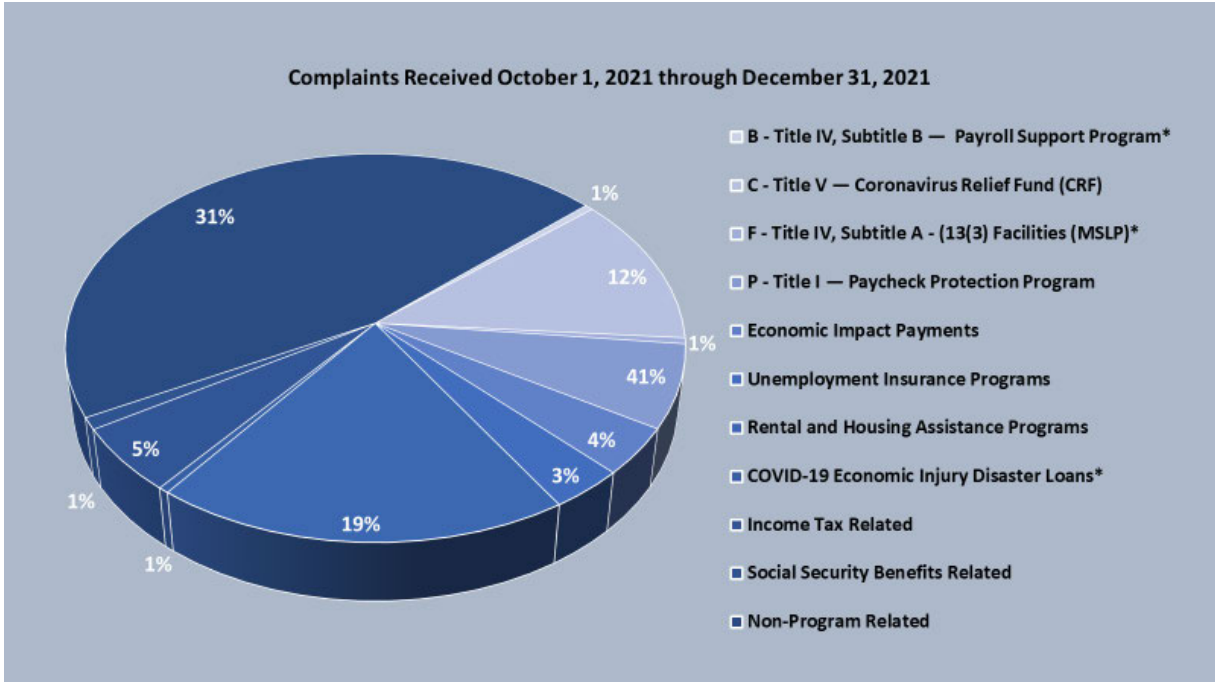
all of whom wish to report fraud, waste, abuse, mismanagement, or reprisal actions under the jurisdiction of SIGPR.

During this reporting period, SIGPR received 202 hotline complaints, as indicated in the table below.

**Complaints by Category
Received October 1, 2021 – December 31, 2021**

Category	Total
Title I – Paycheck Protection Program	14
Title IV, Subtitle A – 13(3) Facilities (MSLP)	1
Title IV, Subtitle B – Payroll Support Program	1
Title V – Coronavirus Relief Fund	25
Other	
COVID-19 Economic Injury Disaster Loans	1
Economic Impact Payments	8
Income Tax Related	1
Non-Program Related	93
Rental and Housing Assistance Programs	39
Social Security Benefits Related	2
Unemployment Insurance Programs	7
Grand Total	202

Almost one third of the complaints received were determined to be non-program-related, as indicated in the chart below.





SECTION 2

FINDINGS AND
DEVELOPMENTS

The CARES Act requires SIGPR to regularly report “a detailed statement of all loans, loan guarantees, other transactions, obligations, expenditures, and revenues associated with any program established by the Secretary under section 4003, as well as the information collected under subsection (c)(1).”⁶

Accordingly, below are the categories of loans and other investments made by Treasury under CARES Act section 4003,⁷ including, where applicable and known, a list of the loans and investments made under each category and the eligible businesses to which loans were made.

