

**THE WAR ON WASTE:
STAMPING OUT THE SCOURGE OF
IMPROPER PAYMENTS AND FRAUD**

HEARING

BEFORE THE
SUBCOMMITTEE ON DELIVERING ON
GOVERNMENT EFFICIENCY
OF THE
COMMITTEE ON OVERSIGHT
AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
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THE WAR ON WASTE: STAMPING OUT THE SCOURGE OF IMPROPER PAYMENTS AND FRAUD

Wednesday, February 12, 2025

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
SUBCOMMITTEE ON DELIVERING ON GOVERNMENT EFFICIENCY
Washington, D.C.

The Subcommittee met, pursuant to notice, at 10 a.m., in room 2247, Rayburn House Office Building, Hon. Marjorie Taylor Greene [Chairwoman of the Subcommittee] presiding.

Present: Representatives Greene, Cloud, Fallon, Timmons, Burlison, Jack, Gill, Stansbury, Norton, Lynch, Garcia, Casar, Crockett.

Also present: Comer, Connolly.

Ms. GREENE. This hearing of the Subcommittee on Delivering on Government Efficiency will come to order. Welcome, everyone.

Without objection, the Chair may declare a recess at any time.

Also, for today's hearing, Chairman Comer and Ranking Member Connolly will each be recognized for 1 minute after me and the Ranking Member provide our opening statements.

I recognize myself for the purpose of making an opening statement.

Good morning. Today we begin the first hearing on the Oversight Subcommittee on DOGE. This committee will be laser focused on bringing full transparency to waste, fraud, and abuse within the Federal Government, and presenting the plans to fix the tremendous problems we expose. We, as a country, are \$36 trillion in debt. That is such a stunning amount of money. It is absolutely staggering to even comprehend how we, as a people, we, as a country, found ourselves here. This is not a Democrat problem. This is not a Republican problem. This is an American problem.

To make it clear for everyone, not only are we \$36 trillion in debt, but the compounding interest on our debt is also growing out of control. Even if we decided to defund the entire Federal Government, we cannot escape our debt and the compounding interest owed on our debt, which grows bigger and bigger every year. In 2025, interest payments are projected to be \$952 billion, which is more than our entire military budget. In 2026, it will be \$1 trillion and by 2035, \$1.8 trillion. Over the next decade, total interest payments are projected to be \$13.8 trillion. These interest payments

do not serve a single American. They do not build a bridge, a road, provide disaster relief, or fund a single part of the behemoth that is the Federal Government. These interest payments pay our masters who own our debt, and the American people are in debt slavery to everyone who owns our debt.

Our crippling national debt and massively growing interest on our debt will destroy us. Not destroy one political party or the other, it will destroy all of us together. It drives inflation, making life unaffordable for Americans struggling to financially survive. It is crippling small businesses struggling to be successful. Our massively growing debt and interest are the chains and shackles harnessed to every American and their children and every generation to come.

But first, let us be brutally honest about how this massive debt came to be in the first place. It came from Congress and from elected Presidential administrations, and I believe enslaving our Nation in debt is one of the biggest betrayals against the American people by its own elected government. The American people's anger over this betrayal is what gave birth to the concept of DOGE, the Department of Government Efficiency. In fact, DOGE became a major part of President Trump's campaign and led to his overwhelming victory in November.

Every day Americans go to work. They run businesses. They have to earn their paycheck. No one guarantees it, and if they do not do a good job, they get fired. They also have to pay their bills, credit card debts, balance their checkbooks, and scrap and save every penny they can in order to plan for that rainy day and, hopefully, retirement 1 day. Private businesses only survive on hard-earned income by serving their customers so well that their customers pay them for the services and products they consume. If that business fails, its employees lose their jobs and paychecks, and the owners lose their business and everything they risked along with it. Many go bankrupt in this process and lose everything. No one bails them out. They only survive by excellent customer service and smart financial management. This is the real world that most Americans live, work, and survive in every day. This is the pursuit of happiness, and this is how you pursue the American Dream.

However, the Federal Government, government employees, and unelected bureaucrats do not live by the same rules as the great American people and private businesses. The Federal Government's income is the American people's hard-earned tax dollars, their literal blood, sweat, and tears, and taxes are collected by law at gunpoint. Do not pay your taxes, and you go to jail. The Federal Government does not have to provide excellent customer service to earn its income. It takes your money whether you like it or not. And Federal employees receive their paycheck no matter what, whether veterans receive their benefits or not, whether your mail shows up or not, and whether your tax dollars are used to help Americans in need or are sent to foreign countries for foreign people, for foreign causes.

No matter how bad the Federal Government fails the American people, it still takes your money. It still pays its own Federal employees, and it never, ever goes out of business. There are no consequences for bad customer service, total failure, and for enslaving

the American people against their will in the ever-growing and future all-consuming national debt. Congress has a dismal approval rating that ranges between 12 and 20 percent. I do not blame the American people one bit for their sentiment and disgust. The American people will be watching this Committee and how we tackle one of the biggest problems of our time. While we are a committee made up of the opposite, far-reaching corners of Congress, we were each elected to serve and represent the American people and how their hard-earned tax dollars are spent. We as Republicans and Democrats can still hold tightly to our beliefs, but we are going to have to let go of funding them in order to save our sinking ship. This is not a time for political theater and partisan attacks. The American people are watching. The legislative branch cannot sit on the sidelines.

In this Subcommittee, we will fight the war on waste shoulder-to-shoulder with President Trump, Elon Musk, and the DOGE team. This week, we turn our attention to improper payments by the Federal Government, including in Medicaid and Medicare. I am looking forward to what we find out and how to solve this crisis. I now yield to the Ranking Member, Ms. Stansbury, for her opening statement.

Ms. STANSBURY. All right. Well, good morning, everyone. Thank you, Madam Chair, and welcome to the very first Subcommittee on Government Efficiency. As was said, this Committee is tasked under the Oversight Committee with ensuring that the government and the vital services that it provides, from healthcare to national security, actually work for the American people. And this is certainly a topic that we have worked on for many, many years here in the Oversight Committee, and which I personally have worked on as a former civil servant who worked at the Office of Management and Budget. And in fact, for anyone who has ever worked on these issues, you know that there is ample ground for bipartisan work to make the government work better for the American people and to ensure that it operates in a more efficient manner.

And, in fact, all of us here on the Democratic side are ready to roll up our sleeves and to get to work. And just last week, I had the opportunity to sit down with the Chairwoman and to discuss these very issues and opportunities to work across the aisle. And like the Chairwoman, who shared some of her background with me, I grew up in a working family. I grew up working for small mom-and-pop family businesses and understand the necessity of balancing the books, making sure we can deliver, and fiscal responsibility. And that is why today's hearing is focused on making sure that the Federal Government is doing what it is supposed to and digging into the more than \$236 billion in improper payments that we see going out the door every single year, and we need to get to the bottom of that. And we need to make sure that we are putting into place rigorous oversight and controls to prevent fraud and abuse, and, of course, to go after bad actors.

And that is why myself and the Oversight Ranking Member Connolly and other Democratic Members of the Committee sent a set of bipartisan ideas that we would like to work on together that would root out waste, fraud, and abuse, and modernize and streamline how our agencies deliver vital programs for the American peo-

ple. These are programs that are important for our seniors and our families and healthcare and the education system, and we need bipartisan solutions to get across the finish line. And we have been trying over the last several years to get these ideas out of this Committee, but, unfortunately, the Committee's priorities have been elsewhere under the current Majority, so I hope we can fix that this Congress.

But we cannot just sit here today and pretend like everything is normal and that this is just another hearing on government efficiency. I mean, all you have to do is look across this room and see that it is not a normal hearing because while we are sitting here, Donald Trump and Elon Musk are recklessly and illegally dismantling the Federal Government, shuttering Federal agencies, firing Federal workers, withholding funds vital to the safety and well-being of our communities, and hacking our sensitive data systems. In fact, while we were here discussing government waste on the House Floor yesterday, Elon Musk was standing behind the Resolute Desk in the Oval Office with the President, and the Administration was making emergency court appeals to try to unlock his team's access to the Treasury Payment System, which they claim they are using to study improper payments, which is the topic of this hearing.

But here is the thing. The Treasury Payment System—which includes Social Security information and bank accounts for millions of Americans and data that is critical to national security and the operation of the U.S. Government, and payments that go out the door annually, equal to almost a fifth of the U.S. economy—is not where the payment decisions are made, because that happens inside the agencies that are currently being dismantled. And the people who actually investigate waste, fraud, and abuse at these agencies are the Inspector Generals who Donald Trump fired his first week in office in a midnight massacre.

So, we have to ask ourselves, what is really going on here? Why did Republicans block Elon Musk from appearing before this very Committee last week? Why is the Administration so eager to allow Elon Musk and his hackers to have access to proprietary and private information in the Treasury Payment Systems? Why are our colleagues across the aisle shielding them as they are clearly breaking the law, and why is the Vice President trying to rewrite the U.S. Constitution by tweet and undermine the judiciary? So obviously, we are in the Oversight Committee and we have a lot of questions, and so do the American people, especially while our colleagues across the aisle are trying to scoop up the savings from the dismantling of these agencies to pay for the largest permanent tax break in American history for billionaires and the folks that they are helping on their side of the aisle.

So, let me close by saying this directly to Mr. Elon Musk. We are well aware that you are eager to engage with Members of Congress on social media, but we are not here to play. If you have serious desire to engage in democracy and transparency, we welcome you to the Oversight Committee. Come and testify in front of the American people under oath because we want to know what you are up to. So, if you are interested in talking to us, then please join us

here in the People's House in the House of Representatives, and with that, I yield back.

Ms. GREENE. The gentlelady yields. President Trump signed an executive order on his first day in office, called Establishing and Implementing the President's Department of Government Efficiency. The EO simply renamed an office in the White House that was actually established by President Obama in 2014, called the U.S. Digital Service. President Trump can have Elon Musk into his Oval Office anytime he likes.

I now recognize the Chairman of the Oversight Committee, Chairman James Comer.

Chairman COMER. Well, thank you, Chairwoman Greene, for holding today's hearing to launch a war on waste. President Trump won an electoral landslide with a clear mandate from the American people to eliminate Washington waste and stop the theft of American tax dollars, and he is delivering on his promise. President Trump has empowered Elon Musk and DOGE to conduct a governmentwide audit to identify solutions to curb waste and protect tax dollars. That is exactly what the mission of this Committee is supposed to be, and I am glad that my colleagues on the other side of the aisle have found a new-found interest in waste, fraud, and abuse.

With a staggering \$37 trillion in national debt, we have no time to lose. A key place to start is improper payments. Since 2003, the government has lost \$2.7 trillion because of improper payments. Fraudsters, organized criminals, hostile foreign actors, and even government employees have siphoned money away from those who truly qualify for assistance. For years, Republicans and Democrats on the Oversight Committee have condemned this waste, but now that DOGE is taking real action, Democrats are choosing to defend the bureaucracy and status quo instead of standing up for the American people. I want to thank Chairwoman Greene for holding this very important hearing not only to expose the problems, but to find solutions. We stand with President Trump and DOGE in the fight to end waste, fraud, and abuse in Washington.

