

**Opening Statement**  
**Hearing on “Waste, Fraud, and Abuse Go Viral: Inspectors General on Curing the Disease”**  
**House Committee on Oversight and Accountability,**  
**Subcommittee on Government Operations**  
**2:00 PM, Thursday, March 9, 2023**  
**Rep. Gerald E. Connolly (D-VA)**

When the COVID-19 pandemic hit, the American economy took it on the chin. We suffered the most precipitous drop in economic output in American history. The more than 22 million jobs lost during the pandemic created the most accelerated employment contraction ever and gave us a nearly 15 percent unemployment rate.

Congress mustered the political will to pass legislation that extended immediate financial relief to individuals, small businesses, hospitals, and state and local governments. The assistance kept people fed, housed, and healthy. It helped reopen schools, supported family farms, prevented mass layoffs in the public and private sectors, and helped cut childhood poverty in half.

Now that we are emerging from the worst of the public health and economic crisis with strong GDP growth, the lowest unemployment rate in 50 years, and a slowly improving rate of inflation, Republicans want to disavow the relief programs. They are using instances of fraud to attack the Biden Administration and the programs that kept the country from going on life support.

I hope my colleagues can resist the temptation to score cheap political points at the expense of COVID relief for several reasons. First, it is not intellectually honest. Congress passed five bipartisan bills in 2020 to provide \$3.3 trillion in emergency assistance to nearly every corner of society. These bills were signed into law and implemented by former President Trump and his Administration. Second, the economic shock unleashed by the onset of the pandemic was unprecedented. As was the scale and speed of the fiscal response. Third, as I mentioned previously, the programs saved the American economy from going off a cliff. We should want to be able to replicate this response if a future crisis demands it.

Finally, and most importantly, an honest evaluation of these programs and their shortcomings could be the fertile ground for bipartisan collaboration. We can work together to improve emergency assistance mechanisms while at the same time preventing fraud and improper payments in everything from novel small business loan programs and unemployment benefits to Medicare and Social Security.

Last year, as Chair of the Government Operations Subcommittee, I convened a hearing entitled, “Follow the Money: Tackling Improper Payments for More Equitable Service Delivery” to revive a sober assessment of fraud and improper payments in the federal government. Out of that hearing, we produced the STOP Fraud Act, which was reported out of the Oversight Committee in the 117<sup>th</sup> Congress. I have talked with Chairman Comer about

working on a bipartisan revision of this legislation for the 118<sup>th</sup> Congress and our staff are in touch about that effort. A few goals I hope this legislation can accomplish are:

- Elevate responsibility for preventing fraud and improper payments within the Office of Management and Budget. The previous bill would do this by establishing a new, dedicated office, but there are possibly other ways we could accomplish this goal in a way that has bipartisan support.
- Mandate the use of proactive analytics for programs susceptible to improper payments.
- Establish a strict fraud prevention regime for programs with more than \$50 billion in payments, which includes designating an agency lead for fraud risk management; maintaining a fraud risk management plan, a fraud risk profile, and strategy to mitigate fraud risk; and continuous evaluation of anti-fraud activity outcomes.
- Provide dedicated funding for agency efforts to fight fraud and improper payments.
- Establish a data analytics center of excellence for use by agencies and the Inspector General community to stop fraud and improper payments before they happen.

Given the scale of emergency assistance and funding for oversight provided in the past three years, we have the opportunity to ensure that the legacy of the pandemic and pandemic era relief programs is more robust fraud and improper payment prevention efforts at federal agencies. I hope we can work across the aisle on legislative solutions that codify our lessons learned and make federal programs more resilient.