CONTENTS

Hearing held on June 26, 2020 ................................................................. 1

WITNESSES

The Honorable Gene L. Dodaro, Comptroller General of the United States, Government Accountability Office
Oral Statement ......................................................................................... 6

Orice Williams Brown, Director, Financial Markets and Community Investment (accompanying)
Oral Statement ......................................................................................... 6

A. Nicole Clowers, Managing Director, The Healthcare Team (accompanying)
Oral Statement ......................................................................................... 6

Written opening statements and the statement for the key witness are available on the U.S. House of Representatives Document Repository at: docs.house.gov.

INDEX OF DOCUMENTS

No additional documents were entered into the record during this hearing.
ACCOUNTABILITY IN CRISIS: GAO'S RECOMMENDATIONS TO IMPROVE THE FEDERAL CORONAVIRUS RESPONSE

Friday, June 26, 2020

HOUSE OF REPRESENTATIVES
SELECT SUBCOMMITTEE ON THE CORONAVIRUS CRISIS
COMMITTEE ON OVERSIGHT AND REFORM
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:01 a.m., in room 1324, Longworth House Office Building, Hon. James E. Clyburn (chairman of the subcommittee) presiding.

Present: Representatives Clyburn, Waters, Maloney, Velázquez, Foster, Raskin, Kim, Scalise, Jordan, Luetkemeyer, and Green.

Mr. CLYBURN. The committee will come to order.

Without objection, the chair is authorized to declare a recess of the committee at any time. I now recognize myself for an opening statement.

Today, the Select Subcommittee is pleased to welcome Gene Dodaro, the Comptroller General of the United States and head of the General Accountability Office. GAO is an independent, non-partisan watchdog, and it is essential to Congress’s oversight of the executive branch. This oversight may be more important than ever before. More than 120,000 Americans have died from the coronavirus pandemic, the most of any country on earth. New infections have been rising for weeks, and two days ago, we reached the highest number of new cases on record, more than 37,000 in a single day. It is clear that the administration’s attempts to contain this virus have failed thus far.

At the same time, huge numbers of Americans are out of work, including 1.5 million who filed new unemployment claims in just the past week. In the CARES Act, which passed with broad bipartisan support, Congress directed the GAO to monitor and oversee the Federal response to the coronavirus pandemic, and the spending of relief funds and to report its findings back to Congress.

Yesterday, GAO issued its first mandated report, and I have it with me, and I think all of you have copies of the report.

It is also alarming the report identifies significant problems with transparency and accountability in the Federal response. In particular, the Trump administration is refusing to cooperate with GAO’s oversight, even though this cooperation is required by law.

For example, the Small Business Administration has obligated more than $512 billion in taxpayer dollars to the Paycheck Protection Program. Yet, GAO reports that SBA has, and I quote, “failed
to provide information critical to our review,” end of quote. As a result, GAO cannot determine whether taxpayer funds are being effectively targeted at struggling small businesses, or, instead, are being diverted by waste, fraud, abuse, and mismanagement.

Last night, the SBA notified the select subcommittee that it is now offering to provide GAO with loan data it had previously withheld, with certain conditions. I am pleased that the SBA is finally showing some willingness to obey the law and cooperate with GAO, but it is troubling that the administration withheld this information until the eve of a congressional hearing exposing their obstruction.

GAO’s report also raises serious concerns that the administration is failing to effectively manage key programs and hold recipients of Federal funds accountable.

For example, GAO found SBA failed to implement oversight mechanisms that were essential to weed out fraud and abuse in PPP programs. As a result, there is a significant risk that some fraudulent or inflated applications were approved. GAO also found that accuracy and reliability issues, which were just approved by the Trump administration, resulted—and I am quoting here—“resulted in significant delays in testing nationwide during the critical early weeks of the outbreak,” end of quote.

GAO also identifies serious problems with efforts to procure and distribute critical protective equipment and medical supplies. GAO reports that the administration learned about potential shortages even before the pandemic but failed to act.

GAO’s report also highlights problems with the delivery of economic impact payments authorized by the CARES Act. These payments were designed to help Americans get back on their feet quickly. But according to a recent estimate, the IRS still has not sent out between 10 and 12 million payments, nearly three months after Congress passed the CARES Act.

As a result, many vulnerable Americans have yet to receive these critical funds. The American people deserve to know how their taxpayer dollars are being spent, and whether the government is doing all it can to protect them from the coronavirus pandemic.

I am deeply troubled by GAO’s findings that the administration is seeking to evade accountability by undermining GAO’s oversight efforts. And make no mistake, the administration’s refusal to cooperate with GAO is part of a broader effort to undermine, evade, and ignore effective oversight during this pandemic.

The administration has removed inspectors general, withheld basic information from Congress, and issued inaccurate legal opinions to try to keep billions of dollars in spending a secret. The American people deserve better.

I want to make something clear: The purpose of this oversight is not to cast blame for past failures, but to make improvements to ensure future success. The goals of the select committee are the same as the goals of the administration, to save American lives and livelihoods.

Our message to the administration is this: We want to help you achieve these goals. In this time of national crisis, I sincerely hope that my colleagues on both sides of the aisle, as well as members of the Trump administration, will recognize the value of being
transparent with each other, and with the American people. That starts with cooperating with GAO as required by law.

I am grateful to Mr. Dodaro for appearing here today, and to all of the dedicated professionals at GAO who have contributed to this report. These are unprecedented times, and GAO has risen to the challenge to help us ensure the Federal response to the coronavirus pandemic is efficient, effective, equitable, and transparent.

Thank you.

I'll now yield to the ranking member for an opening statement.

Mr. Scalise. Thank you, Mr. Chairman. I appreciate you calling this hearing, especially to have it here in person. This is something that we have been asking for a long time. Our members feel strongly that just the ability to interact in person in a committee setting that can properly social distance while allowing us to do our business here is much more effective, and gives us much more of the ability to get the proper oversight that we expect and the people of this country deserve.

I want to begin by thanking the GAO for producing an initial report on the Federal Government's response to the COVID pandemic in such a short period of time. An analysis of the largest and fastest relief effort in American history, while that relief effort is still being implemented, is a huge task.

The report has some important insights and recommendations, but we should all recognize the limitations of this analysis. We asked, and, in fact, we demanded, that the Federal Government build a plane in mid-flight. The GAO report is an attempted assessment before that plane has even landed.

Let's start from the beginning. It is beyond doubt that the Chinese Communist Party actively engaged in a cover-up and suppressed doctors and journalists who attempted to warn the world about a novel deadly virus. Senior Chinese leaders knew a pandemic was ongoing weeks before it was announced.

During a critical period in December and January, China withheld evidence of the virus, evidence that confirmed human-to-human transmission of the virus, evidence of the extent of the spread. China refused entry of American and other medical experts from around the world for weeks, and during this time, China hoarded medical supplies, like masks, gowns, and other life-saving PPE. Chinese exports of surgical masks, gowns, and gloves were stifled by the Chinese Communist Party during this period. China knew the danger posed by the virus, and while they hid the truth, they used this vital time to stock up on vital medical supplies.

While Chinese authorities limited domestic flights from Wuhan to other Chinese cities, like Beijing and Shanghai, China's government urged international carriers to maintain their flight schedules, seeding the virus throughout the rest of the world.

The World Health Organization said as late as January 23, quote, "This is an emergency in China, but it has not yet become a global health emergency. At this time, there is no evidence of human-to-human transmission outside China," closed quote.

The WHO exists to stop pandemics. We're told to trust the experts. And while China was hoarding PPE and sending infected patients around the world, the WHO corruptly misled the world, telling us not to worry. This committee is failing its mission if we don't
hold China and the WHO accountable for these facts that they withheld from America and the rest of the world that caused tens of thousands of deaths just in this country alone.