With that, I yield back to Subcommittee Chairwoman Greene, and congratulations again, Chairwoman, on holding this first hearing of the DOGE Subcommittee.

Ms. GREENE. Thank you, Mr. Chairman. The gentleman yields back. I now recognize the Ranking Member on oversight, Mr. Connolly.

Mr. CONNOLLY. Excuse me. Thank you, Madam Chair, and thank you for having this first hearing on DOGE. Improper payments is not a new subject. I remember joining Steve Lynch and then Todd Platts, Republican Member from Pennsylvania, in my freshman year, talking about improper payments. At that time, improper payments were in the range of \$35 billion a year. They are now in the range of \$280 billion a year, and times 10, we could cut almost \$3 trillion from the debt if we addressed improper payments in a deliberative way, which GAO has called for in the high-risk category for years. We can also, second, enforce the Tax Code. It is estimated that at least a half a trillion dollars a year is left on the table uncollected but owed because of lack of resources in the IRS. Again, times 10 is \$5 trillion over a decade. And finally, we can

modernize Federal IT systems, which we have championed for years on this Committee. We know that legacy systems alone could save hundreds of millions of dollars a year in operating and maintenance costs.

So, if we want to be serious about it, let us be serious about it. But the way not to do it is to fire the people charged with the remit of waste, fraud, and abuse, namely inspectors general. President Trump has already now fired 19, including, most recently, the USAID Inspector General, who dared to warn that we could lose a half a billion dollars of food aid because it is in warehouses, not being moved because of the funding freeze that was imposed in AID. That is a cost we need to avoid, and for doing his job, that IG was fired. If we want to be serious, we have got to have objective, neutral Inspectors General who are monitoring government waste, fraud and abuse, and expenditures. And I think you would find Democrats more than willing partners in that kind of enterprise, if we are going to be serious. But a wrecking crew, a wrecking crane, a wrecking ball is not going to do it, and we are not going to support that approach to waste, fraud, and abuse in the Federal Government. I yield back. Thank you.

Ms. GREENE. The gentleman yields. The President of the United States has the prerogative to fire anyone that has overseen \$36 trillion in debt, enslaving the American people, and rightfully so.

I am pleased to welcome today's expert panel of witnesses, who each bring unique experience and expertise that will be valuable to today's discussion.

I would first like to welcome Mr. Haywood Talcove, the Chief Executive Officer for Government at LexisNexis Risk Solutions, Inc. His commitment to customers' needs allows LexisNexis to develop market-leading solutions that have enabled customers to stop fraud, waste, and abuse. Next, we have Mr. Stewart Whitson, the Senior Director of Federal affairs at the Foundation of Government Accountability. Stewart was previously a special agent in the FBI, a U.S. Army veteran, and now spends his time at FGA advocating to improve welfare, the workforce, and other policy.

Next, we have Ms. Dawn Royal, a certified welfare fraud investigator in the state of Wyoming, and Director for the United Council of Welfare Fraud. She advocates for investigating and preventing fraud of government benefits and has done so over the past 16 years. Finally, we have Mr. Dylan Hedtler-Gaudette, the Director of Government Affairs at the Project on Government Oversight. Dylan leads advocacy efforts and policy reforms to a wide range of good governance.

I thank each of our witnesses for being here today, and I look forward to your testimony. Pursuant to Committee Rule 9(g), the witnesses will please stand and raise their right hand.

Do you solemnly swear or affirm that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

[A chorus of ayes.]

Ms. GREENE. Let the record show that the witnesses answered in the affirmative. Thank you. You may take a seat. We appreciate you being here today and look forward to your testimony.

Let me remind the witnesses that we have read your written statement, and it will appear in full in the hearing record. Please limit your oral statement to 5 minutes. As a reminder, please press the button on the microphone in front of you so that it is on, and the Members can hear you. When you begin to speak, the light in front of you will turn green. After 4 minutes, the light will turn yellow. When the red light comes on, your 5 minutes have expired, and we would ask that you please wrap up.

I now recognize Mr. Talcove for his opening statement.

**STATEMENT OF HAYWOOD TALCOVE
CHIEF EXECUTIVE OFFICER
LEXISNEXIS SPECIAL SERVICES INC.**

Mr. TALCOVE. Chairwoman Greene, Ranking Member Stansbury, and distinguished Members of the Committee, for over a decade, a silent war has been waged against American taxpayers, not with bombs or guns, but with data and technology. Outdated government systems permit criminals to access unlimited sums of money. During the pandemic, they stole \$1 trillion. Seventy percent of those dollars went overseas. Shockingly, it is just not criminals exploiting the system. It is the flawed system itself acting as the accomplice. If left unchecked, the U.S. Government will continue to lead the world in funding cybercriminals. This is a data and technology problem, and it demands a data-driven response.

Criminal syndicates have turned benefit programs into their personal ATM machines, exploiting those in need who wait months for benefits that may never come. These ruthless crooks use our money to fund child trafficking, disperse drugs in our communities, and terrorism. For years, criminal networks have stolen personal information from the public and private sector. They exploit real identities to manipulate antiquated government systems, siphoning off billions in taxpayers' hard-earned money. We continue to pay benefits to deceased and incarcerated individuals, direct money to bad actors flagged on the Do Not Pay list, and overlook duplicate Social Security numbers by not following best practices.

During the pandemic, a simple cross-check of PPP loan recipients against IRS records would have exposed massive fraud and prevented payments to transnational criminals who sold their "sauce" on the dark web. To stop this, we must reclaim control of our systems, not just from the criminal syndicates, but the flawed systems enabling them. Smarter technology, data, and identity verification are not optional. They are necessities to protect taxpayers and ensure aid reaches those who truly need it.

Now, the use of AI is fundamentally changing society, but in the hands of criminals, it has become a weapon. Lawbreakers are now using it to supercharge their war on taxpayers. They use AI to create fake identity documents that pass biometric verifications. Bots flood portals with thousands of fraudulent claims per second, and deep fakes that mimic real applicants bypass the outdated NIST 800-63 standards from 2017.

Honest and deserving people seeking access to government benefits suffer through endless application forms that are nearly impossible to navigate, but criminals from Russia, China, and Romania gain access with ease. The private sector has fraud rates below

three percent. Meanwhile, the public sector operates at a 20 percent fraud rate. The solution is clear. It is already used every day to protect consumers. You seamlessly interact with your bank through an app that verifies your identity in milliseconds. There is no excuse for the government to lag if we do the following:

No. 1, implement identity verification on the front end—criminals should never receive a dime—eliminate self-certification, no more honor system for billion-dollar programs, and continuous auditing. Keep verifying because criminals never stop adapting. Pay-and-chase does not work. Of the \$250 billion stolen in pandemic unemployment fraud, less than \$5 billion has been recovered. The idea in government that you cannot have speed and security is fiction. I urge Congress to consider making the following legislative changes:

No. 1, update the 1974 Privacy Act to allow for data sharing and matching.

No. 2, fund a budget for fraud prevention in each appropriation bill. The USDA spends one-twentieth of one percent on fraud prevention. Mandate that individuals caught stealing from entitlement programs pay hefty fines and are removed from the program permanently. And finally, eliminate broad-based categorical eligibility.

This Committee has a choice: continue losing this war against criminal cartels and nation-states, or fight back and save \$1 trillion annually. Fraud prevention is not benefit prevention. It is the key to ensuring that every dollar reaches those who truly need it. Hardworking Americans rely on these programs not just to survive, but to build better lives for their families. When criminals exploit the system, they just do not steal money. They steal opportunities.

Stopping fraud is not about denying benefits. It is about protecting them. This crime has two victims. The first are the taxpayers, and the second are those seeking benefits. The fraudsters, cartels, and criminal syndicates are watching this hearing, I am sure of it. It is time to show them that America will not fund its own destruction. Thank you, and I look forward to your questions.

Ms. GREENE. Thank you, Mr. Talcove. I now recognize Ms. Royal for her opening statement.

**STATEMENT OF DAWN ROYAL
DIRECTOR
UNITED COUNCIL ON WELFARE FRAUD**

Ms. ROYAL. Good morning, Chairwoman Greene, Ranking Member Stansbury, and Committee Members. My name is Dawn Royal. I am a certified welfare fraud investigator, two-term past president and a current Director of the United Counsel on Welfare Fraud. The United Counsel on Welfare Fraud is a national professional organization dedicated to protecting integrity in our Nation's public assistance programs. We are the only national organization singularly focused on the detection, prevention, and prosecution of welfare fraud.

For too long, agency bureaucrats have pitted citizens' access to welfare programs against the integrity of those programs. Access versus integrity should never be an either/or dichotomy. We can all agree that access to public assistance is crucial. America's citizens should not be hungry or deprived of medical care because of their

inability to pay. However, making sure vulnerable citizens have access to these welfare programs should not mean that we simply turn a blind eye to integrity. If we do not pursue the prevention, detection, and prosecution of fraud, taxpayers become the victims as the welfare programs become slush funds for anyone wanting to supplement their income with SNAP benefits, absolve themselves from the financial responsibility of medical bills, and using Medicaid to further taxpayer exploitation by taking advantage of cash assistance, energy assistance, childcare, and other social welfare programs.

One example of welfare fraud is a case that I investigated that was criminally prosecuted last year. The applicant mother failed to disclose her children's father, as well as his employment and income on multiple applications she submitted for Medicaid, SNAP, and low-income energy assistance. The co-defendant father worked a steady job, earning a 6-figure salary, and provided an enviable lifestyle for his family, including vacations, luxury vehicles, snowmobiles, motorhomes, lavish gifts, including one from the wife to the husband, which was a \$1,200 bottle of bourbon. Evidence we presented at trial included candidate registration forms filed by the defendant father when he ran for town council and later mayor of the town where he declared he lived at the same address provided by his wife on her public assistance programs. This was a case of greed, but it emphasizes how easy it was for these criminals to make false statements on applications in order to receive benefits from multiple programs that they were never eligible for.

I could spend the rest of my day providing countless examples of how taxpayer-funded programs are exploited, and the message would be the same. Investigators continue to be hamstrung by antiquated regulations, conflicting directives from Federal agencies, and the lack of access to technology. Sadly, investigators have also found themselves at odds with the career bureaucrats who recite watered-down facts about fraud in order to promote their political agendas. Specifically, we can look to the career bureaucrats who have historically claimed that the fraud rate in SNAP is less than one percent. The disregard for the value of integrity is evidenced by the less than one-twentieth of one percent of the SNAP budget spent on the prevention, detection, and prosecution of fraud. As part of Medicaid unwinding debacle, the bureaucrats specifically directed states that they "cannot recover or recoup the cost of services from a beneficiary, even if they have been found after an administrative hearing or criminal proceeding to have committed Medicaid beneficiary fraud or abuse."

Sadly, it is already apparent that career bureaucrats are not being totally transparent as they attempt to protect spending and broken programs. We fail to understand how mitigating the rampant fraud in Medicaid, SNAP, and other welfare programs stands up or strengthens the welfare programs. Fact is, the opposite is true. Ignoring fraud and gaslighting fraud statistics erodes the very foundations of the programs that are essential to their future viability.

