

United States Senate
WASHINGTON, DC 20510

May 10, 2023

VIA ELECTRONIC TRANSMISSION

President Joseph R. Biden
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

We write to urge you to swiftly nominate qualified individuals to fill critical Inspector General (IG) vacancies. Inspectors General provide a vital service to the American taxpayer by rooting out waste, fraud, and abuse of federal funds and providing agencies with recommendations on how to be better stewards of public funds. In the absence of permanent leadership, IG offices are less able to fulfill their statutory mandate to promote economical, efficient, and effective administration and operation of the government.¹

Currently, six agencies await a presidentially-nominated, Senate-confirmed watchdog: Department of the Treasury, Department of State, U.S. Agency for International Development, Special Inspector General for the Troubled Asset Relief Program, National Security Agency, and Federal Deposit Insurance Corporation.²

The absence of an IG at the Department of the Treasury is concerning due to the challenges it faces in areas including: management of cyber threats, anti-money-laundering/terrorist financing in conjunction with Bank Secrecy Act enforcement, as well as oversight of portions of CARES Act spending.³ The Department of State OIG conducts oversight of more than \$76 billion used by the State Department to conduct its programs and operations in the U.S. and abroad. Its oversight responsibilities currently include funds sent to Ukraine. As described by the State Department OIG, “[t]he complexity, scale, and timing of efforts in response to Russia’s war against Ukraine demand robust oversight.”⁴ As of the date of this letter, the Treasury and State IG positions have each been vacant for over 1,000 days, but have yet to have candidates nominated for Senate consideration.

Filling IG vacancies is an important step toward ensuring that taxpayer dollars are spent wisely. This is why the President is required to communicate to the appropriate congressional

¹5 U.S.C. app § 2 (1978), re-codified at 5 U.S.C. 402(b).

²Council of the Inspectors General on Integrity and Efficiency, Inspector General Vacancies, <https://www.oversight.gov/ig-vacancies>.

³Office of the Inspector General Department of the Treasury, *Semiannual Report to Congress*. April 1, 2022-September 30, 2022. OIG-CA-23-004.

⁴Office of the Inspector General, United States Department of State, Ukraine Response Oversight. <https://www.stateoig.gov/ukraine-response-oversight>.

committees the reasons why a formal nomination has not been made and the target date for the formal nomination under the newly enacted Inspector General Independence and Empowerment Act.⁵ Some observers have argued that acting IGs are inherently, or may be perceived as, less independent or effective compared to permanent IGs for various reasons, including a reduced ability to set long-term strategies and priorities, and incentives not to report problems in agency operations or resist political pressure from agency heads—particularly for those seeking the permanent position.⁶

The Council of the Inspectors General on Integrity and Efficiency estimated in fiscal year 2021 that the government could potentially save \$62.7 billion if agencies implemented open recommendations made by IGs.⁷ Ultimately, instituting permanent leadership in IG offices is paramount to making any potential cost savings and oversight efforts a reality. Toward that end, we respectfully request that you move expeditiously to nominate permanent IGs, and we stand ready to encourage our respective leadership to make IG confirmations a priority and will oppose efforts to needlessly delay the confirmation of qualified candidates.

Thank you for your attention to this important matter.

Sincerely,



Charles E. Grassley
Ranking Member
Senate Budget Committee



Margaret Wood Hassan
Chair
Emerging Threats and Spending Oversight
Subcommittee
Senate Homeland Security and
Governmental Affairs Committee

⁵James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, P.L. 117-263 § 5221, codified at 5 U.S.C. 3349e.

⁶Congressional Research Service. *Statutory Inspectors General in the Federal Government: A Primer*. February 8, 2023. R45450.

⁷Council of the Inspectors General on Integrity and Efficiency, *Annual Report to the President and Congress Fiscal Year 2021*.