

Statement of Jason Grumet
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Before the Pandemic Response Accountability Committee
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Acting Chairman Horowitz, Vice-Chair Martin, members of the PRAC, thank you for inviting me to this first oversight session of the COVID-19 pandemic response and stimulus efforts. For over a decade, the Bipartisan Policy Center has fostered bipartisanship by combining the best ideas from both parties to promote health, security, and opportunity for all Americans. Our policy solutions are the product of evidence-based deliberations and debate among former elected and appointed officials, business and labor leaders, and academics and advocates who represent both sides of the political spectrum. BPC prioritizes one thing above all else: getting things done.

As I will further detail below, the Bipartisan Policy Center believes it is vital for the PRAC's work to be visible to the public. I commend you for hosting today's session and hope there will be more in the future.

In response to the unprecedented public health and economic threats caused by the COVID-19 pandemic, Congress acted swiftly in March of this year to advance the CARES Act with broad bipartisan input and support. Since its enactment, the Act has provided support to working families, businesses, health providers, and vulnerable communities. These public resources must be deployed boldly to confront challenges that were unimaginable just a few months ago. We must also have the humility to recognize that a response at this speed and scale will inevitably have flaws in design and execution. The PRAC must play a vital role in assessing these critical investments in real time so our nation's leaders can openly confront implementation challenges and improve program efficacy.

By guarding the integrity of the CARES Act and rigorously assessing its implementation, the PRAC can also ensure that the country resurges from this moment stronger than before. Prior to the economic devastation wrought by this public health crisis, tens of millions of American families were already living on the edge between financial solvency and ruin. In 2019, roughly two in five households reported that they would struggle to cover a \$400 emergency expense, according to a Federal Reserve [survey](#). A similar share was not on track to have enough saved for [retirement](#). BPC's own [analysis](#) reveals that four in five workers reported not having access to paid family leave, and three in five lacked access to paid medical leave.

Moving forward, the country must address these frailties by enacting measures which set working families—and the economy as a whole—on a more resilient path. This goal is best achieved by following the principles of evidence-based policy making. The PRAC's work to assess the CARES Act can and should inform lawmakers about what works, and what does not, to shore up the financial strength and resiliency of American households and enable a more dynamic, resilient and equitable economy. While encouraged by Congress' recent bipartisan action to make critical investments, we are mindful that the bill for these necessary

expenditures will hobble the next generation absent similar bipartisan courage to reduce spending once this crisis is behind us.

BPC, as some of you know, examined opportunities for improving government oversight with our Task Force on Inspectors General and our Task Force on Executive Branch Oversight, which released reports in [2018](#) and [2019](#), respectively. Some of you, including Inspector General Horowitz, appeared before one or both task forces and we are grateful for that. Today, I'd like to share with you relevant lessons and recommendations that we believe will aid the PRAC's work.

First, BPC recommends the PRAC provide Americans with as much information as possible about its work, reports, and findings regarding the pandemic response and stimulus. Just as the PRAC was created to provide transparency and accountability for taxpayer funds, so too must its work be done openly and with an eye toward informing the public, in addition to Congress and the executive branch. While maintaining IG community standards may at times require this Committee to keep information and investigations confidential, it is essential that the American people have confidence in the integrity of these massive expenditures of public funds. This first listening session is a heartening step and there is more than can be done to give Americans increased insight and confidence about its governments' commitment and competence in responding to this crisis.

Much can be learned and emulated from the work of the Recovery and Transparency Board created by the 2009 American Recovery and Reinvestment Act (ARRA). The Recovery Board—which like the PRAC was made up of IGs—has been hailed for the access to information it provided and the creation of [Recovery.gov](#), a one-stop shop for information about the status of ARRA spending and oversight. A similar, dedicated effort is necessary for the PRAC, and we are impressed already with the progress being made at [pandemic.oversight.gov](#).

One area BPC will call to attention is access to reports and information. The CARES Act specifies numerous reports that are to be made public. For example, we note that reports of those who receive large sums of funds—this may be state governments or businesses or nonprofits—are required to be made public. Yet, it is unclear whether federal agency reports on the use of funds are required to be made public. Given the rushed nature of passage of the CARES Act, this was perhaps not intentional. Undoubtedly, each of your offices will have access to sensitive information not suitable for public disclosure, however, we encourage you to make as much information public as is allowed using the disclosure requirements as the foundation, but not the ceiling, of your public engagement.