Sadly, we know how quickly the virus spread in America. The first death was February 29, and in four months, we have lost over 120,000 of our families, friends, and neighbors. The House passed the first COVID relief package on March 4, five days after the first reported death. Congress passed another bill on March 14. And on March 27, the President signed the CARES Act.

Together, these bills represent the largest relief effort in American history. Our great economy was shut down. Overnight, millions of Americans were at risk of losing their jobs. China had put us behind on testing. Republicans and Democrats alike demanded speed and, thank goodness, we did, 4.5 million PPP loans, totaling over $500 billion in just three months.

Leaders of all shapes and sizes, including large banks, community banks, credit unions, and small banks, participated in this program. More than 5,400 lenders have participated to date. Mr. Chairman, we should hear testimony from the millions of small businesses who were saved by the PPP. PPP has been a smashing success; but given the speed we demanded and the overwhelming need in any program this massive, there are always mistakes made and lessons to be learned.

The GAO report finds that SBA’s reliance on applicant self-certification left the PPP program, quote, “vulnerable to exploitation.” Mr. Chairman, SBA chose to rely on self-certification because of the need to expeditiously provide funds to small businesses. Congress demanded that speed. Would anyone have preferred SBA to take months to design a mistake-free program, while millions of small businesses and tens of millions of workers lost everything they had in their lives?

I appreciate GAO reviewing the program and making recommendations of how to improve. Each of us should take seriously those recommendations, but the partisan attacks from Democrats on this subcommittee that seem to imply that the Trump administration should have slowed down the PPP, that goes against everything that we all voted on. Every Democrat and Republican who voted for the CARES Act chose speed over perfection. We didn’t have that luxury, our economy didn’t. The millions of families who have been saved from this program would have died on the vine waiting for some perfectly run Federal program, which I would love to see an example of that.

The GAO says HHS has experienced, quote, “substantial challenges” with its initial COVID–19 response. The worst pandemic in over 100 years hit our shores suddenly because China lied and covered up the danger. Yes, I agree HHS was faced with historic challenges. Past administrations and Congresses, by the way, did not do an adequate job of keeping the national stockpile supplied, and then we faced China’s hoarding.

But look at what America has accomplished. More than 28 million tests for COVID–19 have been performed in the United States, so many now that some are complaining about all of the positive COVID responses that we’re seeing after they demanded more tests. We have more tests, we have more COVID positives. That
was something everybody knew would happen. Most days now, we’re conducting over 500,000 tests per day, and we’re expanding that capacity. FEMA has procured and delivered over 25 million swabs to support the administration’s testing blueprint.

As of June 17, FEMA, HHS, and the private sector combined a coordinated delivery of over 150 million N95 respirators, 631.8 million surgical masks, over 16 billion gloves. FEMA coordinated two shipments, totaling a 14-day supply of personal protective equipment to over 15,000 Medicaid and Medicare certified nursing homes, which is something we need to investigate further. The shipments are meant to supplement existing efforts to provide equipment to nursing homes.

We have accomplished a great amount in a short period of time. We have a long way to go. We need the efforts on therapies, vaccines, and cures to move forward at warp speed. Thankfully, the Trump administration has launched Operation Warp Speed to find vaccines and therapies. Congress needs to be a partner, not an obstacle, to the success of Operation Warp Speed.

House Democrats actually plan to bring a drug price control bill to the floor next Monday. CBO has said that your plan would actually reduce the creation of lifesaving drugs. The Council of Economic Advisors says that number could be up to 100 or higher lifesaving drugs not brought to market if the bill you are going to bring next week is to pass.

There is never a good time to stifle innovation and investment in lifesaving cures, but this seems to be an unthinkable time to pursue policies that will slow down the development of a vaccine.

I am calling on Speaker Pelosi to pull this bill from further consideration on Monday. We do not need to be slowing down the search for a cure.

We still need to hold a hearing focused on holding China accountable. And while this committee spends so much time trying to find things that went wrong, we should also highlight some of the things we did well, like the PPP, which has saved thousands of lives and millions of jobs. We should join together and demand that the five governors who issued deadly nursing home orders, going against the Federal guidelines, finally comply with the demands that we have sent forward to turn over the data so that we can actually have transparency and accountability for the tens of thousands of seniors who died unnecessarily in nursing homes because those governors violated the Federal guidelines. I hope we search for those answers.

With that, Mr. Chairman, I yield back.

Mr. CLYBURN. Thank you, the gentleman, for yielding back.

Our witness today is the Comptroller General of the United States, Mr. Gene Dodaro.

Will the witness please stand so I can swear him in.

Now, I understand that there are others who may be testifying today who would like to be sworn in as well.

Mr. DODARO. That’s correct.

Mr. CLYBURN. Mr. Orice Williams Brown——

Mr. DODARO. That’s correct.
Mr. CLYBURN [continuing]. Director for the Financial Markets and Community Investment, and A. Nicole Clowers, Managing Director of the Healthcare Team.

I will ask both of you to stand and step forward. I would like to see you.

Thank you. I appreciate it.

Please raise your right hands.

Do you swear or affirm that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Let the record show that all three witnesses answered in the affirmative.

You may be seated.

Without objections, all of your written statements will be made part of the record.

With that, Mr. Dodaro, you are now recognized for your testimony.

STATEMENT OF HON. GENE L. DODARO, COMPTROLLER GENERAL OF THE UNITED STATES, GOVERNMENT ACCOUNTABILITY OFFICE, ACCOMPANIED BY ORICE WILLIAMS BROWN, DIRECTOR, FINANCIAL MARKETS AND COMMUNITY INVESTMENT; AND A. NICOLE CLOWERS, MANAGING DIRECTOR, THE HEALTHCARE TEAM

Mr. DODARO. Thank you very much, Chairman.

Good morning to you, Ranking Member Scalise, members of the subcommittee. I am very pleased to be here today to talk about our first comprehensive assessment of the set of legislation that the Congress swiftly passed and the administration has been working hard to implement.

We determined that the first two months after the legislation was passed, there was $1.2 trillion of assistance provided in the form of almost $700 billion in direct spending, and over $500 billion in loan guarantees. Now, this assistance was accompanied by a lot of dedication and agility by various segments of our society. We had heroic efforts made by our healthcare workers across the country. There were significant efforts put forward by the Federal work force to implement this legislation. State and local governments and others made valuable contributions and continue to do so.

Now, with regard to the Federal agencies, they gave a high priority, given the urgency of healthcare needs and the severe economic downturn, to move swiftly to allocate the funds, as we point out in our report. There were tradeoffs that were made, and our report is designed to help them make some mid-course corrections with regard to those tradeoffs. But as a consequence, we've made good progress in distributing the money, but only limited progress in ensuring and meeting the transparency and accountability goals.

Now, our report provides a very comprehensive assessment across the entire Federal Government. But this morning, in my opening comments, I'll just focus on those areas that I think our initial recommendations for improvement focus on.

First is the PPP program. I agree that they made swift allocations, standing up a nationwide program and distributing the
money; but there were some issues that I think need to be attended to very quickly. So, our recommendation—there was a lot of confusion with the program. It was, you know, implemented with a stream of frequently asked questions and guidance, and, so, there is some confusion that still remains with the program. But all being said, they need an oversight plan to ensure that the funds are safeguarded. There's already some indications of fraud in the program, and I'm pleased to report, that Administrator Carranza called me last night, agreed that they'd just give us the information that we needed in order to go forward.