Direct Loans and Other Investments

Introduction

CARES Act section 4003(a) authorized the Secretary “to make loans, loan guarantees, and other investments in support of eligible businesses, States, and municipalities that do not, in the aggregate, exceed \$500,000,000,000.” The CARES Act further divided these loans and investments into four categories. The first three, described in sections 4003(b)(1)–(3), cover loans and loan guarantees to passenger air carriers and related businesses (\$25 billion), cargo air carriers (\$4 billion), and businesses critical to maintaining national security (\$17 billion).⁸ The fourth category, described in section 4003(b)(4), authorized the Secretary to invest in various liquidity programs established by the Federal Reserve under section 13(3) of the Federal Reserve Act (\$454 billion).

The Consolidated Appropriations Act, 2021, amended the CARES Act to rescind unobligated balances of funds (\$429 billion) in these programs.⁹ It also specified that after December 31, 2020, the Federal Reserve “shall not make any loan, purchase any obligation, asset, security, or other interest, or make any extension of credit” through the liquidity programs or facilities in which Treasury had invested CARES Act funds, except for facilities in the

⁶ CARES Act § 4018(f)(1)(B).

⁷ Treasury did not establish a program for “loan guarantees” under CARES Act section 4003.

⁸ Treasury has posted on its website the contracts it has entered in connection with the administration of loans under section 4003(b)(1), (2), and (3). See U.S. Dep’t Treasury, *Other Programs*, <https://home.treasury.gov/data/other-programs> (last visited Jan. 28, 2022).

⁹ See Consolidated Appropriations Act, 2021, Pub. L. 116-260, div. N §§ 1003, 1005.

Main Street Lending Program, that were authorized to purchase loans until January 8, 2021, for applications submitted by December 14, 2020.¹⁰

The following table contains an overview of the relevant categories and amounts of Treasury’s obligations remaining under CARES Act section 4003(b)(1)–(4) through December 31, 2021:

Funding Program	Outstanding Amount as of December 31, 2021
Direct Loans to Passenger Air Carriers and Related Businesses	\$402,890,105
Direct Loans to Cargo Air Carriers	\$2,325,225
Direct Loans to Businesses Critical to Maintaining National Security	\$747,160,070
Funding Program	Treasury Investment Remaining as of December 31, 2021
Main Street Lending Program (MS Facilities, LLC)	\$15,690,731,466
Term Asset-Backed Securities Loan Facility (TALF II, LLC)	\$1,400,000,000 (plus interest)
Primary and Secondary Market Corporate Credit Facility (Corporate Credit Facilities, LLC)	\$0
Municipal Liquidity Facility (Municipal Liquidity Facility, LLC)	\$420,000,000 (plus interest)

Direct Loans

On March 30, 2020, Treasury first announced guidelines for businesses interested in applying for loans under CARES Act section 4003(b)(1)–(3).¹¹ Those guidelines incorporated several mandatory loan terms and conditions, with many designed to protect American taxpayers. A summary of these terms and conditions can be accessed in SIGPR’s previous quarterly reports.

¹⁰ *Id.* § 1005.

¹¹ U.S. Dep’t Treasury, *Procedures and Minimum Requirements for Loans to Air Carriers and Eligible Businesses and National Security Businesses under Division A, Title IV, Subtitle A of the Coronavirus Aid, Relief, and Economic Security Act* (Mar. 30, 2020), [https://home.treasury.gov/system/files/136/Procedures and Minimum Requirements for Loans.pdf](https://home.treasury.gov/system/files/136/Procedures_and_Minimum_Requirements_for_Loans.pdf).

Air Carrier Loan Program

CARES Act section 4003(b)(1)–(2) allocated \$25 billion for loans and loan guarantees to passenger air carriers, aviation-maintenance facilities certified under 14 C.F.R. Part 145, and air-transportation ticket agents, as well as \$4 billion for cargo air carriers.

The following table summarizes the section 4003(b)(1)–(2) loans current through this quarter.¹² Of note, Alaska Airlines Inc., American Airlines Inc., Hawaiian Airlines Inc., Ovation Travel Group Inc., SkyWest Airlines Inc., Sun Country Inc., and United Airlines Inc. paid in full all outstanding principal and interest.