There are things this Committee can do to help the investigators fighting the war on fraud. No. 1, eliminate self-attestation in the application process for all programs. No. 2, funding for technology

that includes identity verification tools that will help prevent fraud. The current pay and chase model is not sustainable. No. 3, immediately implement the National Accuracy Clearinghouse, the NAC, that will provide data to states to prevent duplicate participation in all of the social welfare programs. And four, allocate direct funding with mandates restricting the use of the funding to the prevention, detection, and prosecution of fraud.

In closing, we are at a crossroads. Those of us who have first-hand knowledge of the degree in which public welfare programs are being attacked know that reform is absolutely necessary, reform to the recipient application process, the billing process in Medicaid and how SNAP benefits are processed, and how providers and retailers are authorized. We thank you for the opportunity for UCOWF to participate in this hearing. We feel that the investigators who are on the front lines fighting the daily battle against the war on fraud need to be at the table and participating in the development of action plans that will make a difference in protecting the programs and defending the taxpayers.

Ms. GREENE. Thank you, Ms. Royal. I now recognize Mr. Whitson for his opening statement.

**STATEMENT OF STEWART WHITSON
FORMER FBI SPECIAL AGENT
SENIOR DIRECTOR OF FEDERAL AFFAIRS
FOUNDATION FOR GOVERNMENT ACCOUNTABILITY**

Mr. WHITSON. Chairwoman Greene, Ranking Member Stansbury, Members of the Subcommittee, thank you for the opportunity to testify today.

On the campaign trail, President Trump promised to take on the bloated bureaucracy in D.C., rebuild trust in the DOJ and the FBI, crack down on waste, fraud, and abuse, and restore common sense. And on day one, he started delivering on those promises with a wave of executive orders and the official launch of DOGE, which he, of course, tasked Elon Musk to lead. Already, DOGE efforts have brought to the public's attention countless examples of wasteful spending, including \$59 million paid to luxury hotels in New York to house illegal immigrants, \$1.5 million to advance DEI in Serbia's workplaces, \$32,000 for a transgender comic book in Peru. The list goes on. But rather than applauding the work of DOGE, the left has launched a coordinated campaign to try to demonize Mr. Musk with the hope of shifting focus away from the disastrous waste, fraud, and abuse that occurred on Biden's watch, but guess what? It is not working, because no matter what political party people hail from, the vast majority of Americans agree that \$10 million worth of food funneled to Al-Qaeda was probably not the best use of taxpayer money.

But there is another source, a key source, of wasteful spending that DOGE and the Subcommittee should set their sights on next, and that is Medicaid waste and fraud. While initially meant as a program for the truly needy, Medicaid has bloated into a massive welfare program for millions of able-bodied adults lured into the trap of government dependency. And as Medicaid has grown, so, too, has mismanagement. Today, more than \$1 in \$5 dollars spent on Medicaid is improper. In Medicaid alone, fraud and mismanage-

ment is on track to cost U.S. taxpayers—get this—more than \$1 trillion over the next 10 years. When it comes to the problem of improper payments, the Medicaid program is the biggest culprit, encompassing nearly one-third of all Federal improper payments, and more than 80 percent of Medicaid improper payments are due to one thing: eligibility errors. If Congress wants to help President Trump address wasteful spending, then targeting eligibility errors in Medicaid should be one of your top priorities.

Bottom line, to address this challenge, Congress can take three decisive actions. So, first, Congress can strengthen the Medicaid Program through legislative action. That would include repealing Biden's disastrous Medicaid streamlining rule, which ties the hands of states trying to remove ineligible enrollees. You can and should do this through reconciliation, and it will produce \$164 billion in savings if you do. You can also strengthen verification requirements to ensure only eligible individuals receive benefits and ensure a nationwide NAC is implemented without delay.

Second thing Congress can do to help President Trump's DOGE effort by ensuring that entrenched partisan bureaucrats do not stand in the way of reform. So, Musk and his DOGE team have already found hundreds of billions of dollars funneled into wasteful, fraudulent, and flat-out insane projects, but they have only scratched the surface. If this much fraud has been exposed in just a few weeks, imagine what else is buried under layers of red tape and government excuses. But guess what? All of these insane projects have one thing in common: they were all approved and funded by unelected bureaucrats, and these and other entrenched bureaucrats are already pledging to fight against President Trump's efforts to improve government accountability and efficiency. Personnel is policy, and without competent staff to faithfully execute the President's agenda, the DOGE project will fail. And this is where Congress can help.

Congress can support the President in carrying out his DOGE effort by making all executive branch employees at-will, codifying the President's authority to fire unproductive or insubordinate agency employees as needed. At the same time, Congress can grant the President authority to permanently eliminate vacant positions and consolidate nonessential positions across agencies and departments to help promote efficiency and put the right people in the right seat. The third thing, Congress can make President Trump's DOGE cost-cutting and deregulatory reforms permanent by passing the REINS Act. And so, there is only one big problem with the DOGE effort. Most of its work can be undone by a future President with the stroke of a pen. To make President Trump's DOGE reforms permanent, Congress must act, and the best way to do this is to pass the REINS Act. This would return Article I budgetary power of the purse to Congress while promoting deregulation. It would also help lock in the DOGE reforms and cement President Trump's legacy as the most consequential deregulatory and cost-cutting President in U.S. history.

The American people are watching. It is time for Congress to act. Thank you, and I look forward to your questions.

Ms. GREENE. Thank you, Mr. Whitson. I now recognize Mr. Hedtler-Gaudette for his opening statement.

**STATEMENT OF DYLAN HEDTLER-GAUDETTE
DIRECTOR OF GOVERNMENT AFFAIRS
PROJECT ON GOVERNMENT OVERSIGHT (POGO)**

Mr. HEDTLER-GAUDETTE. Thank you, Chairwoman Greene, Ranking Member Stansbury, and Members of the Subcommittee. My name is Dylan Hedtler-Gaudette, and I am the Director of Government Affairs at the Project on Government Oversight, or POGO. I appreciate the opportunity to be with you here today to talk about the critical issue of bringing more accountability and transparency to Federal spending, including rooting out waste, fraud, and abuse.

Since our founding in 1981, POGO has been focused on promoting more accountability and rooting out wasteful spending and promoting efficiency, especially at the Department of Defense. We have a long and well-established track record on these issues, and we take a backseat when it comes to promoting a better and more effective government, which necessarily includes a Federal Government that is a good and responsible steward of taxpayer dollars.

Let us take a moment to pause here to talk a little bit about terms that we are going to hear a lot today and the differences between them. Waste is different from fraud, fraud is different from abuse, and abuse is different from both. When we talk about improper payments, they are a subset of those other three categories, but that does not tell us the whole picture either. Sometimes improper payments are a function of bad recordkeeping. Sometimes they are a function of outdated information technology systems. Sometimes they come about through human error, and sometimes they come about through negligence. There are a variety of reasons why improper payments happen. It just simply is not the case that improper payments are only a function of bad people doing bad things with bad intent. That does not mean we should not focus on trying to mitigate improper payments, and that certainly does not mean that the American people should not be concerned with how their tax dollars are used.

The good news is, is that there are some time-tested solutions and tools to help mitigate these problems. For example, when we think about the independence of Inspectors General, we are talking about a resource that is extraordinarily valuable to the American people. In Fiscal Year 2023 alone, Inspectors General identified over \$93 billion worth of potential savings to taxpayers. Whistleblowers are also an incredible resource to the American taxpayer. Through the IRS's whistleblower program alone, billions of dollars have been recouped from tax cheats since the inception of that program in 2007. Whistleblowers have also played an instrumental role in helping the Department of Justice pursue False Claims Act cases that have resulted in billions of dollars in reclaimed settlement costs. It seems to me that if an administration were serious about wanting to root out waste, fraud, and abuse, they would support and resource whistleblowers and Inspectors General. They would not demonize them, and they would certainly not fire them en masse in an unlawful midnight purge.

There are other reforms we can think about, too, reforms that are more technical but just as important. Key statutes, such as the Federal Funding Accountability and Transparency Act, the Data

Act, and critical platforms like *USAspending.gov* were really important improvements and innovations when they came about, but they are in need of overhaul and reform. Currently, the status quo is that we have an extraordinarily hard time tracking Federal dollars from end to end. This is due in large part to a broken chain of data collection, of reporting information, and the ability to monitor and track in real time what is happening with Federal dollars. This informational black hole is where a lot of impropriety happens. It is where waste, fraud, and abuse live, and, yes, this is where improper payments often happen. But more importantly, we also do not have a good, clear, and consistent way of understanding what is happening with tax dollars at the end point. What is the impact that we are having? What is the return on investment that we are having? We now have an annual budget of close to \$7 trillion a year. We cannot say with any degree of clarity and consistency what we are getting for all of that money.

We have some more good news, though. There are bipartisan efforts—and there have been for years—to try and cleanup this situation. We at POGO have had the privilege and pleasure of working on some of those initiatives. We were a part of the Federal Taxpayers Right-to-Know Act being passed into law just a couple of years ago, which created for the very first time a program inventory of all the programs in the Federal Government and that would be available to the public. We have worked with a Member of this very Committee, the House Oversight and Accountability Committee [sic], to introduce a piece of legislation that would bring more transparency to Federal subaward reporting. We have supported and endorsed multiple pieces of legislation that take direct aim at the improper payments issue.

We also have additional ideas that do not yet have congressional champions. One proposal is to clean up and modernize and standardize the award descriptions that are available in *USAspending* to make them more useful and relevant. We have another proposal to harmonize the amount of data and information we collect between contract spending and noncontract spending. We stand ready, willing, and able to work with anybody who wants to work with us on these commonsense solutions.

Last, I want to put in a quick word for Congress—and specifically, I want to ask—

Ms. GREENE. The gentleman's time has expired.

Mr. HEDTLER-GAUDETTE. Apologies.

Ms. GREENE. Yes.

Mr. HEDTLER-GAUDETTE. I cannot see the flashing light.

Ms. GREENE. That is OK. Thank you, Mr. Hedtler-Gaudette, we appreciate your testimony.

I now recognize myself for 5 minutes of questions.

I would like to thank our witnesses today for your testimonies and the suggestions that you have brought before this Committee. I would also like to thank Chairman Comer for this opportunity to chair the historic Oversight Subcommittee on DOGE.

Americans are shocked to learn that \$2.7 trillion of their hard-earned tax dollars have been stolen or wasted in improper payments since 2003. You see, in the private sector, companies cannot continue to run if they keep employees that allow waste and abuse

with their resources, but that has continued for decades here in the Federal Government. Mr. Talcove, do private sector companies have a lower rate of improper payments than the Federal Government?

Mr. TALCOVE. Yes. The fraud rate that the criminals are taking advantage of in the public sector is around 20 percent. In the private sector, it is around three percent. And it is really because the tools that are used in the private sector are not used in the public sector: front-end identity verification, self-certification, and then finally making sure that individuals are who they say they are. If we start using these tools, you will see the fraud rate go down dramatically because, for the most part, this fraud is not taking place by real individuals. It is individuals whose identities have been stolen on the dark web. They use that information pretending to be somebody else, and because of the antiquated systems, processes, and technologies in place in government programs, they are able to steal at scale.