So, we're in the process of finalizing arrangements for that. I also offered to help them as they design their oversight and monitoring plans, and she accepted my agreement.

On the unemployment insurance area, states are struggling to implement the program because of the antiquated systems, need for additional staffing. However, there's a potential problem with overlap between unemployment benefits and employees who may have received aid under the Paycheck Protection Program that we're not paying people twice. We recommend they give guidance. They agree, they're going to give guidance.

At IRS, the Treasury Inspector General for Tax Administration identified 1.4 million payments of $1.4 billion of aid that was provided to deceased. We recommend IRS take more measures to get that money back. They have done so.

We also recommend that the Congress give Treasury the authority to have the master deaths file from the Social Security Administration so they could prevent these payments from being made, not just here, but across the range of the Federal Government's activities.

We also recommend that the Congress require the Department of Transportation to develop a national aviation security plan for communicable diseases. We recommended this in 2015. So far, there's not a plan because of bureaucratic wrangling about who's responsible for developing it. I think Congress needs to give clear direction in this regard. The vessel in which this virus was spread around the world very quickly came through our air transportation system. We will always be behind the curve unless we have a national aviation security plan that's coordinated, and with some international norms to protect safety in that area.

So, Mr. Chairman, as I conclude my statement, I want to assure this committee that we're going to continue to focus on this, to meet our statutory responsibilities, to report every two months. We also have about 40 audits underway now, dozens of others planned for specific areas.

So, we're pleased that you took time to focus on our report, and we look forward to working with the Congress and the administration to make sure that these programs are effectively and efficiently implemented for the benefit of the American people and our economy.

Thank you very much.

Mr. CLYBURN. Thank you very much for your testimony.

We will now go into Q&A. Each member will be granted five minutes to ask questions.

And let me recognize myself for five minutes.
Mr. Dodaro, according to your report, the Federal Government spent at least $677 billion in response to this pandemic as of May 31, 2020. With that much money at stake, robust and sustained oversight by GAO is essential, but you can only do your job if the executive branch cooperates.

Now, my question is, why is it so important for the Trump administration to cooperate with the GAO’s oversight?

Mr. DODARO. There’s two fundamental reasons: One, we want to make sure that we fairly represent their views and all of the things that they considered in carrying out this legislation. Our goal is to always provide a balanced, fair, comprehensive picture.

Second, we need the information in order to make our assessments. The data are critical to doing analysis and carrying out our responsibilities. So, without the data, there’s a totally incomplete picture of what we have had.

Now, I would note that in April, right after the legislation was passed, I sent a letter to all of the major departments and agencies of the Federal Government explaining the fact that we were going to be doing real-time auditing, add a report and monthly briefings to the Congress, and bimonthly reports to the Congress, that we needed their cooperation.

By and large, we got that cooperation across the vast range of Federal agencies and departments. Some—you know, the IRS Commissioner made himself and his deputies available to talk to our team, and other agencies were very helpful.

We really only encountered the most significant problem in SBA, and I talked to Administrator Carranza, I talked to Secretary Mnuchin about it. We’re in the process of working it out. So, I think we have turned a corner. But it is essential for us to do our job, to help Congress do its job, we need to have access to all of the information and all of the agency officials that are responsible for these programs, Mr. Chairman.

Mr. CLYBURN. Well, thank you for that.

I noticed that you mentioned the SBA as being a significant problem. Now, the SBA is administering $670 billion in the PPP program. That’s one of the largest relief programs in the history of the country. But according to your report—and I’m quoting you here—SBA, to date, has failed to provide information critical to our review.

I would like for you to take a minute to tell us the kinds of information that SBA withheld, and what is its impact on GAO’s efforts to prevent waste, fraud, and abuse in the PPP program?

Mr. DODARO. Yes, sir. Two categories of things:

One, the most significant, was access to their data base as to who received the loans and how much, what the characteristics are. We still don’t know what information they collected versus what information the banks and other financial agencies have at their offices and control.

So, you know, we weren’t able to do an analysis, other than what the data was they provided publicly on their website, as to, you know, aggregate data about different industries, different sizes of the loans; but we don’t have the specific data yet, which is what they promised to provide now, but we didn’t have it to do this report, and that’s why we said what we did.
I elicited support from Members of Congress on a bipartisan basis to talk to SBA to encourage them to release the information to us, and those efforts, I believe, have paid off. So, we're going to get the data, but we didn't have it to do this report.

Second, we didn't have access to the key program people. Now, I recognize that they're busy, but people were busy across the government that made time to meet with us. So, while they did make some officials available, they weren't the ones we really wanted to talk to. So, now they have agreed to make those officials available to talk to us.

So, those are the two missed categories, Mr. Chairman. But the data is essential for us. Otherwise, we can't tell the Congress, you know, specifically, you know, what type of companies got this assistance, and we can't carry out any potential risk analysis of what the potential may be for inflated applications, or even people, you know, submitting false information to the government.

There have already been cases reported by the Justice Department and the SBA IG of people willfully misrepresenting the information. So, they're pursuing a lot of investigations already.

Mr. CLYBURN. Well, thank you.

I gather from your statement that you feel that the information you received the last several hours and the names that have been submitted to you, these people are sufficient for you to get the information?

Mr. DODARO. If they provide us—we still—the data this morning, we're still working out the details to transmit it, so we don't have it. We expect it at any time. If they give us what they say they're promising to give us, which is everything in the data base, then we will have the sufficient information. I will let this committee know—

Mr. CLYBURN. Please.

Mr. DODARO [continuing]. One way or another as soon as we receive the information and assess it.

Mr. CLYBURN. Well, I hope that you will let us know very soon if you do not receive it.

Mr. DODARO. I'll let you know one way or the other.

Mr. CLYBURN. Very good.

Mr. DODARO. Yes, one way or the other, Mr. Chairman.

Mr. CLYBURN. Thank you very much.

With that, I'll yield to the ranking member.

Mr. SCALISE. Thank you, Mr. Chairman, and thank you, Mr. Dodaro, for coming to testify about the report as we've seen things so far.

I am encouraged to hear that you are testifying that you are in a negotiation to get the data that you are looking for from the administration. Is that correct?

Mr. DODARO. That's correct.

Mr. SCALISE. And those appear to be good faith negotiations?

Mr. DODARO. Yes, indeed. I talked to Administrator Carranza in May, encouraging her, following up on my April letter, and they agreed to work to provide the data, but they just didn't do it. I think they have been, you know, in part, overwhelmed, to be fair, you know, but we have our statutory obligations.
Now, Congress said they want the information quickly, and so we had an obligation by law to provide it. I talked to Secretary Mnuchin as well. I talked to the Small Business Oversight Committee.

Mr. Scalise. And do you feel Secretary Mnuchin has been cooperative in those conversations?

Mr. Dodaro. Yes, yes.

Mr. Scalise. I know we’re limited on time——

Mr. Dodaro. But I just—you know, the conversations have been good. The one I had last night was the most promising, which was we would receive the information eminently.

Mr. Scalise. That’s with the SBA?

Mr. Dodaro. Yes.

Mr. Scalise. Look, I mean, I appreciate that you are sharing with us how overwhelmed any agency would be to have to deal with this much relief, which we wanted, by the way. We wanted to push this out the doors as quickly as possible to save—I mean, if we were still trying to figure out the rules and get agreements on how to properly do this, there would be millions of people out of work on top of what we already have, and there would be millions of small businesses that wouldn’t even open, they would be gone. We know that, and so, we do want to make sure we get it right.

