Re: Oversight of Infrastructure Spending

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Minority Leader McCarthy:

On March 31, the President issued his fact sheet on the American Jobs Plan, which would address infrastructure issues. The plan would, among other things, repair highways, bridges, airports, transit systems, and ports, deliver clean drinking water and renew the electric grid, create jobs, modernize schools, and upgrade veteran’s hospitals and federal buildings.

As Congress considers the proposal, we write on behalf of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to request that you: (1) ensure that oversight is addressed in any new legislation; (2) work with Inspectors General to ensure they are provided with adequate resources for robust oversight; (3) allow any additional oversight funds provided to Inspectors General for this increase in infrastructure spending to remain available until expended; (4) ensure CIGIE is adequately resourced so that it can effectively support cross agency oversight and collaboration as is currently the case with the Pandemic Response Accountability Committee (PRAC); and (5) scrutinize carefully any proposal to create a new Office of Inspector General, as CIGIE believes the existing agencies, if properly funded, can take on the additional work that will come. These steps will sustain ongoing oversight of increased infrastructure expenditures and maximize the recovery of misused funds.

As we have witnessed, major increases in funding, as contemplated in the President’s proposed plan, carry an elevated risk of fraud. While funding for infrastructure projects will not be paid out with the same haste as funds provided under the CARES Act or the American Rescue Plan, such projects are still at significant risk for fraud, waste, and abuse, as witnessed by the fraud.
associated with Boston’s Big Dig\textsuperscript{1}. Members of the IG community have produced a strong track record of fighting fraud in such programs, which demonstrates the value of investing in Inspector General oversight.

Increases in OIG resources targeted to agencies that will receive or manage additional funding allow those OIGs to provide robust oversight without diminishing oversight over their existing portfolio of programs. Providing OIGs with additional resources to tackle risks associated with major new programs also obviates the need to establish new OIGs to oversee the special funding. Creating a new or special OIG can often duplicate oversight on the programs created with the new funding. Using existing oversight entities eliminates the need to establish new bureaucracies, cuts the time it takes to hire new staff and procure goods and services, eliminates jurisdictional questions between old and new OIGs, and reduces the need to perform outreach to stakeholders. Existing OIGs already have the necessary oversight infrastructure in place and can begin scaling up and conducting work immediately when new funding is provided.

Given the nature of spending for infrastructure programs, it is critical that funds provided to OIGs remain available throughout the period needed to initiate and complete oversight activities. Just as it takes time for the projects funded by a program to take shape, it takes time for fraud associated with such programs to become apparent. Allowing OIGs to utilize funds provided for the proposed American Jobs Plan until they are expended would help ensure that OIGs have sufficient resources to pursue these investigations to their logical conclusion and thereby strengthen their ability to identify and hold individuals who misuse these funds accountable, to the benefit of agency programs, taxpayers, and the public. Enabling OIGs to expend these funds as needed is a no-cost way to improve oversight, hold more wrongdoers accountable, and increase the return on this critical investment.

We greatly appreciate your consideration of our requests which will enhance OIG’s oversight capabilities and strengthen public confidence in our organizations to combat the fraud, waste, and abuse of government funds.

Respectfully,

Allison C. Lerner
Chairperson, CIGIE

Kathy Buller
Chairperson, CIGIE Legislation Committee

\textsuperscript{1} See the following press releases related to sentences and settlements associated with Big Dig-related fraud: 
https://www.justice.gov/archive/usao/ma/news/BigDig/AggregatePleaPR.html,
CC: The Honorable Gary Peters
Chairman, Senate Committee on Homeland Security and Governmental Affairs

The Honorable Rob Portman
Ranking Member, Senate Committee on Homeland Security and Governmental Affairs

The Honorable Patrick Leahy
Chairman, Senate Committee on Appropriations

The Honorable Richard Shelby
Ranking Member, Senate Committee on Appropriations

The Honorable Rosa DeLauro
Chairwoman, House Committee on Appropriations

The Honorable Kay Granger
Ranking Member, House Committee on Appropriations

The Honorable Carolyn Maloney
Chairwoman, House Committee on Oversight and Reform

The Honorable James Comer
Ranking Member, House Committee on Oversight and Reform

Jason Miller
Deputy Director for Management, Office of Management and Budget

John Pasquantino
Acting Controller, Office of Management and Budget