Ms. GREENE. Right. So, Mr. Talcove, we would say that private companies that pretty much have to exist on a 20-percent profit rate. They cannot continue to be successful if they were to allow their customers' data to be stolen like that and used by criminals. However, the Federal Government, who can continue printing checks and continue in operation, never fixes its problems because it cannot be forced to go out of business. Would you agree with that? Yes or no.

Mr. TALCOVE. Yes. One of the things I noticed during COVID was the criminals learned that government was the mark because it never runs out of money—

Ms. GREENE. Uh-huh.

Mr. TALCOVE [continuing]. And they focus on it at scale, and then the likelihood of getting caught is virtually zero.

Ms. GREENE. I think it is outrageous for Americans to know that their identity can be stolen and then used for child-trafficking, drug-trafficking, and terrorism, like you stated in your opening statement. Ms. Royal, your testimony states that many programs operate under essentially an honor system in which applicants need not verify their identity, income, residency, or other key eligibility factors. You call this a trust-everyone instead of a trust-by-verify approach. Does this mean the Federal Government and some states are giving out billions of dollars to individuals without verifying who they are or whether they meet program eligibility requirements?

Ms. ROYAL. Yes, ma'am. That is correct.

Ms. GREENE. That is outrageous. Do states have enough incentive to prevent fraud and to recover improper payments?

Ms. ROYAL. No, and, in fact, states are hesitant to spend their state dollars to protect Federal dollars.

Ms. GREENE. Would greater investment in program integrity efforts yield a positive return for taxpayers?

Ms. ROYAL. Yes, it could easily be self-funding.

Ms. GREENE. Amazing. Mr. Whitson, your testimony states that both the Biden and Obama Administrations issued rules and guidance that made it harder for states to verify eligibility for Medicaid. You say that repealing Biden's Medicaid streamlining rule

would save \$164 billion over 10 years because the rule restricts eligibility verification that states can perform. Can you explain why this rule is so costly?

Mr. WHITSON. Yes. So, the rule does a number of things. For instance, it prohibits states from verifying eligibility more than once a year. So, for nondisabled folks to just go in and look and say, hey, are you still eligible for the program? It says you are forbidden from doing that any more often than once a year. And so, obviously, people's lives change and so they may become ineligible, and so it is designed to keep them on the program. Another thing, it prohibits in-person or phone interviews to verify their identity. So, people apply for it, and then the person on the other end says, well, I just want to call and make sure this is a real person, not someone in another country or whatever. The rule prohibits that.

And so, there are a number of other provisions. It also opens a lengthy reconsideration period, and this is where illegal immigrants are able to obtain the benefits. And so, basically, it says once you get these benefits, you cannot interfere with it for a 90-day period or longer, and so there are a number of—

Ms. GREENE. Wow.

Mr. WHITSON [continuing]. Of horrible things.

Ms. GREENE. So, we cannot verify if someone is illegal or legal, receiving benefits, just to correct that? Yes or no.

Mr. WHITSON. A state has to wait at least 90 days, and actually what we are seeing is it has led some states to wait as long as 13 years on the program. And so—

Ms. GREENE. Unbelievable. My time has expired. Thank you very much. I now recognize Mr. Lynch from Massachusetts for 5 minutes.

Mr. LYNCH. Thank you very much, Madam Chair. First of all, let me congratulate you, and also Ms. Stansbury, on your new positions, and I want to thank the witnesses for your testimony. We have already heard some good ideas about how to work together, and, Mr. Hedtler-Gaudette, I, for one, would be most open to working with POGO and trying to work on some of the legislative ideas that you have to actually get at some of this waste, fraud, and abuse.

Since this is my first opportunity to speak in this new Subcommittee as the Representative for the 8th congressional District in Massachusetts, I want to, first of all, make clear that my primary purpose in seeking appointment to this Subcommittee is for the singular and sacred purpose to defend our democracy, which I believe is under attack in this country, and to uphold my oath to support and defend the Constitution against those who might secretly or openly seek its destruction.

Make no mistake, this is a moment for representative democracy. This is a test of our resolve. In the coming days and weeks, we will all get to decide whether we stand with a couple of billionaires who, despite their own financial successes, still harbor such grievances in their hearts that after all that democracy has provided to them, they remain animated by the desire to dismantle this democratic government and to punch down at some of the weakest and most vulnerable in our society; two men who clearly understand

that the easiest way to incite large numbers of people is to use social media to exploit the dynamic forces of hatred and fear.

Madam Chair, if we are going after waste, fraud, and abuse, let us start with abuse. Abuse of power. As of yesterday, there were 55 lawsuits under consideration by the Federal courts across our Nation as a result of Elon Musk's and President Trump's unlawful acts. Many of those lawsuits have already been sustained by the Federal district courts, and orders have been rendered to undo those unlawful acts. But this is just the beginning, and Congress has an important role to play, and I, for one, look forward to that opportunity. This is a moment of great consequence for our country and for our democracy, and I remain grateful to the good people of the 8th congressional District of Massachusetts who sent me here.

Mr. HEDTLER-GAUDETTE, again, happy to join you on some of your efforts. POGO has worked very closely with our IG community. Is that right, the Inspector Generals?

Mr. HEDTLER-GAUDETTE. Yes, that is correct, Congressman.

Mr. LYNCH. I know your work is very much similar to what we ask our Inspectors General to undertake. I want to ask you, so in the most recent report from the Inspector Generals, and this is the Council of the Inspector Generals, a nonpartisan group on integrity and efficiency in government, they identified more than \$93 billion in potential savings. So, the first thing that President Trump did coming into office was to fire—fire—17 agency Inspectors General. From POGO's standpoint, what does that do to our ability to identify and root out waste, fraud, and abuse?

Mr. HEDTLER-GAUDETTE. Thank you, Congressman. I would say, to put it simply, it completely undermines our ability to root out waste, fraud, and abuse. Inspectors General exist for essentially one purpose, and they were originally created in the immediate aftermath of Watergate. And I think you all probably do not need me to give you a history lesson at all on what happened in the Watergate era. There is a reason they were created at that time because there was a lot of waste, fraud, and abuse happening, and there were not cops on the beat that were internal, that were independent, that were situated in agencies to be able to find these things and expose them and do something about them. That is what Inspectors General exist to do. So, it is completely, I would say, anathema to any stated mission to find cost savings and to root out waste, fraud, and abuse to fire Inspectors General and to undermine them. It makes no sense. Those two things do not add up.

Mr. LYNCH. Thank you very much. The firings that occurred when President Trump came into office included the Special Inspector General for Afghan Reconstruction, Mr. Sopko. I actually did over 20 trips to Afghanistan working with him. He actually uncovered \$4 billion in savings in rooting out American taxpayer waste being conducted in Afghanistan. The IG at the Department of Defense, the agency—

Ms. GREENE. The gentleman's time has expired, but the—

Mr. LYNCH. OK.

Ms. GREENE [continuing]. The witness—

Mr. LYNCH. Thank you, Madam Chair. I yield back. Thank you.

Ms. GREENE. OK. Thank you.

Mr. LYNCH. Appreciate that. Thank you.

Ms. GREENE. I now recognize the gentleman from Texas, Mr. Cloud.

Mr. CLOUD. Thank you, Madam Chair. For far too long, D.C. politicians have gotten away with measuring their personal value and worth by how much of other people's money they give away. And for far too long, they self-righteously have opined that the spending was for altruistic purposes, given out of care and compassion. For far too long, they have been more concerned with looking like they cared than having enough care and concern to actually do the due diligence to ensure that the tax dollars were being used wisely and effectively. And for far too long, those of us who have worked to uncover waste, fraud and abuse have had to deal with what amounts to an unconstitutional fourth branch of permanent bureaucracy that has too often worked to ignore, obfuscate, delay, and frustrate our efforts to bring transparency and oversight.

Over the last few weeks, the DOGE effort has begun to uncover not only how massive the waste, fraud, and abuse is, but also the extent at which D.C. politicians and too many obstinate bureaucrats have coordinated to create what is essentially the largest money laundering scheme in history. And while Americans have been working to make ends meet, they have been using taxpayer dollars to fund unnecessary, egregious, and even evil things here at home and around the world. Thankfully, in DOGE, we have a President bringing the leadership needed and a focused effort, along with the talent, technology, tools, and transparency to this waste, fraud, and abuse. And to those who would stand opposed to this effort, I would just point out, while it is understandable to find waste, fraud, and abuse that has grown and metastasized in this government, even over decades, certainly accelerated over the last few years, to continue to protect it is corruption. I want to thank the Chair for beginning this war on waste on this side of Pennsylvania Avenue and bringing together this Committee. This effort is so important as we work to relieve the American people of this burden of waste, fraud, and abuse.

Mr. Talcove, you mentioned in your written statement and talked about it in your statement at the beginning, that this waste, fraud, and abuse is a national security threat. And certainly, one of the challenges facing us,—it is a national security threat—is our fiscal situation. And so, we have got to find ways to find savings to the American people in order to bring confidence to the bond markets, to put our country on a fiscal footing, and to reverse the curse, so to speak, that we are placing on our children and our grandchildren.

You mentioned a couple of threats, though. You mentioned internal threats. You said that these cases involve government employees, individuals entrusted with administering benefits, who, instead of using their positions to approve fraudulent claims, override security controls or even sell sensitive claimant information for profit. Now, this is not every Federal employee for sure, but within the context of people who are trying to give their best effort, we have an internal threat. But you also mentioned transnational fraud rings, terrorist nation-states; North Korea nuclear weapons programs funded by our tax dollars; China, Nigeria, Iran, Romania,

Russia, not our friends, necessarily, that are being funded by taxpayer dollars. Could you give us some examples of how this is happening?

Mr. TALCOVE. Yes. So, when you think about what happened during the pandemic, \$1 trillion was stolen. Seventy percent of that money went overseas, and I can give you some examples. In a Western state, they had more people applying for unemployment insurance benefits than they had individuals over 18. The people that were stealing the money from Romania were using it to facilitate other fraud schemes that include fentanyl, that include doing things to impact our democracy.

On the insider threat, right, the first thing you have to say—and my dad was a public servant—is 99 percent of people that work in the public sector are honest, hardworking individuals, but there are some—and what you need is data and technology to root that out. There were examples during the pandemic. There were some examples even of last week where people got into the Medicaid system in a Western state and stole \$50 million in less than 4 months. So, you have to have these controls in place, right? These are not individuals stealing, Mr. Cloud. These are organized criminal groups, both domestic and transnational.

Mr. CLOUD. As you mentioned, taxpayers are being forced to fund the demise of our own country. Mr. Whitson, I wanted to ask you because there is a lot of talk about reconciliation right now. You mentioned Medicaid and what could be done to bring a pretty substantial amount of savings, and this is without affecting those who truly need Medicaid and for what the purpose of the program was extended for now——

Ms. GREENE. The gentleman's time has expired.

Mr. CLOUD. OK. Hopefully——

Ms. GREENE. Does the witness want to answer the question quickly?

Mr. WHITSON. No. Only to say that, yes, there is a tremendous amount of savings that can be found from the streamlining rule but also work requirements in the program is another big area that can be done in reconciliation, and that could save a significant amount as well, \$241 billion in Federal spending over 10 years.

Mr. CLOUD. Thank you.

Ms. GREENE. Thank you.

Mr. CLOUD. Thank you, Madam Chair.