Recipient	Loan Date	Maturity Date	Total Loan Amount	Disbursements ¹³	Total Outstanding Loan Amount ¹⁴	Cash Interest Receipts
Aero Hydraulics, Inc.	10/26/2020	10/24/2025	\$450,000	\$450,000	\$497,103	\$0
Alaska Airlines, Inc.	9/28/2020 (amended 10/30/2020 and 1/15/2021)	9/26/2025	\$1,928,000,000	\$135,000,000	\$0	\$2,538,900
Allflight Corporation	11/5/2020	11/5/2025	\$4,721,260	\$4,721,260	\$4,721,260	\$341,741
American Airlines, Inc.	9/26/2020 (amended 10/21/2020 and 1/15/2021)	6/30/2025	\$7,500,000,000	\$550,000,000	\$0	\$10,257,500

¹² See U.S. Dep’t Treasury, *Report Under Section 4026(b)(1)(C) of the CARES Act on Loans to Air Carriers, Eligible Businesses, and National Security Businesses* (Jan. 1, 2022), <https://home.treasury.gov/system/files/136/4026b1CLoanReport01012022.pdf>; see also U.S. Dep’t Treasury, *Loans to Air Carriers, Eligible Businesses, and National Security Businesses*, <https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/loans-to-air-carriers-eligible-businesses-and-national-security-businesses> (last updated Jan. 21, 2021).

¹³ “Disbursements’ includes all loan disbursements.” See U.S. Dep’t Treasury, *Report Under Section 4026(b)(1)(C) of the CARES Act on Loans to Air Carriers, Eligible Businesses, and National Security Businesses* (Jan. 1, 2022), <https://home.treasury.gov/system/files/136/4026b1CLoanReport01012022.pdf>.

¹⁴ “Total Outstanding Loan Amount’ includes all loan disbursements and increases of loan principal amount arising from payment-in-kind (PIK) interest, less any repayments of principal.” *Id.*

FINDINGS AND DEVELOPMENTS

Recipient	Loan Date	Maturity Date	Total Loan Amount	Disbursements ¹³	Total Outstanding Loan Amount ¹⁴	Cash Interest Receipts
American Jet International Corp	11/5/2020	11/5/2025	\$1,162,124	\$1,162,124	\$1,181,571	\$65,328
Aviation Management & Repairs, Inc.	11/5/2020	11/5/2025	\$4,026,705	\$4,026,705	\$4,224,071	\$0
Bristin Travel, LLC	10/26/2020	10/24/2025	\$549,651	\$549,651	\$583,391	\$9,320
Caribbean Sun Airlines, Inc.	11/5/2020 (amended 12/7/2020)	11/5/2025	\$6,768,749	\$6,768,749	\$7,248,321	\$0
Eastern Airlines, LLC	10/28/2020	10/28/2025	\$15,000,000	\$15,000,000	\$16,182,485	\$0
Elite Airways, LLC	11/9/2020 (amended 12/1/2020)	11/7/2025	\$2,630,274	\$2,630,274	\$2,819,786	\$0
Frontier Airlines, Inc.	9/28/2020 (amended 1/15/2021)	9/26/2025	\$574,000,000	\$150,000,000	\$150,000,000	\$4,997,417
Hawaiian Airlines, Inc.	9/25/2020 (amended 10/23/2020 and 1/15/2021)	6/28/2024	\$622,000,000	\$45,000,000	\$0	\$450,450
Island Wings, Inc.	11/5/2020	11/5/2025	\$294,350	\$294,350	\$316,264	\$0
JetBlue Airways Corporation	9/29/2020 (amended 11/3/2020 and 1/15/2021)	11/29/2025	\$1,948,000,000	\$115,000,000	\$0	\$3,330,113
Legacy Airways, LLC	10/20/2020	10/25/2025	\$1,817,306	\$1,817,306	\$2,008,961	\$0
Mesa Airlines, Inc.	10/30/2020	10/30/2025	\$195,000,000	\$195,000,000	\$203,068,632	\$0
Ovation Travel Group, Inc.	10/15/2020	10/15/2025	\$20,000,000	\$20,000,000	\$0	\$181,881