But, in the meantime, for somebody to suggest that the administration is refusing to cooperate kind of flies in the face of what you are testifying before us today about, that there is cooperation, there’s negotiation, which would happen in any request for data that, OK, you have gotten a lot of data. There’s some other things you are trying to get. They are trying to figure out what they should turn over and what wasn’t in the agreement, but at least that’s going on, and you feel like that’s going on in a positive direction?

Mr. Dodaro. Yes. It didn’t start out that way.

Mr. Scalise. Yes, of course. In any——

Mr. Dodaro. But it’s evolved in a positive direction.

Mr. Scalise. And ultimately that’s where you want it to go?

Mr. Dodaro. That’s correct.

Mr. Scalise. You want to see progress. You want to see cooperation, and you are getting that cooperation, and I appreciate that. That’s important testimony.

I do want to ask about a few things because, for example, last year, do you know how many loans under the seven-day program SBA gave out all of last year?

Mr. Dodaro. I don’t have that number, but I know——

Mr. Scalise. I have heard numbers somewhere around the 36,000 level.

Mr. Dodaro. I know what they have given out now is far——

Mr. Scalise. How many have you seen this year just since the pandemic?

Mr. Dodaro. Well, they had 4.2 or 4.6——

Mr. Scalise. Four-point-six sounds more like what I have heard.

Mr. Dodaro [continuing]. Million as of——

Mr. Scalise. So, if they’ve done 4.6 million this year—and that’s just in about how many weeks? Maybe eight weeks?
Mr. DODARO. That was about eight weeks or so, yes.

Mr. SCALISE. So, in an eight-week period, SBA has given out about 4.6 million loans. All of last year, all 52 weeks of last year, they gave out about 36,000 loans. That’s not 10 percent more. It’s not 50 percent. In fact, it is over 125 percent more loans they’ve given out——

Mr. DODARO. Right.

Mr. SCALISE [continuing]. In an eight-week period than all of last year. And, by the way, that’s something we should be applauding because we wanted them to do it. We asked for them to do it. To do it, you have to move at rapid speed, and they met our demand.

To criticize them for being so expeditious and saving millions of small businesses would go against the very things that we as Congressmen and Women voted for and, again, a very bipartisan bill in the passage of the CARES Act. That’s what we asked them to do.

Mr. DODARO. Yes.

Mr. SCALISE. I’m glad they’re doing it. I have heard estimates of over 99 percent of all of the loans are being carried out properly. If there’s fraud and abuse, absolutely root it out. I am glad you said—isn’t it correct you testified that IRS is working to go after that money if there’s any kind of fraud you find?

Mr. DODARO. Yes.

Mr. SCALISE. I would love to see loan programs in any segment of our economy that have an over 99 percent compliance rate; you go after the folks that are doing wrong. But in an eight-week period, to give out over 4.6 million loans and to see it, by and large, being carried out the way we would all expect it to do, is, I think, something we should be applauding. Again, go after folks that are doing it the wrong way. I’m glad the administration is cooperating and being aggressive in that front.

I do want to ask you about testing. This comes up a lot. We have heard people complaining there’s not enough testing. The administration has worked at warp speed, working with the FDA, in fact, getting the FDA to move red tape that they normally would take two years to approve testing, they’re doing it in weeks now. So, we’re getting that testing, which everybody knew would show more positives, and then you have people complaining that there are more positives after they’ve complained there wasn’t enough testing.

Wouldn’t it be fair to say if you do more tests, you get more positive cases?

Mr. DODARO. That’s one potential reason. I mean, another reason——

Mr. SCALISE. Finally, final question, we—some of us on this committee have been demanding answers from five governors who went against CMS guidelines on nursing homes. Unfortunately, those deadly orders led to tens of thousands of people dying, who shouldn’t have, in nursing homes. Forty-five governors got it right, Republican and Democrat.

Would you help us get the data? Because those governors right now are refusing to give us the data that anybody should see. Victims’ families, by the way, have been contacting us by the thou-
sands asking for that same data, and the governors are refusing to get it.

Will you work with us to get the data, as we should all be able to have access to, that shows what really happened with this disease in nursing homes, so we can make sure it doesn't happen again and save maybe thousands more lives?

Mr. Dodaro. Be happy to work with the committee.

We did a report recently that showed that 82 percent of the nursing homes—this is pre-pandemic—had cited for violations for inspections. About half of the nursing homes had cited for violations every year during, I think it was 2012 to 2017.

Mr. Scalise. We would love to work with you on getting that information.

Mr. Dodaro. Yes. So, this is a very important issue. We're happy to work with you on it.

Mr. Scalise. Thank you so much.

Mr. Chairman, I yield back.

Mr. Clyburn. Thank you, gentleman.

The chair recognizes Ms. Maloney for five minutes.

Mrs. Maloney. Thank you, Chairman, for calling this important hearing.

And I thank the Comptroller for being here, Comptroller General, and for your very excellent report on opportunities to improve the Federal response. You go through a lot of the challenges and point them out, and then suggestions. And I just want to point out how helpful it is, as we are going through the coronavirus, to have this report. It shows how important GAO and the IGR in finding the problems and pointing to some solutions.

I want to hear what your solution is for the 1.4 billion that was sent out to dead people. We may be sending out money again to help people, depending on how the coronavirus develops or doesn't develop. And what are you doing? Just checking with Social Security? What is the solution going forward that this does not happen again?

Mr. Dodaro. Yes. What happened was, you know, IRS initially determined that the deceased people, or anybody who filed a return in 2018 or 2019, should be paid. So, they knew they were paying people who were deceased. Then it became known publicly. Treasury then reevaluated that position and stopped it and said, No, we shouldn't be doing that because it's not—you know, obviously, they're not benefiting, you know, individuals there.

So, they stopped it going forward. But in order to stop it, Congresswoman Maloney, they had to give the Treasury, Fiscal Service that actually makes the payments temporary access to this death master file that includes information from states. It is far more complete than what they had before. For years, I have been—I have a recommendation to the Congress to pass legislation to give the Fiscal Service, the Treasury access to this full death master file. They will stop those payments because they do a do-not-pay-check.

My own mother received a payment. She, unfortunately, passed away in February 2018, and my sister got it on behalf of my mother, and right on the check it said deceased. She sent me a picture of it. Of course, she returned it. A lot of other people didn't know.
IRS only posted on their website if you got one of these, please return it. What we’re suggesting is they have a proactive approach.

Actually, since our report was issued yesterday, a couple citizens have already emailed us to say they have these checks and want to know how to return them.

So, the IRS agreed, they’re going to do it; but Congress needs to pass this legislation. I think it is very important because it is not only just the IRS stimulus payments, it could be payments for agriculture, education, or whatever.

So, I would encourage you to do that. There has been legislation introduced, but it’s not been put over the goal line yet.

Mrs. MALONEY. Thank you, thank you.

And I want to go to—return to the testing. Your report states that the first tests that were deployed by the CDC—you used some of the strongest language I’ve seen in any of your reports—quote, “experienced accuracy and reliability issues that resulted in significant delay in testing nationwide during the critical early weeks of the outbreak.” Your report also warns that concerns with the accuracy of the antibody tests and the viral tests continued even to June.

So, how did these, basically, failures, impact our ability at the outset of this crisis to determine who had the virus and prevent its spread?

Mr. DODARO. They were setback in terms of quickly moving to get the testing deployed. CDC relied on its own process to develop the tests. There was some quality——

Mrs. MALONEY. Can I ask, why did they do that when so many——

Mr. DODARO. That’s historically——

Mrs. MALONEY. Who had a test? All of these countries had a test, and we developed our own, and then it didn’t work; is that——

Mr. DODARO. That’s correct.

Mrs. MALONEY. And they just discarded that one?