Ms. GREENE. You are welcome. I now recognize the gentleman from California, Mr. Garcia.

Mr. GARCIA. Well, thank you. Thank you to all of our witnesses for being here, and I want to just start off by making something clear. I think we are all here to fight against the lies, the corruptions, and the attacks on our social safety net. Now, we should in no way be cooperating with House Republicans who want to shut down the Department of Education and destroy Medicare and Medicaid, and we should not stand by as the richest man on the planet gives himself and his companies huge tax cuts while the American people get absolutely nothing.

Now, I find it ironic, of course, that our Chairwoman, Congresswoman Greene, is in charge of running this committee. Now, in the last Congress, Chairwoman Green literally showed a dick pic in our

Oversight congressional hearing, so I thought I would bring one as well.

[Photo]

Mr. GARCIA. Now, this, of course, we know is president Elon Musk. He is also the world's richest man. He was the biggest political donor in the last election. He has billions of dollars in conflicts of interest, and we know that he is leading a power grab also abided by and encouraged by Donald Trump and, of course, the Chairwoman, Congresswoman Greene.

But I also want to run through what DOGE actually is going to do. It is a demolition plan that is going to run through our government. DOGE is trying to abolish the Department of Education. That means opportunities denied to kids. It means you are ripping away opportunities for children with disabilities who are dependent on this money. You are also halting medical research, which is also critical, which we have to also stop. The idea that we are going to eliminate or destroy the Department of National Institutes of Health, NIH, is crazy. Let us talk about the Department of Labor. We are talking about protections for working people across this country, where people can actually complain about abuses that their companies are making against them and their coworkers. Workers are now going to be in danger.

Let us also talk about the Consumer Financial Protection Bureau, another huge issue for us. Think about the scammers and fraudsters that will be empowered across this country because Elon Musk wants, essentially, these companies to have more power over consumers and over people across this country. Look at the Centers for Medicare and Medicaid Services. That is actually what is being discussed partly today, healthcare, we are talking about, being denied to millions of poor people, working class people, across this country. And now, of course, they are on to their largest target, the U.S. Social Security Administration. We are talking about the destruction of the actual social safety net in this country. We know that one in five Americans collect Social Security—seniors, disabled people. This entire plan is about hurting the American social safety net and destroying our institutions.

And it is important that we actually call out what is happening at this Subcommittee. This is not about working with the richest man on the planet. This is actually about empowering. This Committee wants to empower the richest person in the world to hurt people so they can take all of this money that they so-call want to save, and then give it to themselves, their companies, and their billionaire friends. That is the attack that is happening in this Committee and across this country, and it is important that we call it out.

We also know, of course, that Elon Musk is sending his unqualified DOGE staff to carry out this agenda across all these agencies and, in some cases, actually teenage staffers, no accountability, no experience, and problematic records. They are trying to rob you, and they are probably a minor. Thank you, and I yield back.

Ms. GREENE. The gentleman yields, and I now recognize the gentleman from South Carolina, Mr. Timmons, for 5 minutes.

Mr. TIMMONS. Thank you, Madam Chair. I find it sad that my colleagues across the aisle cannot take this seriously. We have \$36

trillion in debt. We run an annual almost \$2 trillion deficit. When I got elected 6 years ago, we had \$21 trillion in debt. So, in 6 years, we have added over \$15 trillion to the debt, and guess what? President Trump ran on fixing this problem. President Trump told the American people he would right the ship financially, and he said during the campaign that Elon Musk was going to be the person to lead this charge, the man that has turned business after business around. He is the richest man on the planet because he succeeds at his endeavors, and that is why President Trump has appointed him the head of this effort.

This is a very serious problem, and it is incredibly hypocritical that my colleagues across the aisle are complaining about this because Joe Biden signed his name and wanted the American people to believe that he had the ability to forgive \$250 billion with a signature. Guess what? The Supreme Court ruled he did not. That is our system of checks and balances. President Biden, he clearly was experiencing cognitive decline. He did not even have the ability to be charged with a crime as determined by his own Department of Justice. But he signs his name, and he thinks it gives a quarter of \$1 trillion away, redistributes taxpayer dollars. It is just crazy that we cannot come together to address the greatest national security threat facing this country, our debt.

Now to the task at hand, Medicaid fraud. Mr. Talcove, if we implement enhanced identity verification and enhanced income verification, what will happen? How much money will we save?

Mr. TALCOVE. You will save hundreds of billions of dollars. Identity verification, elimination of self-certification, and monitoring beneficiaries will prevent these transnational criminal groups from accessing those systems at scale so legitimate people who need the benefits can get them in a timely fashion.

Mr. TIMMONS. So, we are going to get actual benefits to people, to American citizens, that are in need faster because if you do it electronically through web-based, like they did in Missouri, where the pilot program saved almost 20 percent of Medicaid dollars. So, all we have to do is adopt what has already been proven in Missouri, and we will save 20 percent. To the people out there listening, we spend almost \$900 billion every year on Medicaid. And if 20 percent of that is saved, that is almost \$200 billion dollars. We got a \$1.8 trillion annual deficit. We just knocked off \$200 billion. Let us keep this train going. The fact that the Democrats are filing lawsuit after lawsuit to impede the efforts of President Trump to right our fiscal ship is unforgivable. It is unforgivable.

Mr. Talcove, you talked about pandemic fraud. I have a bill that would cause the IRS to share data with the Small Business Administration and the FBI and the Department of Justice that would show that you were ineligible for PPP loans and you got them. So, I think that would save probably one hundred billion. Do you think that we should go back and take money away from people that fraudulently got COVID money?

Mr. TALCOVE. Yes. Yes. During the pandemic, the PPP Program was a virtual buffet for fraudsters, and it was because of that 1974 Privacy Act where data sharing and matching is virtually impossible. Congress needs to change that.

Mr. TIMMONS. But we can do it retroactively. We can do it retroactively. We can find the people that stole this money, hold them accountable, probably get some of the money back. So, I already have that bill filed. That bill, I think, would probably get \$100 billion. So, now we got enhanced identity verification, enhanced income verification that has been proven in Missouri. It does work, so I am working on that bill. We are going to drop it soon. That is \$200 billion.

There is a competition in Congress. I think we should have a competition on this Committee. I got \$300 billion in savings proposed. We got to all pull our weight because we have such a massive problem right now. But I would just ask my colleagues across the aisle to get out of the way if you do not want to help. If you do not want to help right the fiscal ship in this country, get out of the way. Stop filing lawsuit after lawsuit. We do not have the financial ability to continue down this path, and we are going to save this country with or without you. You can kick and scream all the way, or you can get out of the way. I prefer the former. Thank you, Madam Chair.

Ms. GREENE. The gentleman yields. I now recognize the gentleman from Texas, Mr. Casar.

Mr. CASAR. This Subcommittee is supposedly about looking into waste, fraud, and abuse. So, I would like to start talking about independent Inspector Generals who are supposed to be looking into waste, fraud, and abuse. Mr. Talcove, do you know how many Inspector Generals at agencies that were investigating Elon Musk's companies have been fired by the Trump-Musk Administration?

Mr. TALCOVE. No.

Mr. CASAR. It is 5. Ms. Royal, the Inspector General of the Department of Labor had 17 open investigations into Tesla and SpaceX. Do you know what the Trump-Musk Administration did to that Inspector General?

Ms. ROYAL. No.

Mr. CASAR. They fired him, and I think you all know. Mr. Whitson, the Inspector General of the Department of Transportation was investigating Tesla. Do you know what the Trump-Musk Administration did to that Inspector General?

Mr. WHITSON. No.

Mr. CASAR. They were fired. The Department of Defense's Inspector General was looking into SpaceX. Mr. Hedtler, do you know what the Trump-Musk Administration did to that Inspector General?

Mr. HEDTLER-GAUDETTE. I believe he was fired.

Mr. CASAR. Thank you. I think everybody on the panel knows what the answer to these questions were. The U.S. Department of Agriculture Inspector General was investigating Musk's Neuralink. Mr. Talcove, now, I will ask you again under oath. Do you know what Mr. Trump did to that Inspector General that was looking into one of Musk's companies?

Mr. TALCOVE. No.

Mr. CASAR. He was fired. The Inspector General at the EPA was repeatedly taking on Tesla. Mr. Hedtler, since it seems that you are answering the questions that everyone knows the answer to, do

you know what the Trump-Musk Administration did to that Inspector General?

Mr. HEDTLER-GAUDETTE. I believe he was also fired.

Mr. CASAR. Also fired. At least five Inspector Generals that were looking into Elon Musk's companies were fired by the Trump-Musk Administration. These Inspector Generals who are independent, protected by law, they are the people that find the waste, fraud, and abuse, and found many of the cases of waste, fraud, and abuse that have been brought up today, fired because they were looking into Elon Musk. At the NLRB, the National Labor Relations Board, which is supposed to protect workers from getting their unions busted by folks like Elon Musk, made functionally broken by the so-called Department of Government Efficiency that really is the Department of Government Efficiency for Elon Musk, not for you. They are trying to shut down the Department of Education, the Department of Labor.

You know what Elon Musk does not seem to be looking into? His own contracts. Again, I will ask you, Mr. Talcove, do you know how much money a day Mr. Musk will receive from the Federal Government for his contracts?

Mr. TALCOVE. No.

Mr. CASAR. The answer is \$8 million a day. Just last year, Elon Musk was promised \$3 billion from close to 100 contracts with the Federal Government. Ms. Royal, do you know how much the average person in this country, who survives on Social Security, one of our seniors who has worked their entire life, about how much they have to survive on a day?

Ms. ROYAL. I do not.

Mr. CASAR. Sixty-five dollars a day. We are not looking into Elon Musk's \$8 million a day. This Subcommittee, chaired by Marjorie Taylor Greene and the House Republicans, is looking into your grandmother's \$65 a day. Let me be clear. I think we would all support taxpayer savings, look into money we might needlessly send to billionaires and big corporations, find taxpayer savings, and send it back to your hard-working family. But instead, what House Republicans and the Trump-Musk Administration want to do is they want to look into your kid's lunch money, your kid's teacher's salary, into your grandparent's Social Security. They want to take that money and give it out in billionaire tax cuts. And they are talking about that in Budget Committee tomorrow. They just released their plan.

So, let me be clear. When Republicans talk about government efficiency in this Congress, they are not looking into billionaires who do not pay their taxes. They are not looking into billionaires who get rich off of government contracts. They are not looking into Elon Musk firing watchdogs who are supposed to keep him accountable. They are looking at cutting your public schools. They are going straight for your Social Security. They are coming straight for cancer research. They are coming straight for the Department of Education. They are not looking at Big Tech. They are not looking at Big Pharma because those people fund their campaigns.

If this Committee were serious about rooting out waste from our Federal Government, then today's whole hearing would be about how Musk and Donald Trump are firing the independent watch-

dogs who have done this work for decades. Instead, my Republican colleagues' actual goal on this committee is to distract from Trump and from Musk's corrupt war on accountability. This will not be a Subcommittee dedicated to making government efficient for everyday people. It is about helping Elon Musk and Donald Trump be as efficient as possible in robbing our government and handing out our government services to the rich. So, this seems that this subcommittee is just going to be——

Ms. GREENE. The gentleman's time——

Mr. CASAR [continuing]. Like the agency——

Ms. GREENE [continuing]. Has expired.