Recipient	Loan Date	Maturity Date	Total Loan Amount	Disbursements ¹³	Total Outstanding Loan Amount ¹⁴	Cash Interest Receipts
Republic Airways, Inc.	11/6/2020	11/6/2025	\$58,000,000	\$58,000,000	\$0	\$1,622,308
SkyWest Airlines, Inc.	9/29/2020 (amended 10/28/2020 and 1/15/2021)	9/29/2025	\$725,000,000	\$60,000,000	\$0	\$1,196,767
Southern Airways Express, LLC	10/28/2020	10/28/2025	\$1,838,501	\$1,838,501	\$1,838,501	\$140,614
Sun Country, Inc.	10/26/2020	10/24/2025	\$45,000,000	\$45,000,000	\$0	\$77,125
Thomas Global Systems, LLC	11/9/2020	11/7/2025	\$1,400,000	\$1,400,000	\$1,505,068	\$0
Timco Engine Center, Inc.	11/5/2020	11/5/2025	\$8,390,240	\$8,390,240	\$9,019,916	\$0
United Airlines, Inc.	9/28/2020 (amended 11/6/2020, 12/8/2020, and 1/15/2021)	9/26/2025	\$7,491,000,000	\$520,000,000	\$0	\$9,517,733

Businesses Critical to Maintaining National Security

CARES Act section 4003(b)(3) allocated \$17 billion for loans and loan guarantees to “businesses critical to maintaining national security.” The following table summarizes the section 4003(b)(3) loans current through this quarter.¹⁵

¹⁵ See U.S. Dep’t Treasury, *Report Under Section 4026(b)(1)(C) of the CARES Act on Loans to Air Carriers, Eligible Businesses, and National Security Businesses* (Jan. 1, 2022), <https://home.treasury.gov/system/files/136/4026b1CLoanReport01012022.pdf>; see also U.S. Dep’t Treasury, *Loans to Air Carriers, Eligible Businesses, and National Security Businesses*, <https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/loans-to-air-carriers-eligible-businesses-and-national-security-businesses> (last updated Jan. 21, 2021).

Recipient	Loan Date	Maturity Date	Total Loan Amount	Disbursements ¹⁶	Total Outstanding Loan Amount ¹⁷	Cash Interest Receipts
Channel Logistics, LLC	11/12/2020	11/12/2025	\$2,500,000	\$2,500,000	\$2,541,835	\$142,372
Core Avionics & Industrial, Inc.	11/5/2020	11/5/2025	\$6,000,000	\$6,000,000	\$5,567,930	\$188,933
Map Large, Inc.	11/2/2020	10/31/2025	\$10,000,000	\$10,000,000	\$11,020,815	\$0
Meridian Rapid Defense Group, LLC	10/30/2020	10/30/2025	\$7,100,000	\$7,100,000	\$7,744,211	\$79,019
Ovio Technologies, Inc.	11/2/2020	10/31/2025	\$1,186,900	\$1,186,900	\$1,308,060	\$0
Semahtronix, LLC	11/13/2020	11/13/2025	\$1,999,100	\$1,999,100	\$0	\$777
Semantic AI, Inc.	11/13/2020	11/13/2025	\$506,300	\$506,300	\$544,596	\$0
SpinLaunch, Inc.	11/13/2020	11/13/2025	\$2,519,200	\$2,519,200	\$2,519,200	\$182,800
Visual Semantics, Inc.	10/30/2020	10/30/2025	\$1,053,200	\$1,053,200	\$1,148,761	\$11,722
Wiser Imagery Services, LLC	10/30/2020	10/30/2025	\$3,069,700	\$3,069,700	\$3,385,490	\$0
Yellow Corporation ¹⁸	7/8/2020	9/30/2024	\$700,000,000	\$700,000,000	\$711,379,172	\$19,323,222

Other Investments

CARES Act section 4003(b)(4) allocated at least \$454 billion for “loans and loan guarantees to, and other investments in, programs or facilities established by the Board of Governors of the Federal Reserve System for the purpose of providing liquidity to the financial system that supports lending to eligible businesses, States, or municipalities” by “purchasing obligations or

¹⁶ “Disbursements’ includes all loan disbursements.” See U.S. Dep’t Treasury, *Report Under Section 4026(b)(1)(C) of the CARES Act on Loans to Air Carriers, Eligible Businesses, and National Security Businesses* (Jan. 1, 2022), <https://home.treasury.gov/system/files/136/4026b1CLoanReport01012022.pdf>.

