

Office of the Special Inspector General for Pandemic Recovery

April 27, 2023

Majority Leader Charles Schumer Minority Leader Mitch McConnell Speaker Kevin McCarthy Minority Leader Hakeem Jeffries

Re: Impending shutdown of the Special Inspector General for Pandemic Recovery

Dear Leaders:

I am writing to address a looming threat to the fight against fraud involving billions of dollars of loans disbursed pursuant to the Coronavirus Aid, Relief and Economic Security Act (CARES Act). As you know, in 2020, as part of the CARES Act, Congress created the Special Inspector General for Pandemic Recovery (SIGPR) as a vital watchdog to conduct oversight of such loans, but provided that SIGPR will sunset in March 2025.

Because of the legally-required processes involved in the shutdown of a government agency, the impending shutdown of SIGPR unfortunately requires that SIGPR start now to reduce its staff and take other steps in anticipation of closing its doors. The result is that SIGPR's ability to thoroughly investigate millions of dollars of potential fraud will be sorely compromised by lack of human and other resources. And, while there are other agencies that have focused their efforts on Paycheck Protection Program (PPP) loans and other CARES Act programs, we are aware of no agency other than SIGPR that focuses almost exclusively on investigating the direct loans by the Treasury Department (to airlines, air cargo carriers, and business critical to maintaining national security) and loans made under the Main Street Lending Program. The gradual shutdown of SIGPR will largely terminate the investigations into these aspects of the CARES Act.

We have previously communicated with you and your colleagues in both the House and the Senate regarding our requests to extend the lifespan of SIGPR (as well as to broaden our authority to investigate other programs under the CARES Act). For many CARES Act loans, the bulk of the principal is not due to be repaid until 2025, after we sunset, and it is at that point that we anticipate defaults will reveal further fraud committed to obtain those loans. In addition, if permitted to do so, SIGPR is prepared to assist other agencies that lack sufficient resources to deal with fraud in other programs such as PPP. For these reasons, we urge you and your colleagues to act quickly on SIGPR's requests before the reductions in staff and other resources at SIGPR have materially compromised its efforts to combat fraud, waste and abuse in CARES Act programs.

Respectfully submitted,

Brian D. Miller

Special Inspector General for Pandemic Recovery