Mr. DODARO. Well, they had to because of concerns associated with it. Then they opened up testing to the private sector and others, and FDA started doing emergency-use authorizations. So, they moved quickly after that, but they weren’t able to get out of the gate very quickly. But they have done better since then because they’re engaging a broader range of people in helping develop the tests. And some of the tests are having some problems later. FDA is monitoring it. They have withdrawn some emergency-use authorizations if there are problems and so—but it is a significant issue.

Mrs. MALONEY. In your report, you go into the procurement process. The test didn’t work, and then we’re trying to get it. We couldn’t get it from other places, and there really was a lot of criticism about the procurement testing supplies and the way it was coordinated. In your view, did you find out why they weren’t coordinating it and working more together?

I heard the complaint in the news where states would say we’re competing against other states for supplies, and everyone was pleading with the government to come in and coordinate it on a national level and make it available to people, and yet, it didn’t happen. And actually, my state and other states are still asking for Federal coordination, that we feel that it would work better.
Did you find out why they determined that they would not follow really the suggestion of FEMA and others to have a coordinated national strategy for distribution, procurement, and everything, of the supplies.

Mr. Dodaro. Yes. We're still looking at that issue in more depth, but what we have seen—and this is true in the past with plans and exercises, including one of which was done just last fall by the administration, that there's always lack of clarity on roles and responsibilities in these endeavors among Federal agencies, as well as Federal, state, and local responsibilities.

So, those things—and when you are trying to short them out in the midst of an emergency, it's a problem. So, we recommend in our report, that's one of the evolving lessons learned that we're going to keep for the Congress. And there needs to be greater clarity in roles and responsibilities here, and particularly, you know, if the Federal Government wants to rely on the states to do the testing, then they have to figure out how to help them get these supplies because they have unique authorities, which they have begun to do, the Defense Production Act, and other things. So, they're making a lot of efforts and headway, but the problem keeps evolving with new cases, et cetera.

So, there's a unified command group that's made up of HHS Assistant Secretary for Preparedness and Response, FEMA, and CDC, and so they're working together now. So, I think that that's encouraging.

Mrs. Maloney. My time has expired.

Mr. Clyburn. The gentlelady's time has expired.

The chair recognizes Mr. Jordan for five minutes.

Mr. Jordan. Thank you, Mr. Chairman.

So, the GAO has issued a report that a brand new government program has got some problems, got a few glitches. Ain't the first time that's happened, is it, Mr. Dodaro?

Mr. Dodaro. No, sir.

Mr. Jordan. Forty-seven years. And we've—how many times have you testified? How many times have you testified—thank you for your service.

How many times have you testified in front of Congress, Mr. Dodaro?

Mr. Dodaro. I'm closing in on 200.

Mr. Jordan. Yes, we've done this a time or two in the Oversight committee, haven't we?

Mr. Dodaro. Yes, we have.

Mr. Jordan. The gentleman from Pittsburgh has been in front of the Oversight Committee many times.

How many reports have you issued in—well, can you give me any number? In that 47 years or, I think, the 12, 13 years you have been running it, how many reports have you issued?

Mr. Dodaro. There's thousands. Since I have become Controller General, it was probably—and I was No. 2 beforehand for—so, for 25 years, I would say in the last 25 years, about 15,000 reports.
Mr. JORDAN. Fifteen-thousand reports. And the Federal Government has some problems. Shazam, it should be a news flash, right? Four trillion dollars the Federal Government spends, and one bill, as you said in your opening statement, you said, swiftly passed. We had to swiftly pass it. The governors were telling businesses owners, you have got to shut down your business, the economy is going to collapse. So, we spent $2 trillion. Half of what the government spends annually, we spent in one bill. And the Democrats say, wow, we're shocked, there were a few glitches.

I mean, this is—plus, as the ranking member said, we have the PPP program, which saved businesses from collapsing, helped families across this great country. And somehow the Democrats are, oh, we have got a major problem here. It's a good thing we did the CARES Act, which they all voted for, by the way, as well, we had to. I mean, you are taking people's property, taking their livelihoods, telling businesses they couldn't operate,

So, I mean, this shouldn't be a big surprise.

So, let's talk about a few of the things in this report that just came out. On page 108, you referenced the Governor from Michigan. According to the Governor of Michigan, who testified before the House Committee on Energy and Commerce in June 2020, just a few weeks ago, the supplies states received from S&S were insufficient to meet the state's needs in early days of the pandemic.

Now, first of all, this is the Governor from Michigan, this same Governor who said you could go to a Lowe's, you could buy a dishwasher, but you couldn't buy a gallon of paint. This is the same Governor who said to her residents in her state, you may have a home on a—a small home, a cabin on a lake in northern Michigan, your property, but you can't even go to your own property. This is what this Governor said, she testified and said this, but why don't you look at what China was doing? As the ranking member mentioned, China hoarding supplies, why didn't you look at that?

Mr. DODARO. Well, we don't have the authority to audit other countries, nor were we asked by Congress to do this.

Mr. JORDAN. No, but it's an issue, right?

Mr. DODARO. I don't dispute the fact that that's an issue, but we just don't have the authority to go——

Mr. JORDAN. So, you could put in here a Governor who wouldn't let her own people buy a gallon of paint, wouldn't let her own people travel to their own property, and you could put her statement in the report; but you can talk about equipment and masks and things they need, but you can't put in the real problem was China was hoarding it and not letting us get access to it?

Mr. DODARO. I can't audit what I don't have authority to do.

Mr. JORDAN. OK. Well, let's talk about another issue that's real important that the Ranking Member brought up as well.

Did CMS issue guidance on March 13 on nursing homes?

Mr. DODARO. Yes.

Mr. JORDAN. Yes, they did.

Did it mandate nursing homes accept COVID positive patients?

Mr. DODARO. If I could bring Ms. Clowers up?

Mr. JORDAN. You can do whatever you want, Mr. Dodaro.

Mr. DODARO. Thank you, Congressman Jordan.
Ms. CLOWERS. Yes, Representative, they issued guidance about taking COVID positive patients.

Mr. JORDAN. Didn't mandate they take COVID positive patients? It said there was guidance on if you were, here's what you should do, right?

Ms. CLOWERS. Correct.

Mr. JORDAN. Now, on March 25 there was a Governor from the great state of New York who issued guidance and said you have to take COVID positive patients and you can't test them before you put them in a nursing home; is that accurate?

Ms. CLOWERS. I have seen those reports, yes, in terms of those policies of this handful of governors.

Mr. JORDAN. Yes, handful of governors.

Did you guys look at that issue at all?

Ms. CLOWERS. We have ongoing work looking at nursing home infections. As the Comptroller General mentioned, we——

Mr. JORDAN. Do you know how many days the Governor of New York told nursing homes you have to take COVID positive patients, and you can't test people and decide if they're coming in before if you don't know what—do you know how many days the Governor of New York did that?

Ms. CLOWERS. I do not have the number off the top of my head.

Mr. JORDAN. Forty-six days. Now, contrast that with what the Governor of Florida did, the Governor of Florida said you cannot take—someone who maybe has symptoms, someone who's come to a hospital, you can't let them into a nursing home unless they have two negative tests before you let them back in.

But you guys didn't cover that? You didn't get into that, but you're looking at it?

Ms. CLOWERS. We're looking at it, both the nursing homes following CMS guidance, the guidance that has been put out, the data that——

Mr. JORDAN. Now, that's data this committee could use. I mean, the idea that a $2 trillion bill, the PPP program had a few glitches, everyone understands that. We were trying to get money out the door as fast as possible to save businesses, to save families. We all get that. But the study that would matter is the study you are doing. When are you going to have that for us?