Sadly, in this dynamic and challenging environment, some will seek to manipulate vulnerable individuals and small businesses with a variety of financial schemes. The PRAC can provide an essential public resource by serving as an early warning system as these scams are uncovered.

Second, the PRAC can help improve implementation of the CARES Act, not just catch bad actors. While much of the media coverage of inspectors general focuses on scandals involving

waste, fraud and abuse, the IG community's focus on strengthening the efficiency, and effectiveness of agency performance are equally important. The same is true for the PRAC and coronavirus-related spending.

The CARES Act and subsequent stimulus bills are meant to provide critical resources to support individuals, businesses, non-profits, and health care facilities, among others. It is paramount that these programs are carried out in ways that gets these resources to the right people quickly. Yet, many of these programs are new, and the government will sometimes be learning on the job. Inspector general offices and the PRAC can shine a constructive light on areas that need improvement.

Your unique institutional knowledge—built up over extended periods of service—combined with your street-level understanding of agency operations and access to consistent information allow you to identify risks before they become liabilities.

Given that most of the programs in the CARES Act are new there will naturally be challenges along the way. In this polarized and stressful environment, IG's have a unique opportunity and obligation to present factual insight absent partisan agenda or favor. We note that some but not all IG offices have released detailed plans for how they will conduct coronavirus spending oversight. We believe that proactive efforts to promote consistent oversight will be essential to successful deliberation and encourage the PRAC to assist all relevant IG offices in publicizing their oversight plans.

A significant portion of IG work involves oversight of non-governmental organizations, such as businesses and non-profits, that receive taxpayer funds. Given the circumstances the country faces and the novel nature of these programs, we also recommend the PRAC make it a priority to monitor agency progress on the establishment of guidance for these types of entities, to reduce unwitting or unintentional violations.

To be clear, preventing waste, fraud, and abuse must always be core to the IG mission, but the opportunity to inform policy development in the coming months will be hugely consequential for our nation's economic recovery.

Third, even though recent legislation included additional funds for IG oversight, most IG offices do not have adequate resources for this new workload.

To help meet this challenge, the PRAC should function as a clearinghouse for the IG community for assistance and best practices. Our commission noted that IGs need better channels for sharing staff and taking advantage of shared services to reduce costs. These efforts to expand capacity may not be attention-grabbing, but they can result in great returns. We urge the PRAC to seize the opportunity to serve as this temporary clearing house and demonstrate the benefits that can be gained from a more permanent structure to support IG collaboration. Similarly, our task force heard time and time again that the IG community can be siloed. For example, the government has no less than four IG offices who touch health care and insurance

issues, but coordination and learning between those offices is limited. With COVID-19 and the creation of this committee, you have an opportunity to improve information sharing across the IG community and develop a set of best practices that will last beyond the immediate crisis.

Finally, one of the greatest contributions the PRAC will provide is a comprehensive narrative and analysis of the government's stimulus efforts and their implementation. Inspectors general across government conduct thousands of investigations, audits, and reviews each year, resulting in a multitude of reports. While each report is valuable in its own respect, the public and even the government will not be able to learn their lessons fast enough by piecing them all together. A collaborative effort by the PRAC is necessary to provide the larger context that the public and policy makers need to make informed judgments. Absent these informed and trusted judgments, anecdote will overwhelm evidence and history will be written by the loudest voices regardless of evidence. The PRAC must provide substantive ballast to ensure that policy makers are not unduly swayed by extreme or unrepresentative examples of success or failure.

Let me close by saying that we recognize that inspectors general currently face an unprecedented level of scrutiny and politicization, but it is important that IGs continue to perform their jobs without bias while vigorously seeking out malfeasance. Americans should be encouraged by our government's ability to confront these extreme challenges with bold solutions. The IG community and the PRAC have a critical role to play in ensuring that these resources are being well spent consistent with the requirements of the law and the urgent needs facing millions of American families. BPC is confident that the IG community and the PRAC will rise to meet this challenge.