¹⁷ “Total Outstanding Loan Amount’ includes all loan disbursements and increases of loan principal amount arising from payment-in-kind (PIK) interest, less any repayments of principal.” *Id.*

¹⁸ YRC Worldwide changed its name to Yellow Corporation. *Id.*

other interests” directly from the issuer or through secondary markets, and “making loans, including loans or other advances secured by collateral.”¹⁹

The Federal Reserve established several liquidity programs (Facilities) pursuant to section 13(3) of the Federal Reserve Act.²⁰ That provision, used extensively during the 2008 financial crisis and amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act,²¹ allows the Federal Reserve to lend money in “unusual and exigent circumstances” to participants in “any program or facility with broad-based eligibility” who are “unable to secure adequate credit accommodations from other banking institutions.”²² The Federal Reserve Board was required to consult with the Secretary of the Treasury prior to the Board’s 2015 issuance of regulations governing emergency lending under the statute.²³ The Federal Reserve may not establish any emergency lending program under section 13(3) without prior approval of the Secretary of the Treasury.²⁴

Of note, as of December 31, 2021, MS Facilities, LLC – an SPV jointly formed by Treasury and the Federal Reserve Bank of Boston to operate the Main Street Lending Program – has recognized approximately \$17 million in actual loan losses.²⁵ In addition, an evaluation of loan participations purchased by the MS Facilities, LLC resulted in a reported loan loss allowance in the amount of \$2.3 billion.²⁶ The allowance for loan losses is estimated based upon MS Facilities, LLC’s holdings as of September 30, 2021.²⁷

¹⁹ CARES Act § 4003(b)(4)(A)–(C).

²⁰ See 12 U.S.C. § 343(3).

²¹ Pub. L. 111-203, 124 Stat. 1375.

²² 12 U.S.C. § 343(3)(A); see also 12 C.F.R. § 201.4(d).

²³ 12 U.S.C. § 343(3)(B)(i).

²⁴ 12 U.S.C. § 343(3)(B)(iv).

²⁵ See Bd. of Governors of the Fed. Reserve Sys., *Periodic Report: Update on Outstanding Lending Facilities Authorized by the Board under Section 13(3) of the Federal Reserve Act* (Jan. 10, 2022), <https://www.federalreserve.gov/publications/files/13-3-report-20220111.pdf>.

²⁶ See *id.*

²⁷ See *id.*

The following table summarizes the total amount of remaining CARES Act funds that Treasury invested in MS Facilities, LLC and each other SPV as of December 31, 2021.²⁸

Recipient	Treasury Investment Remaining as of December 31, 2021
MS Facilities, LLC	\$15,690,731,466
TALF II, LLC	\$1,400,000,000 (plus interest)
Corporate Credit Facilities, LLC	\$0
Municipal Liquidity Facility, LLC	\$4,200,000,000 (plus interest)

These facilities have stopped extending loans or purchasing obligations. Transaction-specific details for the facilities are available on the Federal Reserve's website.²⁹ The Federal Reserve has indicated that because the Main Street Lending Program ceased purchasing participations on January 8, 2021, it will not provide additional transaction-specific disclosures about the Main Street Lending Program on a periodic basis going forward.

Other Developments

Over the past quarter, SIGPR continued to work with Treasury and Congress on the budget and appropriations issues discussed above in the Staffing and Budget section. SIGPR also responded to a Congressional inquiry from Senator Hawley concerning the airline industry,³⁰ and SIGPR's response to that inquiry may be found in Appendix A. Finally, SIGPR worked with members of the Senate Homeland Security and Governmental Affairs Committee (HSGAC) as they thoughtfully considered proposed legislation respecting SIGPR's jurisdiction, which may be found in Appendix B.

²⁸ See *id.*

²⁹ See Bd. of Governors of the Fed. Reserve Sys., *Reports to Congress Pursuant to Section 13(3) of the Federal Reserve Act in response to COVID-19*, <https://www.federalreserve.gov/publications/reports-to-congress-in-response-to-covid-19.htm> (last updated Jan. 11, 2022).

