

U.S. House of Representatives

Washington, DC 20515

January 5, 2022

President Joseph R. Biden, Jr. The White House 1600 Pennsylvania Avenue N.W. Washington, D.C. 20500

Dear Mr. President:

Recent reports and comments made by your own Secretary of Health and Human Services (HHS) strongly suggest that your Administration will request billions of dollars more from Congress in the name of combatting COVID-19.1

While referencing an unspent \$10 billion for COVID-19 testing, HHS Secretary Xavier Becerra, said, "Are we going to have more than \$10 billion worth of needs and costs? ... there's a strong chance we will." Additionally, he predicted your Administration would be requesting more funds from Congress, stating: "The president said we've got to stay ahead of this, so we don't want to be asking Congress for money after we know we need it."²

Given the lack of transparency and failure to answer the most basic questions as it relates to the trillions of dollars already authorized by Congress for the stated purpose of addressing COVID-19, you can understand our concern upon hearing your Administration will be asking Congress to hand over even more money from American taxpayers.

In March, you used a partisan process to push through Congress via one party Public Law 117-2, the American Rescue Plan Act (ARPA). You marketed it to the American people as a bill to combat COVID-19, when in reality less than 9 percent of that bill actually went to public health spending to fight the virus.

And over the summer your Administration repurposed billions of dollars of that 9 percent – including \$850 million meant to develop domestic COVID-19 testing capabilities – to deal with housing illegal immigrants at the southern border as a result of the historic border crisis manifested under your watch.³

You can understand the frustration on the part of Americans as they realize that funds meant to go to testing capabilities were instead used by your White House to reward illegal immigrants.

¹ U.S. government may request more COVID-19 testing funds, Reuters, December 14, 2021, https://www.reuters.com/world/us/us-government-likely-request-more-covid-19-testing-funds-2021-12-14/.

² The U.S. health secretary hints that more federal funds may be needed to fight an Omicron surge, The New York Times, December 14, 2021, https://www.nytimes.com/2021/12/14/us/politics/omicron-federal-funds.html.

³ Biden admin reroutes billions in emergency stockpile, Covid funds to border crunch, Politico, May 15, 2021, https://www.politico.com/news/2021/05/15/hhs-covid-stockpile-money-border-migrants-488427.

Of the other 91 percent of the spending in ARPA – a bill supposedly about COVID-19 – rampant examples of misuse and waste continue to pile up. Hundreds of billions of dollars have been used to bail out state governments, and to build bike trails, new high school weight rooms, apartment buildings, and golf courses, to name just a few examples. Simply put, this Administration's first request to Congress for COVID-19 dollars resulted in multiple, easily predicted instances of non-COVID related spending. What's worse, when asked to account for these taxpayer dollars or answer questions about their use, your Administration has remained silent. 5

The following timeline outlines the resources your White House has had at its disposal to deal with COVID-19 over the last year and how you have chosen to utilize those funds:

- In 2020, a total of approximately \$3.4 trillion was appropriated by Congress for COVID-19 relief. Each of the five pieces of legislation were passed with bipartisan support. Some of this funding remains unspent.
- On December 27, 2020, the Consolidated Appropriations Act of 2021 was signed into law by President Trump, after passing the House and Senate on a bipartisan basis. Division N of this law included approximately \$900 billion for COVID-19 relief.
- On January 14, 2021, one week before taking office, you announced your stimulus proposal and asked Congress to spend an additional \$1.9 trillion for COVID-19 relief.⁶
- On February 4, 2021, the Ranking Members of the House Energy and Commerce Committee and its subcommittees wrote to the Acting Director of the Office of Management and Budget (OMB) requesting an accounting of COVID-19 relief funds previously appropriated in 2020.7 A response was not received.
- On February 16, 2021, the Ranking Members of the House Budget Committee and House Oversight and Reform Committee introduced House Resolution 127. This resolution of inquiry directed the President to transmit a thorough accounting of unspent funds from the five previously enacted COVID-19 relief laws.⁸
- On March 10, 2021, the \$1.9 trillion ARPA passed Congress, despite bipartisan opposition. Though it was the largest stimulus package in American history, only 9 percent of the funding was directed to combatting the public health emergency.
- ARPA included a program to send massive amounts of funding directly to state and local governments. Many of those governments, however, had no need for additional federal dollars.

