

AMENDMENT
TO THE
VIEWS AND ESTIMATES OF THE
COMMITTEE ON FINANCIAL SERVICES OFFERED ON MATTERS TO
BE SET FORTH IN THE CONCURRENT RESOLUTION ON THE
BUDGET FOR FISCAL YEAR 2022
OFFERED BY:

Mr. Barr (KY)

At page 17, line 1, insert:

Democrats in Congress pushed for a robust oversight ecosystem for CARES Act programs during the prior, Republican administration. Democrat leaders, including Speaker Nancy Pelosi and then-Minority Leader Chuck Schumer, cited concerns about the Trump administration’s ability to protect the \$2.2 trillion package against waste, fraud, and abuse and created new and, in some cases, duplicative oversight entities. With respect to the Biden administration, Democrats in Congress have taken an entirely different approach.

The CARES Act created three new oversight authorities charged with scrutinizing federal spending, lending, and other COVID-related relief efforts, including: the Special Inspector General for Pandemic Recovery (SIGPR); the Pandemic Response Accountability Committee (PRAC); and the Congressional Oversight Commission (COC). The CARES Act also included extensive transparency and reporting requirements.

In addition, the CARES Act appropriated over \$200 million in funding for various oversight authorities, including \$120 million in additional funding for inspectors general (IG) at agencies that would implement COVID-related programs.

In comparison to the CARES Act, the \$1.9 trillion American Rescue Plan contains significantly fewer funds dedicated to targeted oversight of COVID-19 relief programs, including \$69.5 million for inspectors general (compared to \$200 million in the CARES Act). In fact, the ARP did not provide additional resources

for many of the key offices with jurisdiction over ARP programs, including SIGPR and COC.

Most notably, the ARP did not provide dedicated funds for the office of inspector general (OIG) at the Treasury Department. That office will have primary responsibility for conducting oversight of ARP's \$350 billion in direct aid for state, local, and tribal governments. In fact, the Treasury OIG has already received more than 20,000 email and hotline inquiries and 1,000 complaints related to the Department's ARP programs.

The \$350 billion in direct aid more than doubles the \$150 billion in Coronavirus Relief Fund (CRF) aid provided in the CARES Act, for which the Treasury OIG received dedicated funding. Section 5001 of the CARES Act provided \$35 million in no-year funds for the Treasury OIG to conduct oversight and recoupment activities related to the CRF.

ARP aid can be used to cover costs or replace revenue lost due to the pandemic, giving governments wide latitude in the application of the funds, and the use of funds would not be subject to an expiration date. The possibilities for waste, fraud, and abuse related to those funds are extensive. The absence of dedicated funding for the Treasury OIG, however, creates the appearance that congressional Democrats and the Biden administration—who passed ARP on a partisan basis—created an environment where state and local governments can use relief funds without federal scrutiny.

To compensate for gaps in the ARP oversight framework, the Committee will use its powerful investigative resources to scrutinize the \$76.2 billion in ARP spending under the Committee's jurisdiction. The Committee will seek documents and testimony from the Biden administration to ensure ARP programs are effective and to root out waste, fraud, and abuse. The Committee will serve as a force multiplier for the community of inspectors general and other oversight entities that identify program weaknesses.

To further address the absence of oversight provisions in the partisan American Rescue Plan Act, the Committee will hold a markup to consider Ranking Member McHenry's bill to ensure oversight of the financial services portions of the American Rescue Plan. The bill would extend the authority of the oversight entities created in the bipartisan CARES Act, including the Special Inspector General and Congressional Oversight Commission, to oversee the implementation of American Rescue Plan Act of 2021. The legislation would also require the Secretary of

Housing and Urban Development to testify before Congress alongside the Treasury Secretary and Federal Reserve Board Chair, at the quarterly hearings mandated by the CARES Act.