Mr. CASAR [continuing]. It is named after——

Ms. GREENE. The gentleman's——

Mr. CASAR [continuing]. A sham.

Ms. GREENE [continuing]. Time has expired.

Mr. CASAR. A total sham.

Ms. GREENE. The American people are \$36 trillion in debt. It certainly seems reasonable that someone has been fired. I now recognize the gentleman from Tennessee——

Mr. CASAR. You are going to put us——

Ms. GREENE [continuing]. Mr. Burchett.

Mr. CASAR [continuing]. Further in debt with your billionaire tax cuts.

Ms. GREENE. You are not recognized. Mr. Burchett, you are recognized for 5 minutes.

Mr. BURCHETT. Thank you, Chairlady. The gravy train for a lot of these folks, it has been on biscuit wheels, and it is about to run off the dagum tracks, and it is about time. Could you imagine standing up here and defending waste, fraud, and abuse? But I think that is what we are seeing. When people squeal and do not ask questions, I think it shows the American public what the heck is going on, and that little gravy train is getting ready to run out. The spigot is getting ready to be turned off.

Mr. TALCOVE, that is correct how you say your name, brother?

Mr. TALCOVE. Yes, sir.

Mr. BURCHETT. All right. How can the Federal Government improve identity verification for these entitlement programs?

Mr. TALCOVE. Yes, it is doing what the private sector does every single day. Whether you use your bank, you go to Amazon, using those tools and moving away from some of the dated compliance standards that the Federal Government uses, NIST IAL 800-63, 2017, before there was anything called deepfakes and generative AI tools.

Mr. BURCHETT. Also, I was informed that PayPal, they have never been able to crack into that and steal people's vital information. Are they using those systems that you would be favorable toward that government seems to be shying away from?

Mr. TALCOVE. Yes, sir.

Mr. BURCHETT. And describe how that works.

Mr. TALCOVE. They are systems that are based on encryption. They use technology and they use data to validate you are who you say you are. The people that are stealing right now, I believe a lot of them are actually ghosts from China, Russia, Nigeria, and Romania.

Mr. BURCHETT. I read a report today that North Korea was involved in some of that as well—

Mr. TALCOVE. They are.

Mr. BURCHETT [continuing]. And those people are our enemies. Again, they will hate us for free. We do not have to give them taxpayer money. And are there loopholes that can be closed to avoid these improper payments, and I wish you would describe those to me.

Mr. TALCOVE. All right. The biggest, most important thing, particularly in the benefit program space, is the use of self-certification. As Mr. Timmons noted, the state of Missouri is using a solution called SteadyIQ to validate wages and wealth. You cannot allow individuals to provide the information based upon what they think. It has to be based on what you know, and that will stop the ghosts from using people's identities to steal money from U.S. taxpayers.

Mr. BURCHETT. How much money do you calculate is wasted due to waste, fraud, and abuse in the entitlement programs each year?

Mr. TALCOVE. Yes. My number right now, between Federal, state, and local government is you can save \$1 trillion a year by simply putting in front-end identity verification, eliminating self-certification, and monitoring the backend of the programs that are providing the benefits, those three things.

Mr. BURCHETT. You said you could eliminate that, but are there others that you feel like some more low-hanging fruit?

Mr. TALCOVE. I would start with those three things because they are simple. That will take that 20-percent fraud rate that you are seeing in the public sector down below 5 percent.

Mr. BURCHETT. Chairlady, I would suggest that we adopt Mr. Timmons' legislation and get that out of the Committee as fast as possible. What actions also could Congress take to fix these problems quickly?

Mr. TALCOVE. Yes. I think the first thing is updating and redoing the 1974 Privacy Act. That is virtually impossible to do data matching. It is very difficult to have data shared, and when you look back at the pandemic, data sharing and data matching would have stopped probably 50 percent of the trillion dollars that was stolen from taxpayers.

Mr. BURCHETT. Would any of you all like to add anything to that?

Mr. WHITSON. Congressman, I would just add that rather than accepting self-attestation, that states should have to be required to actually verify people's identities—and here is the key part—before they get enrolled. They should not get enrolled and then eventually come down later on down the road.

Mr. BURCHETT. It is amazing to me. I had a doctor's appointment back in Knoxville, and the verification process is very extensive. It is more so than the Federal Government requires for any of this. What type of computer systems are these agencies using and do they need updating?

Mr. TALCOVE. They are using very dated technology, but they are also burdened. I look at the USDA, 6.2 million words in a 10,000-page document that shows how to implement the rules of the program. Nobody can figure that out. So, one of the things that I think

has to happen is the simplification of these processes and systems, and then just use the technology that we use every day in the private sector.

Mr. BURCHETT. OK. Thank you all so much for being here.

Ms. GREENE. The gentleman's time has expired.

Mr. BURCHETT. Thank you, Chairlady.

Ms. GREENE. I now recognize the gentlewoman from Texas, Ms. Crockett, for 5 minutes.

Ms. CROCKETT. Thank you, Madam Chair, and, Mr. Talcove, I am just going to go ahead and pick up where you left off really quickly. Just to be clear, the upgrades that you are talking about as it relates to our data processes, these are not things that would be free, are they? Would they cost some kind of money? Not looking for a number, but they will cost, correct?

Mr. TALCOVE. Some are free and some would cost money.

Ms. CROCKETT. OK. All right. So, I just want to leave it there because we have had a number of these hearings, so I do want to be clear. Before the Trump Administration came in, this Committee did exist in the form of the Oversight Committee, and our task is to root out waste, fraud, and abuse. In that vein, we had a number of hearings, at least last term—I cannot speak for any other term as I am only in my sophomore term—and we dealt with improper payments. And interestingly enough, our Chairwoman, who was so passionate about this today, she missed every single one of those improper payment hearings.

But just to be clear, I was there, so I do not want anyone to believe that Democrats just come to work and do not plan to do work. In fact, I am trying to figure out exactly what it is that the Republicans believe our job is because right now, they have relinquished their constitutional duties over to an unelected bureaucrat, someone who no one went out to vote for, and, absolutely, he is occupying the Oval Office, as we saw yesterday. And that is a first for me, to see someone occupying the Oval Office who has never actually been elected to the Oval Office and actually answering more questions than the person that allegedly got elected. But for whatever reason, this is the first time we are having a DOGE Subcommittee hearing and that guy is not here. Instead, we have you all, so I do want to thank you for coming.

But I will say this. It is also interesting to me that in the first few days of DOGE existing, we know that they are trying to get rid of the Department of Education, USAID, Consumer Financial Protection Bureau. They are laying off FAA workers. They are going after the FDA, the CDC, the HHS, the FBI agents, and they are talking about getting rid of FEMA, and they brought you all in. And I am going to say that I actually was shocked that there was only one person that seemed like he was an overt Trumper, as you laid out your opening remarks, because I anticipated that at least one of you all would say, yes, what Elon is doing is exactly what we would prescribe. But instead, I will applaud you because you actually were focused. You talked about what the American people are looking for us to do. We have actually, consistently, on this side of the aisle, promoted this idea of making investments into technology so that we can do things such as, say, look at the Department of Defense.

The Department of Defense that takes up approximately, oh, 50 percent of our discretionary income or our discretionary spending. Approximately 50 percent goes to Department of Defense. Department of Defense has not been able to pass an audit in the last 6 audits, and we are not talking about pennies. I understand that we want everything to be perfect, and if we could get all waste, fraud, and abuse out, that would be fantastic, but let me talk about the big numbers.

The big numbers are on that side. When we look at, say, our entire workforce, our Federal workforce, as we are trying to somehow fire all of them, they do not even make up a total of five percent. It is even less than that when we look at our budget. But let us talk about defense. That just happens to be the same side of the ledger that Mr. Musk gets the vast majority of his money from. In fact, at the same time that they were unlawful, and we will stay in court because on this side, we believe in law and order. I mean, a number of us are actually lawyers, but, nevertheless, we understand the Constitution. We believe in that as well. And so, there are things such as, you know, impoundment, right, because as Mr. Whitson said, he said we need to return the power of the purse to Congress. It never left. According to the Constitution, that is where it is at.

Now, I know that people are confused right now because, for whatever reason, we had a guy that went in and you talk about people invading our data. Listen, people say that they were upset about TikTok, but I am upset about the guy that runs Twitter who, for sure, is doing nefarious things because I do not understand. If you are trying to conduct audits and figure out where the waste, fraud, and abuse is, I do not know why you would go to some tech guy. In fact, it was only techies that were sitting there at inauguration. We did not have auditors. I would welcome auditors to come in and do forensic audits. In fact, he sat there in the Oval Office yesterday and he admitted that he was lying, and he was using his propaganda machine to do it when he said that we sent millions of dollars to Gaza for condoms. That was a lie. So, let me tell you something, we——

Ms. GREENE. The gentlelady's——

Ms. CROCKETT [continuing]. Were duly elected——

Ms. GREENE [continuing]. Time has expired.

Ms. CROCKETT [continuing]. And it is time for us——

Ms. GREENE. The gentlelady's time——

Ms. CROCKETT [continuing]. To do our jobs——

Ms. GREENE [continuing]. Is expired.

Ms. CROCKETT [continuing]. And reign in this rogue actor known as——

Ms. GREENE. The gentlelady's time——

Ms. CROCKETT [continuing]. Elon Musk.

Ms. GREENE [continuing]. Has expired. I now recognize the gentleman from Missouri, Mr. Burlison.

Mr. BURLISON. Thank you, Madam Chair. I just want to speak frankly at first to the American people. We are nearing \$37 trillion in national debt. What does that mean? That means that each and every U.S. taxpayer owes over \$323,000. OK. What does that mean? That means when the EPIC, which is the Economic Policy

Innovation Center, says we have \$18 trillion left, that is it, \$18 trillion left to take out, and we are spending \$2 trillion in debt every year. Folks, we are at the precipice of a, like, a debt cycle. We are literally at a point in which the dollar will be worth nothing. What does that mean? And I mean, we know, Social Security goes bankrupt in 8 years, right? Medicare goes bankrupt in 10 years, and then 15 years from now, the dollar is completely devalued and worth nothing. So, what does that mean? That means your pension, the money in your bank, you know, your savings is nothing. It is worthless.

So, what are we doing? We are trying to save this country. We are trying to save your pensions. We are trying to save your bank accounts. We are trying to save this country for the next generation. And it would be nice if we had help, but instead, we have people that are fighting us on this. And you know, I would hate to be in the Democratic Party right now because you are in a really bad bind. You are having to defend all of this crazy spending, all of this crazy waste. So, how do you do it? You do ad hominem attacks. You attack the messenger. Oh, Elon Musk, right? He is rich. He must be evil, right? That is the attacks. Really? You cannot do any better than that, right?

Let us talk on the policy. On the policy. Help us. We are trying to save this country, and Elon Musk, who is making no money doing this, is trying to save this country. Why? Because he is invested in the United States of America more than anybody, right. So, I think that we should embrace it. In fact, not a single company, Governor of any state, would ever turn down Elon Musk and his team of DOGE from coming in and providing free services to right the course financially in any state or organization. It is ridiculous that we would demonize someone that loves this country so much.