2

⁴ House Budget Republicans Highlight Billions in Misspent Tax Dollars Under Biden Bailout Bill, Make Case for Oversight Hearing on Democrat Spending Bill, House Budget Committee, December 9, 2021, https://republicans-budget.house.gov/press-release/house-budget-republicans-highlight-billions-in-misspent-tax-dollars-under-biden-bailout-bill-make-case-for-oversight-hearing-on-democrat-spending-bill/.

⁵ Smith Demands Transparency & Accountability from Biden Administration's "Rescue Czar," House Budget Committee, May 12, 2021, https://republicans-budget.house.gov/press-release/smith-demands-transparency-accountability-from-biden-administrations-rescue-czar/. ⁶ Biden Outlines \$1.9 Trillion Spending Package to Combat Virus and Downturn, New York Times, January 14, 2021, https://www.nytimes.com/2021/01/14/business/economy/biden-economy.html.

⁷ Energy and Commerce Republican Leaders Issue Letter to OMB on COVID-19 Relief, House Energy and Committee, February 4, 2021, https://republicans-energycommerce.house.gov/news/press-release/energy-and-commerce-republican-leaders-issue-letter-to-omb-on-covid-19-relief/.

 $^{^8 \}text{ "H. Res. } 127, \text{"Congress.gov}, \text{https://www.congress.gov/} 117/\text{bills/hres} 127/\text{BILLS-} 117\text{hres} 127\text{ih.pdf.}$

California, for example, received over \$26 billion in federal aid despite having a massive \$75.7 billion budget surplus. Similar scenarios played out in states and localities across the country. 9

- Within weeks, examples of waste and abuse of these funds began to surface.
 - The state of New York's budget included a \$2.1 billion fund for direct checks to illegal immigrants—suspiciously the exact amount of additional federal dollars they received from ARPA.¹⁰
 - o On April 15, 2021, it was reported the Governor of New Jersey was considering using ARPA dollars to create a \$40 million fund for the state's 460,000 illegal immigrants. ¹¹
 - Syracuse, New York approved a plan to spend \$2 million of ARPA funds for planting new trees.¹²
 - The city of Chicago decided to spend \$31 million to create a guaranteed income program in Chicago¹³ and the city of Philadelphia planned to test a universal basic income pilot program with \$18 million from ARPA.¹⁴
 - New luxury apartments developed in Norwich, Connecticut were funded by ARPA dollars.¹⁵
 - Thousands of convicted inmates in Michigan were sent \$3,200 stimulus checks, paid for by ARPA.¹⁶
 - o New parking lots and bathrooms have been planned at a South Carolina beach—the \$4 million price tag covered by ARPA.¹⁷
 - o Palm Beach Gardens, Florida tapped \$16.8 million of ARPA dollars for a new taxpayer-funded golf course, driving range, and clubhouse. 18

⁹ California has a staggering \$75.7B budget surplus, Politico, May 1, 2021,

https://www.politico.com/states/california/story/2021/05/10/california-has-a-staggering-757b-budget-surplus-1381195.

¹⁰ \$2.1 Billion for Undocumented Workers Signals New York's Progressive Shift, The New York Times, April 8, 2021, https://www.nytimes.com/2021/04/08/nyregion/covid-relief-undocumented-workers nyc.html?action=click&module=Spotlight&pgtype=Homepage.

¹¹ Murphy considers \$40M for undocumented workers. Immigrant groups call it 'insulting,' NJ.com, April 15, 2021, https://www.nj.com/politics/2021/04/murphy-considers-40m-for-undocumented-workers-immigrant-groups-call-it-insulting.html. ¹² Syracuse's \$123 million stimulus spending plan includes \$2 million for trees, CNY Central, July 29, 2021,

¹² Syracuse's \$123 million stimulus spending plan includes \$2 million for trees, CNY Central, July 29, 2021, https://cnycentral.com/news/local/syracuses-123-million-stimulus-spending-planincludes-2-million-for-trees.

