

DIVE BRIEF

Special inspector general stripped of PPP oversight

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Alex Wong via Getty Images

Dive Brief:

- The Paycheck Protection Program (PPP) falls outside the jurisdiction of the Office of the Special Inspector General for Pandemic Recovery (SIGPR), the Justice Department's Office of

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- Miller said SIGPR uncovered and developed 35 new investigative leads relating to suspected fraud under various CARES Act programs in the first quarter of 2021 and helped the U.S. Attorney for the District of South Dakota in a case involving multiple fraud counts regarding pandemic relief programs. SIGPR said in its [previous quarterly report](#) it was investigating former Treasury Secretary [Steven Mnuchin's](#) November decision to [claw back unused funds](#) the CARES Act set aside for the Federal Reserve's emergency lending programs.

Dive Insight:

The Office of Legal Counsel's opinion said SIGPR's jurisdiction would be limited to programs created by the Coronavirus Economic Stabilization Act rather than the full CARES Act.

Miller, in his report to Congress on Friday, urged lawmakers to pass legislation clarifying SIGPR's purview to include PPP and other Treasury-managed, pandemic-related programs originally thought to be under the office's oversight.

At issue is Treasury's reluctance to share data with SIGPR regarding participants in the Coronavirus Relief Fund and the Payroll Support Program. Treasury's Office of General Counsel (OGC) told SIGPR in late January it hadn't approved the special inspector general's access to the Payroll Support Program's database, even though OGC facilitated conversations on the matter

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“While Treasury was aware of this posture, it declined to give SIGPR access to mission-critical data, repeatedly responding that SIGPR should pursue such requests with Treasury OIG,” he wrote.

When SIGPR asked Treasury OIG to join an evaluation of the Coronavirus Relief Fund, Treasury OIG declined and asked OGC issue a legal opinion that Treasury OIG, not SIGPR, had jurisdiction over the program and the Payroll Support Program, Miller wrote.

“All special inspectors general share concurrent jurisdiction with their counterparts and must partner with agency inspectors general to achieve their respective statutory oversight missions,” he wrote. “There is nothing more frustrating to achieving these missions than turf battles.”

Alexandra LaManna, a Treasury spokeswoman, told Bloomberg in an emailed statement Saturday, “Treasury supports strong oversight, and we will continue to make sure all of our inspectors general, congressional committees of jurisdiction, and other oversight bodies have the information they need.”

At least 209 people have been charged in connection to PPP fraud in the program’s first year, the Project on Government Oversight (POGO) reported last month. Those accused in the fraud cases received more than half — \$246 million — of the \$445 million they requested, the nonprofit found.

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information available to inspectors general.

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