



U.S. House of Representatives
Washington, DC 20515

May 31, 2022

The Honorable Merrick B. Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Attorney General Garland:

On March 10, 2022, the Department of Justice (DOJ) announced the appointment of Associate Deputy Attorney General Kevin Chambers to serve as Director for COVID-19 Fraud Enforcement, or the “Chief Pandemic Prosecutor.” Mr. Chambers will lead criminal and civil enforcement efforts to combat COVID-19-related fraud. There have been multiple reports that fraud from COVID-19 federal spending and government benefits has exceeded hundreds of billions of dollars, though the exact figure is unknown. We write with questions about this new position.

When the Biden Administration came into office in January 2021, there was over one trillion taxpayer dollars in unspent, previously appropriated COVID-19 funds still available for obligation. Despite bipartisan calls to first prioritize these dollars—in addition to repeated warnings that spending additional money at that time was not only unnecessary, but also would likely result in harmful economic consequences—the Biden Administration enacted the \$1.9 trillion American Rescue Plan Act less than two months later.

A lack of critical safeguards left COVID-19 funds vulnerable to criminal activities, theft, and improper use. The American Rescue Plan Act made business loans and unemployment funds easier to access without verification of applicants’ identity or proof of financial need, putting taxpayer dollars at further risk for fraud. The Small Business Administration’s (SBA) own Inspector General was wary of criminals and bad actors seeking to take advantage of the newly authorized funds. As the *Washington Post* reported, “[t]he agency’s [SBA] top watchdog issued numerous warnings about its management of more recent stimulus programs adopted under President Biden.”¹ In addition, the Treasury Inspector General for Tax Administration reported in May 2021 that the IRS distributed thousands of checks from the American Rescue Plan to deceased individuals, totaling \$13 million. Reports of widespread identity theft schemes and

¹ Tony Romm, ‘Immense fraud’ creates immense task for Washington as it tries to tighten scrutiny of \$6 trillion in emergency coronavirus spending, WASH. POST (Feb. 17, 2022), <https://www.washingtonpost.com/us-policy/2022/02/17/stimulus-aid-oversight-fraud/>.

scams targeting our nation's seniors have estimated millions in taxpayer dollars stolen by criminals and bad actors.²

The American Rescue Plan Act only exacerbated the very problems the DOJ now seeks to address. Given the recent appointment of Associate Deputy Attorney General Kevin Chambers to serve as Director for COVID-19 Fraud Enforcement, it is critical for Congress to understand how this new office will function, particularly as it relates to being transparent and responsive to Congressional oversight efforts of taxpayer dollars. As such, please provide a response to the following questions:

1. The Congressional Budget Office projects billions of dollars of outlays from the American Rescue Plan through at least fiscal year 2031. Will this Director position become a permanent position at DOJ to continue to uncover the full extent of fraudulent activities?
2. The White House Fact Sheet associated with the President's announcement stated, "[t]he President will call on Congress to provide the resources needed for the DOJ Task Force"³ Why are no funds requested for the COVID-19 Fraud Enforcement Task Force, the Director, and their staff in your Fiscal Year 2023 budget request?
3. President Biden has stated, "With a Chief Pandemic Prosecutor now in place, the Department of Justice will escalate our efforts to crack down on bad actors."⁴ How will Mr. Chambers implement new practices to "crack down" more aggressively? What are the current systems in place for recouping stolen funds? Will recouped funds be credited back to their original program to be allocated without additional Congressional action, or will they be returned to the U.S. Treasury?
4. There is a dichotomy between official figures from federal departments and agencies that have been reported to Congress and outside estimates of the amount of COVID-spending fraud. When will Mr. Chambers update Congress with a breakdown of the resulting fraud from enactment of the American Rescue Plan over the past year?
5. Will Mr. Chambers no longer perform his duties as Associate Deputy Attorney General advising on corporate investigations and prosecutions and instead solely focus on COVID-19 fraud prosecution? If not, who will perform those duties?

² Aruna Viswanatha and Sadie Gurman, *Alleged Covid-19 Fraud Schemes Totaling \$150 Million Draw Criminal Charges*, WALL ST. J. (Apr. 20, 2022), <https://www.wsj.com/articles/alleged-covid-19-fraud-schemes-totaling-150-million-draw-criminal-charges-11650468618>.

³ "Fact Sheet: President Biden to Announce New Steps to Combat Criminal Fraud and Identity Theft in Pandemic Relief Programs," The White House (Mar. 1, 2022), <https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/01/fact-sheet-president-biden-to-announce-new-steps-to-combat-criminal-fraud-and-identity-theft-in-pandemic-relief-programs/>.

⁴ Press Release, The White House, Statement of President Joe Biden on the Justice Department Naming a Chief Pandemic Prosecutor (Mar. 10, 2022), <https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/10/statement-of-president-joe-biden-on-the-justice-department-naming-a-chief-pandemic-prosecutor/>.

6. Do you expect Mr. Chambers to be responsive to Congress, provide all requested documents, and appear before Committees if requested without reservation?
7. What is the scope of the Chief Pandemic Prosecutor's purview? The March 10, 2022, DOJ announcement explained that Mr. Chambers "plans to focus on large-scale criminal enterprises and foreign actors who sought to profit at the expense of the American people." Does this statement mean that he will not focus efforts on fraudulent activities associated with unemployment insurance, the Paycheck Protection Program, the Economic Injury Disaster Loan Program, and other SBA programs?
8. How will the duties of this position be split with Roy Dotson, Secret Service Assistant Special Agent in charge of pandemic fraud?
9. What duties will this prosecutor perform that are not already being performed by the Justice Department and its "COVID-19 Fraud Enforcement Task Force," the Council of the Inspectors General on Integrity and Efficiency (CIGIE), the Pandemic Response Accountability Committee (PRAC), and other oversight entities?

DOJ has yet to provide any further details to Congress about the work of Mr. Chambers to prosecute fraud related to this Administration's trademark "COVID relief law" since his appointment over two months ago. As such, we respectfully request a written response to our questions or a briefing on this matter by June 10, 2022. Thank you for your attention to this request.

Sincerely,



Jason Smith
Ranking Member
House Committee on the Budget



Jim Jordan
Ranking Member
House Committee on the Judiciary



Blaine Luetkemeyer
Ranking Member
House Committee on Small Business



Kevin Brady
Ranking Member
House Committee on Ways and Means

Cc: The Honorable Gene Sperling, American Rescue Plan Coordinator