³⁰ U.S. Senator Josh Hawley, *Senator Hawley Demands Answers on Airlines' use of Pandemic Funds, Widespread Layoffs from Biden Vaccine Mandate* (Oct. 18, 2021), <https://www.hawley.senate.gov/senator-hawley-demands-answers-airlines-use-pandemic-funds-widespread-layoffs-biden-vaccine-mandate>.

SIGPR is grateful to all the members of Congress, Congressional staff, Treasury officials, and others who devoted time and attention to SIGPR over the past quarter. We are hopeful that with their support, SIGPR will secure the funding it needs to continue beyond July and aggressively pursue its mission to protect the taxpayers' hard-earned money and ensure that federal relief benefits those it is designed to help.



SECTION 3

APPENDICES

Appendix A



Office of the Special Inspector General for Pandemic Recovery

November 15, 2021

The Honorable Josh Hawley
 United States Senate
 115 Russell Senate Office Building
 Washington, DC 20510

Dear Senator Hawley:

I am responding to your October 18 letter expressing your concerns about widespread layoffs in the airline industry related to federal COVID-19 vaccine mandates, and whether such layoffs are inconsistent with commitments made by companies as a condition of receiving funding under sections 4003 and 4111 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.¹

An opinion by the U.S. Department of Justice, Office of Legal Counsel (OLC), in April 2021,² removed jurisdiction from my office, the Special Inspector General for Pandemic Recovery (SIGPR), over section 4111 of the CARES Act (the Payroll Support Program). Therefore, this letter is confined to commitments under section 4003 of the CARES Act. This section required borrowers of loans, including air carriers, to agree to maintain employment levels as of March 24, 2020, to the extent practicable and, in any case, not reduce their employment levels by more than ten percent from the levels on such date, until September 30, 2020.³ The Food and Drug Administration approved the first emergency use authorization of a COVID-19 vaccine on December 11, 2020.⁴ Accordingly, any layoffs of employees who declined to submit themselves to any vaccine mandate would have occurred after the section 4003 reduction prohibition had already expired.

The CARES Act contains other provisions applicable to air carriers, as well. For example, under the statute, borrowers agreed to certain restrictions on employee compensation;⁵ agreed not to repurchase stock, except to the extent required under a contractual obligation in effect as of March 27, 2020;⁶ and agreed not to pay dividends or make other capital distributions with

¹ Coronavirus Aid, Relief, and Economic Security (CARES) Act, Pub. L. No. 116-136, 134 Stat. 281 (2020).

² Auth. of the Special Inspector Gen. for Pandemic Recovery to Oversee Programs Established Under the CARES Act, 45 Op. O.L.C.—, 2021 WL 1822053 (Apr. 29, 2021).

³ CARES Act § 4003(c)(2)(G).

⁴ U.S. Food & Drug Admin., *FDA Takes Key Action in Fight Against COVID-19 By Issuing Emergency Use Authorization for First COVID-19 Vaccine* (Dec. 11, 2020), <https://www.fda.gov/news-events/press-announcements/fda-takes-key-action-fight-against-covid-19-issuing-emergency-use-authorization-first-covid-19>.

⁵ CARES Act § 4004.

⁶ CARES Act § 4003(c)(2)(E).

respect to the borrower's common stock until 12 months after the loan has been repaid.⁷ We are currently performing audit work of Treasury's efforts in monitoring these loans for compliance with the CARES Act and loan agreement requirements. Our audit work includes loans made to both the airline industry and national security businesses under section 4003 of the CARES Act. We will continue our work in this area and keep you informed of any developments.

We appreciate your interest in our ability to carry out our oversight mission. Respectfully, we do not have jurisdiction to analyze the actions of airlines that fall outside the jurisdictional authority provided to SIGPR under the CARES Act.

As interpreted by the OLC, our jurisdiction is limited to title IV, subtitle A, of the CARES Act.⁸ Although we do not believe that when Congress established SIGPR, it intended our jurisdiction to be so limited, as stewards of the rule of law, the decision required that we terminate and transfer multiple audits and investigations.

All SIGPR investigative efforts drive toward proving violations of federal law that can be used to obtain convictions and civil judgments against those who seek to defraud taxpayer dollars. Our audits are aimed at improving the efficiency, effectiveness, and economy of taxpayer programs. We stand ready to assist our partner inspectors general and law enforcement agencies with the enormous responsibilities involved in overseeing the unprecedented funding designed to help the American people through this pandemic by bringing bad actors to justice. We have and will aggressively address our current responsibilities and any additional ones granted by Congress to protect the taxpayers' hard-earned money and help ensure that federal relief gets to those it is designed to help.