¹³ Chicago poised to create one of the nation's largest 'guaranteed basic income' programs, Washington Post, October 25, 2021, https://www.washingtonpost.com/nation/2021/10/25/chicago-poised-create-one-nations-largest-guaranteed-basic-incomeprograms/.
¹⁴ "States and Cities Scramble to Spend \$350 Billion Windfall," New York Times, July 6, 2021, https://www.nytimes.com/2021/07/06/us/politics/stimulus-bill-usa.html.

 $^{^{15}}$ Norwich aldermen revive American Rescue Plan funding for luxury apartments, Norwich Bulletin, September 21,2021, https://www.dailyadvent.com/news/31fe868d1b857fa4640855c3756f8d63-Norwich-aldermen-revive-American-Rescue-Planfunding-for-luxury-apartments.

¹⁶ Michigan AG seeks reimbursement after inmates serving life sentences received stimulus payments, ABC7, May 26, 2021, https://www.wxyz.com/news/michigan-ag-seeksreimbursement-after-inmates-serving-life-sentences-received-stimuluspayments.

¹⁷ How Horry County hopes to spend \$68M in COVID relief on roads, pay and affordable housing, The Sun News, August 26, 2021, https://www.myrtlebeachonline.com/news/politics-government/article253738403.html.

¹⁸ Palm Beach Gardens taps COVID-19 American Rescue Plan cash to help fund golf course The Palm Beach Post, September 28, 2021, https://www.palmbeachpost.com/story/news/columns/2021/09/28/palm-beach-gardens-spends-covid-rescue-moneynew-golf-course/5882182001/.

- The Associated Press reported that new weight rooms, turf fields, and resurfaced outdoor tracks in countless school districts have been funded by "COVID relief" dollars.¹⁹
- The state of Maine announced plans to spend \$16 million in "COVID relief" to improve its fishing industry and millions more to update its state parks and provide electric vehicle charging stations.²⁰
- o Fort Bend County, Texas approved a proposal to spend \$157 million from ARPA on a multimillion-dollar courtroom expansion, new government buildings and vehicles, and government audio-visual tools, despite the County Judge's objection that this spending included "many items that have little or nothing to do with helping the county recover from the pandemic."²¹
- The state of Connecticut transferred \$40 million meant for COVID-19 testing and treatment to the state employee insurance plan.²²
- On April 27, 2021, Ranking Members of the House Budget Committee and House Homeland Security Committee wrote to the OMB Acting Director regarding the hundreds of billions of dollars being spent to address the dramatic influx of migrants at the southern border.
- On May 11, 2021, two months after you signed ARPA into law, the Ranking Member of the House Budget Committee in the spirit of accountability and transparency ²³ wrote to the White House's American Rescue Plan Coordinator Gene Sperling asking questions about previously enacted COVID-19 funding; actions to protect taxpayer dollars; recipients of individual direct payments; safeguards for small business assistance; supports for the reopening of schools and Biden Administration actions to facilitate a return to in-person learning; the amount of funding available in the HHS Provider Relief Fund; and disbursement of sizeable funding for COVID-19 testing. No response was received from the White House or Mr. Sperling.
- On May 15, 2021, it was reported that HHS had redirected more than \$2 billion intended for health initiatives in ARPA to cover costs at the southern border in response to historic levels of migration. Politico reported, "The redirected funds include \$850 million that Congress originally allocated to rebuild the nation's Strategic National Stockpile, the emergency medical reserve strained by the COVID-19 response. Another \$850 million is being taken from a pot intended to help expand coronavirus testing, according to three people with knowledge of the matter."
 - o In June and July, your Administration transferred \$1.7 billion from ARPA to the unaccompanied migrant children program.

4

¹⁹ Flush with COVID-19 aid, schools steer funding to sports, Associated Press, October 6, 2021,

https://apnews.com/article/coronavirus-pandemic-school-funding-sports-5b468b260ebd2593e53f03f9104d9bca.