Ms. CLOWERS. We hope to have that later this fall, earlier this winter. We've already issued one on nursing home infection——

Mr. JORDAN. We need it sooner than that.

Ms. CLOWERS. We can brief you as soon as——

Mr. JORDAN. Forty-six days, the Governor of New York, where this was the worst, the Governor of New York was putting COVID positive patients back in an environment where the most susceptible people were. We need a study much sooner than that. This study, everyone—this could have been—we knew this before you gave it to us.

That's what we need to know, why that all happened, how bad it really was, the real numbers from New York and these other states that didn't follow the CMS guidelines, that had their own darn guidance, and I think caused tremendous harm and death to countless number of families and countless number of people.
That’s the study we need, and I hope it comes before the winter. I hope it comes, like, soon.

Ms. CLOWERS. We’ll work to move as fast as we can. Among other issues, we will also be looking at the PPE that was provided to the staff because, of course, that’s important as well——

Mr. JORDAN. Sure.

Ms. CLOWERS [continuing]. Because lots of staff were coming in and out of the community.

Mr. JORDAN. Sure.

Ms. CLOWERS. So, we have a body of work on this issue to try and look at all of the factors that have led to the number of cases and deaths.

Mr. JORDAN. We need that study, and we need a hearing on that study ASAP.

Mr. CLYBURN. The gentleman’s time has expired. I’m sure that the Governor of New York’s decision caused all of those nursing home deaths in Texas.

I’ll yield five minutes to the gentlewoman, Ms. Waters.

Ms. WATERS. Thank you so very much, Mr. Clyburn.

I’m really appreciative for the opportunity to have this information before us today that basically identifies what has happened with our attempt to respond to this pandemic with several things, facilities that are being created, of course, by the Feds, and the PPP program, which is perhaps the best known of all of the responses that we are attempting to do.

I am, of course, concerned. The GAO has found that SBA and Treasury have failed to implement adequate safeguards to ensure that loans are only going to eligible recipients, and the report that basically teaches us that because of the number of loans approved, the speed with which they were processed and the limited safeguards, there’s significant risk that some fraudulent or inflated applications were approved. And, of course, this was all done in such a short period of time, and we are spending record amounts of money.

I want to ask you, if you have heard of anything—or legislation, rather, that is entitled “The Paycheck Guarantee Act”?

Mr. DODARO. No. No, I have not heard of that.

Ms. WATERS. You have not heard of that. Ms. Jayapal, one of the Members of the House, has introduced a bill, and basically I think that the essence of that legislation is this: Instead of trying to organize all of these different efforts and create all of these facilities, etcetera, etcetera, we should basically pay people what they would be earning on their job if they were—as they were working, up to about $90,000 and let them pay their rent and let them pay their bills in the way that they would normally do it.

Now, I don’t know exactly how this would work with the PPP and the small businesses, but what do you think about that idea?

Mr. DODARO. Well, I can give it some thought and, you know, provide an answer for the record for the hearing. I mean, offhand, you know, it has the benefit of, you know, going direct to individuals without through intermediaries. I’m not sure how you would execute it, though, to ensure that you have accurate information; but I would be happy to think more about it and give you any thoughts that I have.
Ms. Waters. Well, let me——
Mr. Clyburn. Would the gentlelady yield for a moment—?
Ms. Waters. Yes.
Mr. Clyburn [continuing]. On that question? Let me refer you to there’s several European countries that have used this approach, and so, I don’t know that it may not be good to take a look at the experiences they have had there, and maybe let us know what you think about it?
Mr. Dodaro. OK. Yes, we will do.
Mr. Clyburn. OK.
Mr. Dodaro. I will do that.
Ms. Waters. Of course, I think by now, we all know a lot about what happened with PPP. We know that the banks executed the program for us essentially, and that they took—many of them or some of them took care of their concierge clients first. They set up a portal. I talked with a couple of CEOs, and they admitted what they had done.
Are you aware of that?
Mr. Dodaro. Yes, yes. Yes, but we won’t be able to get that type of detail until we get the data, you know, from SBA.
Ms. Waters. But you know that the banks, some of them, I’m not saying all of them, but some of the banks set up special portals for their concierge clients, and those turned out to be the ones who got the largest amounts of loans. And tell me, how did it happen that these hotels and these restaurants were able to identify each of their installations under 500 people, that they could get paid, get a loan for all of them? How did that happen?
Mr. Dodaro. My understanding of that is that that was a change that was made in the legislation at the last minute to allow them to be able to do that, that that was part of the original legislation. It’s my understanding, you know. If I’m wrong, I’ll provide a correction to the answer for the record. But that allowed that industry to apply if they had 500 people or less employees per location.
Ms. Waters. Did the SBA sign off on that?
Mr. Dodaro. Pardon me?
Ms. Waters. Did SBA sign off on that?
Mr. Dodaro. I don’t know their involvement in the legislation. I’m sure the administration did if the President signed the bill.
Ms. Waters. Do you think that basically undermined what PPP was supposed to be about?
Mr. Dodaro. Well, you know, I wouldn’t second-guess the Congress on what it did and, you know, the legislation that it passed. So, I mean, I was assuming it was part of congressional intent if it’s in the legislation.
Ms. Waters. Of course, for small businesses.
Mr. Dodaro. Congress—the legislation defined what businesses were eligible or not. I mean, that decision was in the legislation, from my understanding.

Ms. Waters. Do you think that the application for small businesses was too cumbersome?
Mr. Dodaro. We’re looking at that issue now. We’ll talk to some of the small businesses. There’s been some concerns about that, as
well as the application for loan forgiveness, which we’ll be looking at that issue as well.

But in many respects they relied on self-certification so that it shouldn’t have been that big of a problem, but it could have been. But we just haven’t been able to do the detailed work yet necessary to do this, because we want to go out and talk to small businesses who received loans, but we don’t have that information yet.

Ms. Waters. Thank you.

Mr. Clyburn. The gentlelady’s time has expired.

The chair now recognizes Mr. Luetkemeyer.

Mr. Luetkemeyer. Thank you, Mr. Chairman.

And thank you, Mr. Dodaro and your colleagues, for being with us today. I appreciate your years of service, and congratulations on your anniversary of service to our country.

I just want to follow up a little bit on some of the comments that were made with regards to the PPP program. I serve on the Financial Services Committee, and part of this actually comes through some of my subcommittee that we worked a lot with the administration on these programs. I know that, for instance, the SBA got more money out the door in 14 days than they normally do in 14 years. I mean, that’s pretty significant, that they were able to do that.

The error rate that I saw was roughly $280 million out of $350 billion that was authorized, and that’s about an eight ten-thousandth of a percent.

Do you, in your years of experience and analysis, find any other program that can have an error factor of less than an eight ten-thousandth of a percent that’s a government program?

Mr. Dodaro. Yes. Well, I haven’t looked at the error factors. If it’s accurate, OK, if it’s accurate, it is a very good record.

Mr. Luetkemeyer. Yes, that’s the number that came out from the media, and I think the Treasury actually acknowledged that that’s roughly what they’re having to claw back from businesses that should not have got the PPP.

Mr. Dodaro. Yes.

Mr. Luetkemeyer. But that’s a pretty good record, getting out in 14 days that much money and then only an error factor of eight ten-thousandth.

Similarly, with the issue with regards to the stimulus checks going to people who shouldn’t get them, you made a comment a while ago about Social Security’s Death Master File, and it’s something that you recommended, apparently for a number of years, that we, Congress, have never done. In fact, the Trump administration has proposed in every single budget to give Treasury access to this, and we, Congress, have not done that. Is that roughly correct?