Granting SIGPR jurisdiction over all pandemic-related Treasury programs would enable SIGPR, working in a task force model, to serve as a force multiplier without duplicating the efforts of other oversight bodies.⁹ I'm convinced Congress intended broad and overlapping oversight of the trillions of dollars of taxpayer funds, not limited efforts crimped by wasteful turf battles. As Missouri Senator and United States President Harry S. Truman once said, "It is amazing what you can accomplish if you do not care who gets the credit."

Short of granting SIGPR jurisdiction over all pandemic-related Treasury programs, we respectfully ask that Congress consider legislation to amend the CARES Act at least to provide the jurisdiction that the plain meaning of the language of the CARES Act provided and that

⁷ CARES Act § 4003(c)(2)(F).

⁸ Auth. of the Special Inspector Gen. for Pandemic Recovery to Oversee Programs Established Under the CARES Act, 45 Op. O.L.C.—, 2021 WL 1822053, at *13 (Apr. 29, 2021) ("We conclude that the term 'this Act' in section 4018 of the CARES Act refers only to CESA, and therefore that the SIGPR's jurisdiction is limited to oversight of programs established under CESA.").

⁹ See Version 1 of attached legislative proposal.

SIGPR understood that it possessed until issuance of the OLC's April 2021 opinion.¹⁰ We have set forth both of these proposals in the attachment to this letter.

Congress appropriated \$25 million to SIGPR for the entirety of its five-year term, or about \$5 million per year. SIGPR requested \$25 million in its Fiscal Year 2022 budget request, which is included in the President's Budget. This would allow us to cover the duties we now have. We have received no additional money since our formation and appreciate that the Senate Financial Services and General Government appropriations bill would provide \$10 million for the remainder of SIGPR's term. SIGPR projects that we would need 150 employees and \$36 million per year to cover CARES Act duties, including those we believed we possessed until the issuance of the OLC opinion. The receipt of additional funding would greatly enhance and strengthen SIGPR's ability to continue its important oversight mission and guarantee the resources SIGPR needs to maintain its vigorous efforts through its sunset date of March 27, 2025.

I am available to discuss these matters with you or your staff. Please contact me at [REDACTED] or [REDACTED] should you wish to discuss further.

Sincerely,



Brian D. Miller
Special Inspector General
for Pandemic Recovery

¹⁰ See Version 2 of attached legislative proposal.

Version 1:

(b) JURISDICTION.—Section 4018 of the CARES Act (15 U.S.C. 9053) is amended—

(1) by striking the phrase “this Act” each time it appears, and inserting in its place the phrase “Division A of the CARES Act, Pub. L. No. 116-136, 134 Stat. 281 (2020), subtitle A of title IV, subtitle B of title IV, subtitle A of title V, and subtitle B of title V of division N of the Consolidated Appropriations Act, 2021 (2020), Pub. L. No. 116-260, 134 Stat. 1182, or subtitle B of title III, subtitle C of title III, subtitle C of title VII, or subtitle M of title IX of the American Rescue Plan Act of 2021, Pub. L. No. 117-2, 134 Stat. 4.”.

Version 2:

(b) JURISDICTION.—Section 4018 of the CARES Act (15 U.S.C. 9053) is amended—

(1) by striking the phrase “this Act” each time it appears, and inserting in its place the phrase “Division A of the CARES Act, Pub. L. No. 116-136, 134 Stat. 281 (2020)”.

Appendix B

MIR21E35 PHF

S.L.C.

AMENDMENT NO. _____ Calendar No. _____

Purpose: To amend the jurisdiction of the Special Inspector General for Pandemic Recovery.

IN THE SENATE OF THE UNITED STATES—117th Cong., 1st Sess.