Mr. WHITSON, the formation of agencies via the executive action is not new, right? The formation of DOGE is not new. You know, are you familiar with any other previous presidencies where they have formed organizations like DOGE via executive action?

Mr. WHITSON. Yes. So, actually the agency that DOGE is occupying is one that was created in a previous administration. So, it is something that happens routinely, but I do not know if that answers your question.

Mr. BURLISON. Yes. The Office of Budget Management was created. The Environmental Protection Agency was created. The U.S. Digital Service, which is now DOGE, was created all by executive order, right?

Mr. WHITSON. And actually, one other I would add is USAID was originally created through an executive order by President Kennedy and then later formalized.

Mr. BURLISON. And then, Madam Chair, I have a video I would like to end with. Let us review, if we could cue that. And I want to remind my Democratic friends, at a point in which you once had the majority of the American people on your side, this is what your party believed in.

[Video shown.]

Mr. BURLISON. I think it speaks for itself. My time has expired.

Ms. GREENE. The gentleman's time has expired. Thank you. I now yield to the gentlewoman from the District of Columbia, Ms. Norton, for 5 minutes.

Ms. NORTON. Thank you. Our Republican colleagues and the Trump Administration continue to demonize our friends and neighbors who work for the Federal Government and swear an oath to protect the Constitution and serve the public. Thousands of civilian Federal employees have given their lives in the line of duty for their country. The Administration seems intent on dismantling much of the Federal Government in violation of the Constitution, statutes, and regulations, and our Republican colleagues are letting them do it. They want to gut the nonpartisan civil service and to convert a significant portion of the remaining civil service into political appointees. Depriving the Federal Government of employees' expertise and experience will harm the services that the government provides to all Americans.

Mr. Hedtler-Gaudette, the Administration is attempting to cause a mass exodus from our Federal workforce. Will this increase or decrease waste, fraud, and abuse?

Mr. HEDTLER-GAUDETTE. Thank you, Delegate Norton. I think it is pretty clear that chaos is not the friend of efficiency. If you undermine the very functionality of the government, you are not going to make it more efficient. You are going to make it worse, and it is going to cost even more money to recoup or to fix things that go wrong in the interim. Again, I mentioned earlier that if you care about waste, fraud, and abuse, firing Inspectors General does not add up. I think if you care about government being more efficient, then intentionally creating chaos is the opposite of that.

Ms. NORTON. Well, Mr. Hedtler-Gaudette, do Federal employees operate without oversight or rules and regulations?

Mr. HEDTLER-GAUDETTE. No, absolutely not. They are governed by plenty of rules and regulations, and when there are independent Inspectors General at the agency they are supposed to be at, they also have a cop on the beat making sure that they do so.

Ms. NORTON. I want to highlight some stories demonstrating exactly the kinds of Federal workers the Administration is trying to force out. How about Chris Mark at the Department of Labor, whose pioneering work on mine safety has reduced miner safety deaths from roof collapses to almost zero today; or Jarod Koopman, at the Internal Revenue Service, who pioneered new methods for tracking criminal cybersecurity currency transactions that led to the rescue of 23 children from rape and assault, as well as the seizure of hundreds of millions of child abuse videos and 370 pedophile arrests. This work also prevented funding from going to terrorist groups; or Ronald E. Walters, who manages the 155 national cemeteries around the country and tends to the resting places of almost 4 million veterans. These are just a few of the Federal workers who serve Americans every day. The workers are wildland firefighters, border guards, doctors, nurses, food inspectors, air traffic controllers, and law enforcement that do their civic duty, often despite the fact that they could make such more in the private sector. Thank you, and I yield back.

Ms. GREENE. The gentlelady yields. I now yield to the gentleman from Georgia, Mr. Jack.

Mr. JACK. Well, thank you very much. Thank you very much, Madam Chair, and I want to also thank you for convening this hearing. I think it is incredibly important, and I want to thank our witnesses for appearing before us today. Like another Member of this Committee, I, too, was once an employee of the Executive Office of the President. I worked in President Trump's White House from the very first to the very last day of his first term, and I saw firsthand how entrenched and resistant the Federal bureaucracy was to his agenda. So, it is no surprise that, today, a few of my Democrat colleagues have continued that trend by using their time to bash Elon Musk instead of discussing ways to work together to advance a bipartisan cornerstone of President Trump's agenda, the mission to eliminate, finally eliminate, waste, fraud, and abuse.

And I just took a rudimentary count of the Dems' testimony, or rather comments, today, and I have got 27 mentions of Elon Musk and 3 mentions of waste, and I do not know if that is, in fact, the right count. I encourage anybody to fact-check me. But I think it illuminates and illustrates one of the problems that we are facing, which is a lack of bipartisan effort to address these critical things. You know, waste, fraud, and abuse is something that should be bipartisan. The Chair noted that in her opening remarks.

Now, Madam Chair, you know how much I enjoy studying public opinion. So, with your approval, I would like to enter into the record the CBS news poll from this past weekend conducted February 5 to 7, 2025. And I would also like to illuminate two findings. First, 70 percent of Americans, Democrats and Republicans included, believe President Trump is already doing the job that he was elected to do, which is interesting because I have an article here from CNN from September 2024 that notes, "Trump says Elon Musk Has Agreed to Lead Proposed Government Efficiency Commission as Ex-President Unveils New Economic Plans". So, he is doing exactly what he said he would do by empowering his Administration to root out waste, fraud, and abuse, and that is exactly what we are trying to do here today. I would also like to note one interesting statistic from that. Sixty-two percent of Americans want Democrats in Congress to work with us to advance the priorities that President Trump was elected to, to govern on. So, I think those are two stats that I hope everyone pays attention to.

But to ask questions of our witnesses, I would first like to start with Mr. Talcove. You know, one of the things that I found very interesting from your opening testimony is you talked, and I think you engaged with Mr. Burchett, on the 1974 Privacy Act. And I had some interesting folks visit my office yesterday who noted that one-third of all prior authorizations are still done manually by phone, fax, or direct post mail. First off, I would love your comments on that, and I would also like for you to expound upon some of the solutions that we can deliver, this Congress, in modernizing that 1974 Privacy Act.

Mr. TALCOVE. These are not people problems. These are technology problems. You cannot process the number of individuals that are accessing our systems person by person. It just takes too much time. So, by updating the 1974 Privacy Act and allowing for digital matching, you would have very quickly realized that a large portion of the PPP loan funds were going to the wrong person. You

would have been quickly able to match, and I think the number was 20 percent were on the Do Not Pay list. You cannot expect people to do what a machine, and especially AI, can do today.

Mr. JACK. Fair enough. Thank you very much for that. And if I can also ask Mr. Whitson, I think we share a common interest, which is to move departments and agencies outside of Washington, DC. It is something that I campaigned on, something that I helped President Trump effectuate in his first Administration. And I have to imagine that if we have departments and agencies outside of D.C., if we have got, you know, a workforce that is more reflective of the balance that America is, we, at the same time, too, could potentially root out some of this waste, fraud, and abuse by enabling other Americans, other citizens of our country, to help advance some of these issues. So, I would love your commentary on that before my time expires.

Mr. WHITSON. No, I think you are exactly right, Congressman Jack. And so, I think, A, you would save a lot of taxpayer money. So, building a headquarters in downtown D.C. versus Huntsville, Alabama, you are going to be able to save a lot of money. No. 2 is you are actually going to make life better for the employees as well. So, that is a point that is also missed a lot, but commuting into D.C. versus being able to go somewhere else, where it is a better cost of living and things like that, might be better for the folks. And then last, these areas where you set up a headquarters are going to be populated by people that live in the area to fill the rank and file of staff positions. And so, if you plant these Federal agency headquarters in the heart of any area that is overwhelmingly one party or the other, then you are going to naturally get that sway versus something that is more representative of the people as a whole.

Mr. JACK. Well, thank you very much to our witnesses. Mindful of my time, I want to finish before my time expires. I yield back to our Chairwoman, Marjorie Taylor Greene.

Ms. GREENE. Thank you.

Mr. CASAR. And Chairwoman, I would like to ask for unanimous consent to enter something into the record.

Ms. GREENE. So, what is it?

Mr. CASAR. It is a report from the Congressional Research Service, nonpartisan CRS, that lays out the rules and the law for firing inspectors general, which, of course, look into waste, fraud, and abuse. And that rule—

Ms. GREENE. Without objection.

Mr. CASAR. Thank you. And that rule requires that for the law to be followed, for Congress to be notified with 30 days and a reason for firing Inspectors General, to give Congress a chance to overrule that, and that is the law. So, thank you for entering that into the record.

Ms. STANSBURY. Madam Chair?

Ms. GREENE. Without objection, the materials Mr. Jack cited are also submitted for the record. I now recognize—yes?

Ms. STANSBURY. Apologies. And while we are on it, I would also like to ask for unanimous consent to submit for the record two items. One is a statement from the AFL-CIO Department of People who work for a living with views on working people to make the

government work. And the second is a statement from the Center for Responsibility and Ethics in Washington on ways to combat waste, fraud, and abuse in the Federal Government.

Ms. GREENE. Without objection, so ordered.

I now recognize the gentlelady from New Mexico and Ranking Member, Ms. Stansbury, for 5 minutes.

Ms. STANSBURY. All right. Well, thank you, Madam Chairwoman, and thank you once again to all of our witnesses for being here to testify. Thank you to my colleagues.

We are going to have so much fun in this Committee this Congress. I actually appreciate the video that was shown just a few moments ago because when I worked at the Office of Management and Budget, I actually worked on the waste EO that was referenced that President Obama signed. But there is one fundamental difference between the Presidents and Vice Presidents that were shown on that video and what is happening today, and that is that they followed the law.

So, my colleagues across the aisle who are asking us to get out of the way and stop trying to block things in the courts, let me tell you, we do not work for an unelected billionaire like apparently this guy does. We work for the American people. And so, if an unelected, unvetted individual private citizen is hacking our government systems, breaking the law, firing Federal employees, dismantling statutorily created agencies, withholding funds, we are going to fight you in the courts.

And I am actually really sad that my dear friend, Mr. Burchett, left, because I want to talk about that gravy train on biscuit wheels that he just talked about because that gravy train is not the Federal workforce. It is the billionaires that are trying to hack that system right now and which, unfortunately, my colleagues right now are working on a reconciliation deal to cut Medicaid, to cut Medicare, and use that money to give to tax breaks to their billionaire buddies. That is the gravy train that is actually going on here, but because this is the Oversight Committee, let us do a little bit of oversight.

For the last several weeks, I have been talking to Treasury and OMB officials to try to get to the bottom of why Elon Musk and his team are trying to hack the Treasury payment system because this is a completely nonpartisan system that literally just pays the bills of the Federal Government. So, why are they so eager to hack this system? And I have to say that over the last several weeks, we have literally received thousands of calls in every single congressional office. In fact, we know that our friends across the aisle are also receiving these calls because this system pays the bills of the U.S. Government. It pays our soldiers. It pays for the work that we do overseas. It pays your Social Security benefits. It pays your tax refunds. So, why is Elon Musk and his hackers trying to access that system? And why did a senior civil servant, who had overseen this system for over 30 years, get asked to stand down after a 25-year-old intern working for Elon Musk tried to get access to the code for that system?