Mr. Dodaro. That’s correct. And I know Treasury, I’ve talked to Secretary Mnuchin about this and the head of the Fiscal——

Mr. Luetkemeyer. So, this problem could have been eliminated and alleviated if we, Congress, had done our job and allowed this to happen in previous years.

Mr. Dodaro. That’s a reasonable hypothesis, Congressman.

Mr. Luetkemeyer. OK. Thank you very much for that.

Also, your charge here is to figure the pandemic’s effects on public health. I want to follow up on that just a little bit, since we had
a report in one of the local political magazines here that roughly 65,000 people die as a result—per month—as a result of the lack of focus on their healthcare needs due to suicides, opioid abuse, lack of cancer treatments, heart conditions that aren’t addressed. You know, New York City even said they didn’t do 80 percent of the brain surgeries that are necessary.

Did your report look at this part of the healthcare picture? Because that’s about 50 percent more people dying because of the lack of treatment versus attention on the COVID.

Mr. DODARO. Yes, we’re going to take a look at that. We’ve been also focused in our report—let me ask Nikki to come up and talk about—our healthcare expert—to talk about that. We’ve been trying to focus on the numbers of the deaths that are over and above what would normally be expected over a period of time and then as one of the factors that we’re looking at.

But this issue about the other factors is a very important issue, and so we’re going to be looking more about it.

Nikki?

Mr. LUETKEMEYER. Very quickly. I’ve got one more question.

Ms. CLOWERS. Certainly. Just exact type of indicator that we want to be developing, Representative, in terms of the impact on public health, those type of elective procedures. I think people often, when they hear elective, think it’s nonessential. These are important procedures for people in terms of preventative care. So, we’ll be examining how quickly hospitals get back to providing those.

Mr. LUETKEMEYER. You know, they said in here 650,000 cancer treatments, about half of them missed their treatment. About 150,000 cases typically discovered each month are not being diagnosed. That’s just on the cancer side.

One more question before I run out of time here is with regards to right now there seems to be an increase in the number of cases that are detected. Obviously, we are testing more, so you would anticipate more tests, positive tests, as a result of that.

Have you looked at the percentage of hospitalizations as a result of that and the number of deaths as a result of that? Because you would think, if the virus was at its same potency, you would still have the same number of hospitalizations, you would still have the same number of deaths. But, anecdotally, that’s not happening. Can you verify that, or have you looked at that?

Ms. CLOWERS. We are tracking that information. Both it’s an important point in terms of watching the number of cases, but hospitalizations, as well as deaths, and the percent positive. Those are all indications in terms of the spread.

One of the things we’ve pointed out in our report is that we do need better data at the Federal Government in terms of hospitalizations, for example, the number of ICU beds that are filled, and that’s something we’ll be continuing to track.

Mr. LUETKEMEYER. Well, it would seem to me, you know, we had about three weeks ago the University of Pittsburgh Medical Center, which according to what somebody told me yesterday is actually where they did the research and helped develop the polio vaccine, these are the experts of the experts, they said that the virus is losing its potency, it’s mutating to a lesser strain, which, if it were
having more positives but yet less hospitalizations and less deaths, would seem to indicate that this could be the case.

So, I think this is a very important point that needs to be made with regards to the media is only telling you that the cases are increasing, but it doesn’t tell you that the deaths continue to go down and hospitalizations continue to go down, as well as most hospitals still have the capacity to take care of that.

Ms. CLOWERS. All those factors are important. All those data points are important.

I would note hospitalizations and deaths tend to lag. So, it will be important to track this in the next couple weeks to see how that data changes.

Mr. Luetkemeyer. OK.

Thank you, Mr. Chairman. I’ll yield back.

Mr. Clyburn. Thank you very much.

The chair now recognizes Ms. Velázquez for five minutes.

Ms. Velázquez. Thank you, Mr. Chairman.

And thank you, Comptroller Dodaro.

From the beginning, I have been calling for the administration to provide Congress and the GAO with detailed data regarding the Paycheck Protection Program. It is our job to be good stewards of taxpayers’ dollars and ensure our programs are working as intended.

In my call with SBA Administrator Carranza on Wednesday, she indicated that both Congress and GAO would be receiving loan data today. This is a good step, but we must work to guarantee GAO can interview and collect additional data to conduct its oversight responsibility. And this brings me to my first question.

Mr. Dodaro, SBA indicated to me that they contacted GAO on June 23 about transferring full access to all PPP loan data. Have you responded to SBA? And does GAO have the necessary systems to securely receive that data?

Mr. Dodaro. Yes, we have responded to them. We’re in discussions with them about the details on how it would be done. And we definitely have the ability to secure the data. We deal with tax data, healthcare data, classified information of all stripes.

Ms. Velázquez. Thank you.

And in the same vein, has SBA indicated a time and date when they will provide you with access to officials so that you can conduct interviews?

Mr. Dodaro. I think there’s been one date offered so far, but I’m not sure about that.

Ms. Velázquez. OK. So, you know, Mr. Chairman, to compare the loans made by SBA on 2019 to what they have done today is ridiculous. You know, they have a cap as to the 7(a) loan program that is the flagship loan lending program of SBA. Beyond that, they cannot lend any money.

Plus the cuts that the agency has suffered under this administration. So, budgets have consequences. The E-Tran system, they shut it down. It’s a result of the money that has been cut.

So, the first SBA IG flash report noted that SBA implementation of the PPP did not align with the CARES Act objective of prioritizing underserved and rural markets.
Has GAO been able to draw any conclusions as to what implementation failures led to so many rural and minority-owned businesses from being shut out of the PPP program during the initial rollout?

Mr. DODARO. We will be looking at that issue. But until we get the information, we’re not in a position to determine that.

Now, they also, from my understanding, did not collect demographic information, and they’re trying to collect it as part of the loan forgiveness application, but it’s voluntary. So, I don’t know how many people are going to submit the information. But we’re going to try to look at that and that’s one of our key objectives.

Ms. VELÁZQUEZ. OK. So, you note SBA experienced IT challenges, such as crashes to the E-Tran portal, forcing SBA to shut down the site. Is GAO considering future reports on IT issues that may have resulted in some businesses not being able to access loans while other businesses may have received more than one loan?

Mr. DODARO. Yes, we’ll take a look at that issue.

Ms. VELÁZQUEZ. Sir, do you think that it is important for the Small Business Committee to have access to the raw data so that if we need to make changes or if the administration comes back to us and says we need to approve more money and to provide more relief, how could we assess if the program is working as it was intended by Congress if we don’t have access to that information? How many times have we requested the Administrator to come before the committee, and Secretary Mnuchin?

So, it is not right, and we expect for them to come forward. She committed to me on Wednesday that she would be coming to the committee. When she asked me what steps or what intentions you have—and the committee—going forward regarding the program, my answer is: I don’t have any data. I have no information to be able to make any responsible decision at this point.

So, thank you, sir.

I yield back.

Mr. CLYBURN. I thank the gentlelady.

The chair now recognizes Mr. Green for five minutes.

Mr. GREEN. Thank you, Mr. Chairman and Ranking Member Scalise, and thanks to our witnesses for being here today.

There is understandably a lot of consternation in our country today about the spike in new coronavirus cases. As with all the other public health decisions we face this year, we have to make sure we take a holistic look at the data to ensure we have the truth and not some preferred narrative. Is the alarming spike in cases in parts of this country due to greatly increased spread or could there be another factor?

Let’s be honest. The United States is testing people for the coronavirus at unprecedented rates, and more people are willing to go see their doctor as the country reopens, so of course we will see an increase in cases. Some public health experts have estimated that we have 10 times the number of cases of coronavirus than being accounted for in testing.