H. R. 2662

To amend the Inspector General Act of 1978, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. HAWLEY

Viz:

1 At the appropriate place, insert the following:

2 SEC. ____. JURISDICTION OF THE SPECIAL INSPECTOR GEN-
3 ERAL FOR PANDEMIC RECOVERY.

4 (a) SENSE OF CONGRESS.—It is the sense of the Con-
5 gress that—

6 (1) in enacting section 4018 of the CARES Act
7 (15 U.S.C. 9053), it was the intent of Congress to
8 provide the Special Inspector General for Pandemic
9 Recovery with jurisdiction over all pandemic-related
10 programs;

11 (2) the Department of Justice has narrowly in-
12 terpreted the jurisdiction of this provision contrary

MIR21E35 PHF

S.L.C.

2

1 to the intent of Congress in its opinion issued on
2 April 29, 2021 entitled “Authority of the Special In-
3 spector General for Pandemic Recovery to Oversee
4 Programs Established Under the CARES Act”;

5 (3) Congress has previously clarified the juris-
6 diction of other oversight entities created under the
7 CARES Act (Public Law 116–136), including the
8 jurisdiction of the Pandemic Response Account-
9 ability Committee under section 801(b)(1) of divi-
10 sion O of the Consolidated Appropriations Act, 2021
11 (Public Law 116–260) (clarifying the jurisdiction of
12 the Pandemic Response Accountability Committee to
13 extend to “the Coronavirus Aid, Relief, and Eco-
14 nomic Security Act (divisions A and B)”, rather
15 than only division B); and

16 (4) Congress should correct the narrow inter-
17 pretation of the Department of Justice of the juris-
18 diction of the Special Inspector General for Pan-
19 demic Recovery to be aligned with the original intent
20 of Congress.

21 (b) JURISDICTION.—Section 4018 of the CARES Act
22 (15 U.S.C. 9053) is amended—

23 (1) in subsection (e)(1), by striking “of the
24 making, purchase, management, and sale of loans,
25 loan guarantees, and other investments made by the

MIR21E35 PHF

S.L.C.

3

1 Secretary of the Treasury under any program estab-
2 lished by the Secretary under this Act, and the man-
3 agement by the Secretary of any program estab-
4 lished under this Act” and inserting “relating to all
5 projects and activities, including covered projects
6 and activities, of the Secretary of the Treasury asso-
7 ciated with the COVID-19 pandemic”; and

8 (2) by adding at the end the following:

9 “(k) DEFINITION.—In this section, the term ‘covered
10 project and activity’ means a project or activity of the Sec-
11 retary of the Treasury to carry out—

12 “(1) section 1109 of title I, subtitle A of title
13 IV, subtitle B of title IV, title V (Coronavirus Relief
14 Fund), or title VI of division A of the CARES Act
15 (Public Law 116-136);

16 “(2) subtitle A of title IV, subtitle B of title IV,
17 subtitle A of title V, and subtitle B of title V of divi-
18 sion N of the Consolidated Appropriations Act, 2021
19 (Public Law 116-260); or

20 “(3) subtitle B of title III, subtitle C of title
21 III, subtitle C of title VII, or subtitle M of title IX
22 of the American Rescue Plan Act of 2021 (Public
23 Law 117-2).”.

24 (e) APPROPRIATION.—

MIR21E35 PHF

S.L.C.

4

1 (1) IN GENERAL.—In addition to amounts oth-
2 erwise available, there is appropriated to the Special
3 Inspector General for Pandemic Recovery, out of
4 amounts in the Treasury not otherwise appropriated,
5 \$25,000,000 for each of fiscal years 2022 through
6 2025 to carry out the provisions of section 4018 of
7 the CARES Act (15 U.S.C. 9053), as amended by
8 subsection (b).

9 (2) EMERGENCY DESIGNATION.—

10 (A) IN GENERAL.—The amounts appro-
11 priated under this subsection are designated as
12 an emergency requirement pursuant to section
13 4(g) of the Statutory Pay-As-You-Go Act of
14 2010 (2 U.S.C. 933(g)).

15 (B) DESIGNATION IN SENATE.—In the
16 Senate, subparagraph (A) is designated as an
17 emergency requirement pursuant to section
18 4112(a) of H. Con. Res. 71 (115th Congress),
19 the concurrent resolution on the budget for fis-
20 cal year 2018.



**HELP FIGHT
FRAUD,
WASTE, AND
ABUSE.**

BY EMAIL: hotline@sigpr.gov
BY PHONE: 202-927-7899

www.sigpr.gov