Now, thankfully, they were shut down in the Court system, but Musk has installed, with the President's blessing, one of his Silicon Valley buddies, who, I want to point out, in which the media has

not paid a lot of attention to, is the CEO of a private IT company, including Citrix, that has millions of dollars in IT contracts with the Federal Government. And not only is he still operating as the installed DOGE person at Treasury, he is actively still the CEO of this private company. How is that even legal? Is it legal? I do not think it is legal because the Federal Court is trying to shut this down. We also know that that 25-year-old software engineer, in violation of the Court order, was actually given access to modify the code.

So, what is going on here, and why is this such a threat to the American people? Why are thousands of people calling us? It is because of the size and the significance of these payments, because it is an invasion of the privacy and security of the American people, because it could threaten our ability as a country if there was a default in the debt ceiling, and because it contains highly classified information that our foreign adversaries are trying to cyberattack us regularly for.

So, why is a private citizen being given access to this system? We know they are trying to shut down payments. They are trying to shut down agencies. What is next? Are they going to shut down your Social Security payments? We do not know because they have no oversight, and Elon Musk will not come in front of this Committee. And in fact, the Treasury folks are saying this is the biggest insider threat they have ever seen in the history of the agency.

So, we are sounding the alarm. And no matter how many executive orders that Donald Trump signs or how many tweets that the VP sends, you cannot rewrite the Constitution, and we are going to hold you to account. I yield back.

Ms. GREENE. The gentlelady yields, and I now recognize——

Mr. BURLISON. Madam Chair?

Ms. GREENE. Oh, yes?

Mr. BURLISON. I have three documents I want to submit for the record. The first——

Ms. GREENE. What are they?

Mr. BURLISON. The first document is the Constitution, Article II. I would like to submit that for the record. That clearly spells out the President's authority. I would also like to submit, for the record, 5 U.S. Code 3161, the employment compensation of employees, which clearly spells out his authority to create DOGE. And then, I want to submit for the record the executive order that Trump issued on January 20 of 2025, establishing DOGE officially.

Ms. GREENE. Without objection, so ordered.

I now recognize the gentleman from Texas, Mr. Gill, for 5 minutes.

Mr. GILL. Thank you, Madam Chair, and thank you for hosting this Committee.

If we have learned anything so far, it is that Republicans want to cut waste, fraud, and abuse from our Federal Government and save taxpayer dollars, and Democrats want to grandstand and play politics. We can see right now even, of the 6 Democrats on this Committee, only one can even be bothered to stay for the duration of this hearing.

All we have heard about for most of this hearing from the other side of the aisle is “Elon Musk, Elon Musk, Elon Musk, unelected

bureaucrat.” And I would like to ask if Democrats really care about unelected bureaucrats making decisions over our lives, where were they whenever their god, Anthony Fauci, was forcing vaccine and mask mandates on the American people for 4 years during the—excuse me—during the COVID crisis? Where were they whenever unelected Alejandro Mayorkas was facilitating the invasion of our country by illegal aliens who were murdering and raping and pillaging our people? Where were they whenever the Secretary of Education, unelected Cardona, targeted states and schools and people who disagreed with his view of the radical left’s transgender ideology. Where were they whenever Gary Gensler, former Chairman of the SEC, also unelected, was lawlessly thwarting the development of financial markets, particularly in the crypto space, by lawlessly pursuing regulation via enforcement? They were nowhere to be seen because they do not care because all of those things benefited their side of the aisle at the expense of ours.

And perhaps that is also why they do not seem to be very interested in rooting out improper payments from our Federal Government. If you wonder why so many people are cynical about American politics, this is it. This is exactly why. The reality is that Elon Musk serves as an employee of the President, and we were given a massive mandate to carry out what he is been doing. His job is to carry out the will of the American people, as expressed through the executive. That is exactly how the Constitution is supposed to work. The Constitution did not create an unelected, unaccountable fourth branch of government in the administrative state. The American people know this.

My colleague, Brian Jack, discussed some of the opinion polls recently. We are doing and President Trump is doing exactly what he was elected to do, and that is why he is polling at a 53-percent approval rating higher than he was at any point during his first Administration. Even Elon Musk and his DOGE efforts now are polling at a 49-percent approval rating, which, just to point out, is 16 points higher than President Biden was polling at whenever he finished his term in office.

The Democrat Party has, for decades, systematically grown and weaponized the administrative state against the American people, and the American people have had enough of it. Right now, we are talking about \$2.7 trillion in improper payments since 2003. We are uncovering what could be the biggest money laundering scandal in American history, and the other side of the aisle could care less. They have no concern about where this money went to, what entities it went to, what governments, to what people or groups. Nothing. All they want to talk about is Elon Musk incessantly.

So, it does make me wonder, if they do not care about where it is going, do they have an idea? Because what we have uncovered so far is that so much of the waste, fraud, and abuse of our Federal Government is actually funding their side of the aisle. It is funding media outlets that are running cover for Democrats routinely: NPR, PBS, the BBC, *Politico*. It is going to fund leftwing NGO’s that are facilitating the invasion of our country. It is going to fund leftwing transgender activism and sex changes all over the globe. This is money that is being used—taken from the American people and used against their interests. If you care about rooting out waste,

fraud, and abuse, we should be serious about this. I am very excited to be on this committee. I am excited to expose what has been going on. Thank you, Madam Chair, and with that, I yield.

Ms. GREENE. The gentleman yields. In closing, I want to thank our witnesses again for their testimonies today. I now yield to the Ranking Member for closing remarks.

Ms. STANSBURY. Thank you, Madam Chairwoman. Well, I never thought so many conspiracy theories and wild accusations could be wound into one 5-minute speech, but I appreciate my friends across the aisle.

First of all, let us talk about this massive mandate that supposedly brought Donald Trump into office. Donald Trump did not run on putting an unelected billionaire in charge of dismantling the Federal Government. He ran on lowering prices for Americans, and I think it is interesting that while we are sitting here this morning, the top of the *New York Times* is reporting that inflation has risen unexpectedly as food and energy prices have soared.

What is going on, guys? I thought you were going to tackle inflation and food and energy prices. Isn't that what the executive orders were supposed to do? Oh, wait, or is dismantling diversity, equity, and inclusion in our Federal agencies and putting in ideological agenda and trying to fire the Federal workforce your actual agenda? Have you been too busy trying to actually address the fiscal health of this country because the numbers are telling us that you have. So, let us be real about what is going on here.

I also want to point out that, literally, while we have been sitting here for the last almost 2 hours getting lectured on fiscal responsibility, literally, the Republicans just released their plan to raise the debt limit while we were sitting here, and they want to raise it by \$4 trillion. OK, guys, like, literally, I am just, like, without words. Inflation is going up. You want to raise the debt ceiling by \$4 trillion. You want to gut Medicare. You want to gut Medicaid. You are talking about going after Social Security after promising that you would not. I mean, really, what the heck is going on here? We are not trying to take down Elon Musk as a businessman. This dude is literally breaking the law inside of the Federal Government. And for a party that is supposed to be the "party of law and order," I really do not see you holding him accountable and doing your most basic constitutional responsibility in the separation of powers.

So, I want to end where I started. We are the Oversight Committee. We are the people's House for the United States of America. We represent the American people. And so, Mr. Elon Musk, if you would like to appear in front of the Oversight Committee, you have been duly invited. Please, come tell us what you are doing. Come testify in front of the American people, and please come hold yourself to account. With that, I yield back.

Ms. GREENE. The gentlelady yields. I now recognize myself for closing remarks. President Trump was elected with a mandate to rein in unaccountable bureaucracy in Washington and to wage war on waste. I know that because I campaigned alongside him and so did my colleagues. This hearing was the first battle of that war, and in the coming days, the Subcommittee will release a report with legislative solutions to the problems we have identified here today. We are not going to wait all the way until the end of this

Congress. We are going to get to work immediately. The bureaucrats who have run Washington for decades are beyond the point of forgiveness. Their sheer incompetence and pure spite for the hardworking American people have resulted in total failure.

The Federal Government has made over \$2.7 trillion in improper payments since 2003, including \$236 billion in 2023 alone. Those are trillions of dollars that honest Americans have paid in taxes at gunpoint over the years. As we approach April 15, Americans are once again preparing to do their taxes and fork over their unfair share of money it takes to run this country. And I have to tell you, the American people have not been getting their money's worth for a long time. Most improper payments in recent years were issued through five programs—Medicare, Medicaid, the Earned Income Tax Credit, Pandemic Unemployment Insurance, and the Paycheck Protection Program—but a total of 16 Federal programs had improper payment rates of 10 percent or more in 2023. That includes SNAP, the Federal Food Stamp Program, which paid out \$10 billion taxpayer dollars improperly.

To get their arms around this problem, Elon Musk and the DOGE team went straight to the source. They went to the Treasury Department's Fiscal Service, which makes about 90 percent of the trillions in Federal payments issued annually. The audit of these payment systems was long overdue. Treasury Secretary, Scott Bessent, gave DOGE employees working for the government read-only access to these systems so they could conduct that initial audit. That audit is already paying dividends. Musk learned that the data base's Federal agencies are supposed to check to prevent payments to fraudsters, crime rings, and dead people are not being kept up to date. Going forward, we are going to get more mileage out of these Do Not Pay data bases. That means fewer improper payments and less fraud and waste of taxpayer dollars.

Despite this fraud that is already been revealed, a Federal judge in New York issued a ruling last Friday that ran totally contrary to the will of the people. The judge blocked not only DOGE, but the Treasury Secretary himself from accessing his own Agency's payment systems. That is absurd. Only career Treasury Department unelected bureaucrats can access the system, the judge ruled. This turns the Constitution on its head. We will hold this judge and others who try to stop the will of the people and their elected leaders accountable. As is written in the Federalist Papers, "the judiciary has no influence over either the sword or the purse, no direction, either of the strength or the wealth of the society. It may truly be said to have neither force nor will, but merely judgment, and must ultimately depend upon the aid of the executive arm for the efficacy of its judgments."

But the whole D.C. swamp is freaking out that the unelected officials from DOGE were allowed access to these systems. That makes no sense. Federal judges were not elected, the Treasury bureaucrats were not elected, and they have failed to fix the problem that is enabling American taxpayers to be robbed. So, why not bring in skilled outside experts, like private companies and private citizens who are successful in the real world, to do everyday work that we need to get done here, like audits? Of course, Federal payment systems are only one link in the improper payment chain. We need to

look at other links in the chain. We need better front-end identify verification to screen out fraudsters, and we need to close eligibility loopholes. That means not letting applicants self-attest to their own eligibility, and it means ending categorical eligibility, which lets someone who fraudulently qualifies for one Federal benefit automatically get other Federal benefits.

Finally, we need to better coordinate fraud prevention efforts between the Federal Government and the states. These are all issues that we will be taking a hard look at in this Committee and coming up with solutions to, including legislation and referrals to committees of jurisdiction, that will deliver for the American people.

With that, and without objection, all Members have 5 legislative days within which to submit materials and additional written questions for the witnesses, which will be forwarded to the witnesses.

If there is no further business, without objection, the Subcommittee stands adjourned.

[Whereupon, at 11:59 a.m., the Subcommittee was adjourned.]