²⁰ Maine to get \$20M for Hatcheries in American Rescue Plan, Fishing Wire, May 4, 2021, https://thefishingwire.com/maine-to-get-20-m-for-hatcheries-in-american-rescue-plan/.

²¹ "Fort Bend Commissioners Approve \$157 Million in COVID-19 Relief, Over County Judge's Objections," Houston Public Media, May 5, 2021, https://www.houstonpublicmedia.org/articles/news/politics/2021/05/05/397566/fort-bend-countycommissioners-overrule-judge-to-approve-covid-19-relief-package/.

²² Business groups pounce on COVID-19 relief fund transfer as proof that a state insurance fund is shaky, Hartford Courant, December 22, 2021, https://www.courant.com/business/hc-biz-state-health-insurance-20211222-nbgk6ybrfzhi3gdbor3vlqfu6m-story.html.

²³ Ibid.

²⁴ Ibid.

- On August 27, 2021, it was reported that HHS was transferring an additional \$589 million to house children at the southern border. ²⁵ These funds included:
 - \$225 million from the December 2020 COVID-19 relief law for the National Institutes of Health; and
 - \$364 million in ARPA funding for HHS: \$187.5 million for the Centers for Disease Control and Prevention for "vaccine planning, distribution, monitoring and tracking";
 \$25 million for "vaccine confidence activities"; and \$151 million for "Supply Chain for Vaccines, Therapeutics and Medical Supplies."
- This fall, public health officials cited the need to surge rapid testing. Despite White House COVID-19 Response Coordinator Jeff Zients' claim that there is "enough testing capacity in this country," December 2021 brought nationwide hours-long wait times at testing sites and empty shelves instead of an adequate supply of at-home tests.²⁶
- On December 21, 2021, you announced the U.S. was going to purchase 500 million at-home rapid tests and begin distributing them in January 2022. Afterwards, you admitted to ABC News Anchor David Muir, "I wish I had thought about ordering" 500 million at-home tests "two months ago."²⁷

You told the American people that the American Rescue Plan Act was about combatting COVID-19, but much remains for purposes that have little to do with the pandemic. To mitigate the current nationwide testing crisis, available funds should be reviewed first before requesting billions of dollars more. Almost half a trillion dollars still remains unspent from ARPA:

- \$107 billion unobligated money to state and local governments.
- \$97 billion for the Pension Benefit Guaranty Corporation (PBGC) to bail out multiemployer pension plans.
- \$26 billion for the Education Stabilization Fund—money for schools that are not required to stay open and are not primarily accountable to parents.
- \$23 billion unobligated money for Transit Infrastructure Grants, the funding formula which is biased against non-urban, less wealthy areas of the country.
- \$10 billion for the Coronavirus Capital Projects Fund. This fund is meant to enable "remote" options for education and work yet will not begin to be disbursed until 2022.
- \$3.9 billion for foreign assistance.

So that Congress and the American people can fully understand the reason why your White House would request more taxpayer funds in the name of combatting COVID-19, please provide the requested information below:

²⁵ HHS diverting millions in funding marked for vaccine efforts to housing migrant children, Fox News, August 27, 2021, https://www.foxnews.com/politics/biden-administration-millions-funds-vaccines-housing-migrant-children.

²⁶Long lines for Covid-19 testing as Omicron variant looms, CNN, December 19, 2021, https://www.cnn.com/2021/12/19/health/covid-omicron-testing/index.html.

²⁷ President Biden to ABC's David Muir on at-home COVID testing: 'Nothing's been good enough,' ABC News, December 23, 2021, https://abcnews.go.com/Politics/president-biden-abcs-david-muir-home-covid-testing/story?id=81898621.

- 1. For the following previously enacted legislation, please provide the percentage of funds that remains unobligated and, separately, the percentage of funds that remains unexpended.
 - a. Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Public Law 116-123);
 - b. Families First Coronavirus Response Act (Public Law 116-127);
 - c. Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136);
 - d. Paycheck Protection Program and Health Care Enhancement Act (Public Law 116-139);
 - e. Division N (relating to additional coronavirus response and relief) of the Consolidated Appropriations Act, 2021 (Public Law 116-260); and
 - f. American Rescue Plan Act of 2021 (Public Law 117-2).
- 2. Your Administration has transferred and reprogrammed HHS COVID-19 relief funds to address the southern border crisis multiple times. To date, what is the total dollar amount of previously enacted COVID-19 relief that has either been transferred or reprogrammed to address the southern border crisis?
 - a. For each account the Administration transferred or reprogrammed funding from, please provide a detailed description specifying:
 - i. the date and dollar amount of the transfer or reprogramming,
 - ii. the accounts receiving the transferred or reprogrammed dollars, and
 - iii. citation of the authority for the Administration to make such transfer or reprogramming of appropriated funds
 - b. There have been numerous reports that the federal government has flown thousands of illegal immigrants from the southern border in the middle of the night to local communities. These immigrants have been dropped off across the country—from New York, to Florida, to Pennsylvania as recently as Christmas Eve. ²⁹
 - According to the Florida Department of Law Enforcement, most of the listed flights belong to HHS. What federal funds are being used to pay for these flights?³⁰
 - ii. Are ARPA dollars that were intended for COVID-19 relief being used to charter these clandestine flights?
 - c. Has your Administration transferred or reprogrammed any other COVID-19 relief funds meant for the U.S. COVID-19 testing supply?
- 3. Does the Administration intend to transfer or reprogram additional COVID-19 relief funding at a future date to address the border crisis or any other crisis that will arise?

²⁹ Biden admin accused of flying migrants into Pennsylvania Christmas night, Fox News, December 30, 2021, https://video.foxnews.com/v/6289289611001#sp=show-clips.

²⁸ Biden secretly flying underage migrants into NY in dead of night, New York Post, October 17, 2021, https://nypost.com/2021/10/18/biden-secretly-flying-underage-migrants-into-ny-in-dead-of-night/.

³⁰ Florida gov says Biden admin has landed dozens of secret flights carrying illegal migrants into the state, Fox News, November 6, 2021, https://www.foxnews.com/politics/florida-desantis-office-claims-more-night-time-migrant-flights.

- 4. Secretary Becerra recently said there is \$10 billion in unspent testing funds.
 - a. Who made the decision to not exhaust these funds prior to the holiday season?
 - b. Will the remaining funds be used for the federal response, or will some be disbursed to states?
- 5. Reports suggest that your Administration rejected a proposal in October to add more than 730 million at-home COVID tests to the market per month.³¹
 - a. Who was authorized to make this decision?
 - b. Why were more proactive measures not taken to prepare for future variants, given the spread of the Delta variant over the summer?
- 6. What actions have been taken by your Administration to implement the reforms suggested by the Government Accountability Office in their October 2021 report "Additional Actions Needed to Improve Accountability and Program Effectiveness of Federal Covid-19 Response"?

American taxpayers deserve an honest and detailed accounting of where the \$6 trillion in COVID-19 relief passed by Congress has been spent and how much remains. Your Administration has misused taxpayer dollars to spend on items unrelated to COVID-19 and repurposed funds for the southern border crisis of your own creation. The American people deserve transparency and answers to these important questions from their government before being asked to further foot the bill for another attempt by your White House to spend hundreds of billions or even trillions more in the name of "combatting COVID-19." A permanent pandemic narrative cannot be used by your office to avoid this responsibility.

Sincerely,

Jason Smith Republican Leader

House Committee on the Budget

Cathy McMorris Rodgers

Republican Leader

House Committee on Energy and Commerce

Kevin Brady Republican Leader House Committee on Ways and Means

Cc: The Honorable Xavier Becerra, Secretary, Department of Health and Human Services The Honorable Shalanda D. Young, Acting Director, Office of Management and Budget

³¹ The Biden Administration Rejected an October Proposal for "Free Rapid Tests for the Holidays," Vanity Fair, December 23, 2021 https://www.vanityfair.com/news/2021/12/the-biden-administration-rejected-an-october-proposal-for-free-rapid-tests-for-the-holidays.