Others, like Dr. Francis Collins, the Director of the National Institutes of Health, have observed in the past, and I quote, “The number of people who haven’t yet turned up in the healthcare sys-
tem but who already are infected is probably 100 times the number of cases you know about,” end quote.

Even CNN—yes, I’m referencing CNN—reported just this week that a new study suggests 80 percent of cases were never reported in the month of March because we weren’t testing as broadly as we are now.

We’ve known since the beginning that there were likely far more cases overall than just the confirmed cases. And as we have ramped up testing, we see that to be the case.

Dr. Donald Yealy of the University of Pennsylvania reinforced this point. He urged us, and I quote, “to change our mindset and focus not exclusively on the number of cases but on the severity of the illness,” end quote. Yealy continued and pointed out, quote, “Fewer people are being admitted, and when they are, they tend to be much less sick than at the beginning or the peak phases of the pandemic,” end quote.

We have to look at the hospitalization rates in context. The CDC reports, and I quote, “For people 65 years and older, current cumulative COVID–19 hospitalization rates are within ranges of cumulative influenza hospitalization rates observed at comparable time points during recent influenza seasons,” end quote.

Now, that’s good news. And while we’re clearly not out of the woods yet, we need to look at the data in context. Asserting that the President has failed to contain the virus because the cases are going up is either blindly uninformed or blatantly malicious.

First, the goal was to flatten the curve, not stop every person from getting the virus. That’s physically impossible. Trust me. I’m a physician.

Any honest broker will realize that cases are going through the roof because we’re testing through the roof. So, what is it, we have to have more tests or, now that we are, “Oh, my dear, the President’s failed us because we’re testing more and there are more positives”? I think most people will see the ridiculous hypocrisy in that.

The media continues their narrative, marching in lockstep with my Democrat colleagues, and they ignore the context and the facts.

As I came in today, I saw a gentleman running on the sidewalk. There was no one within a hundred yards of the guy, yet he was wearing a mask while running. This speaks to the irrational fears this dishonest representation of the data by the media has caused.

The media also ignores the fact that reopening society will save lives in other ways. Cancer screenings deemed nonessential but in reality, are very essential. Social isolation, which has devastating healthcare consequences, can come to an end if we open up and Americans can get back to work, feed their families, pay their rents, and save for their kids’ college.

Other data is also suspicious. Colorado’s Governor just revised the state’s deaths due to COVID down by 12 percent because he found that the state’s health department was counting even automobile accidents from trauma deaths as COVID if the patient had the virus. That’s absurd. Twelve percent.

Now, my question to you, sir, is have you looked into how states are actually counting their COVID deaths? And, if so, are there
other states that are going to be revising their numbers down 12 percent?

Mr. DODARO. One of the findings in our report is that the testing data that CDC’s been reporting is inconsistent and not complete. Not all the test data has been reported, states are counting different things differently, and it’s been a problem. So, you really don’t have good, reliable data.

Now, we were getting ready to make a recommendation here, but on June 4 CDC finally, through the Secretary of HHS, used the authority Congress gave them in the CARES Act to set out testing requirements to all labs in the country. So, hopefully the testing data will get better.

Mr. GREEN. Hopefully, it’s not 12 percent all across the country being revised down—or, well, maybe hopefully it is and then we’ll get a real accurate contextual picture.

Mr. Chairman, manipulating the data to fit a progressive narrative is damaging this country, and I ask that we stop it, especially in this committee.

Thank you.

Mr. CLYBURN. I agree. I thank the gentleman. I agree with that. I also agree that ignoring science is damaging to our country.

Mr. GREEN. I couldn’t agree more. I try to practice evidence-based medicine, Mr. Chairman.

Mr. CLYBURN. I just want to say, you’ve asked, Mr. Ranking Member, that we have meetings in person. We’ve accommodated you. I would love for us to abide by the Attending Physician’s recommendations.

Mr. GREEN. Point of order, Mr. Chairman.

Mr. CLYBURN. Yes.

Mr. GREEN. Point of order. CDC has said six-foot social distancing, you don’t need a mask. We are 6 feet apart. We don’t need a mask. When I came in today, I put my mask on because I walked past people. Now that I’m in a seat, I don’t need a mask.

Mr. CLYBURN. You are a scientist.

Mr. GREEN. Yes, sir.

Mr. CLYBURN. You are a physician.

Mr. GREEN. Clinician, yes, sir.

Mr. CLYBURN. So, anyone walking past you and you don’t have on a mask, you wear the mask to protect them.

Mr. GREEN. Yes, sir, if someone comes by who doesn’t have a mask on, I’ll put mine on. Absolutely, yes, sir.

Mr. CLYBURN. Yes, well, I just want to say—I’m going to yield to you there, Mr. Foster—but I just want to say this.

If you wish to continue having these meetings in person, you’re going to have to adhere to the Attending Physician or I will not have the meetings in person. It’s just that simple.

Mr. GREEN. I understand. Thank you, Mr. Chairman.

Ms. WATERS. Mr. Chairman.

Mr. CLYBURN. Yes. I’ll yield.

Ms. WATERS. Point of order.

Mr. CLYBURN. You’re recognized, yes, ma’am.

Ms. WATERS. I’d like to raise the question of, if we are sitting here without a mask and we’re speaking, is it possible that we
could have emissions that are going on the desk, on the microphone around us?
And if someone comes behind us who has not worn a mask and we are basically emitting on the table here on the dais, have we been told by the scientists that the virus remains on the surface for a certain length of time, depending on whether it's wood or steel, et cetera, and that if you contact that surface and you have emitted—there have been emissions, that you could become infected?

Mr. Clyburn. Chairwoman Waters, I'm going to yield now to one of my favorite scientists.

Mr. Jordan. Mr. Chairman.

Mr. Clyburn. And maybe he'll weave an answer to that question.

Mr. Jordan. Mr. Chairman.

Mr. Clyburn. The chair recognizes Mr. Foster.

Mr. Jordan. Mr. Chairman.

Mr. Clyburn. Just a moment.

Voice. Point of order.

Mr. Clyburn. Mr. Jordan.

Mr. Jordan. It seems to me science and common sense that you should not put COVID-positive patients back in nursing homes. That to me seems to be science based and common sense. And that's the study we need, as I indicated earlier.

Mr. Clyburn. I have absolutely no control over the Governor of New York. I do have some control over this subcommittee, and I will exert it. Please rest assured I will exert what control I do have.

Mr. Foster, you're recognized for five minutes.

Mr. Foster. Thank you, Mr. Chairman and Comptroller Dodaro.

Our greatest, best hope for finally emerging from this crisis is through the development of safe and effective vaccines and therapeutics. Great scientific progress has been made by scientists around the world, and many of these products are entering advanced clinical trials.

But developing, manufacturing, and distributing vaccines and therapeutics are challenging and complicated tasks, especially in a compressed timeframe and with an often international supply chain. This requires not only great scientific efforts, but also good technical project management, a real strength of GAO.

This is something, unfortunately, that we've not always seen in the Federal response to this crisis. As stated in the GAO's report, I quote, "While multiple Federal agencies are taking actions to develop vaccines and therapeutics to prevent and treat COVID–19, questions remain about their timing and distribution."

Now, this should not be used as some sort of partisan hatchet. I know from conversations with my colleagues on both sides of the aisle on this committee that there is a great appetite for Congress and the American people to get the best possible information on the status and likely time scales of the results of these efforts.

I also know from conversations with many of the scientists and executives involved that there is a real desire for them to present the full complexity of their efforts, not in the form of sound bites in hearings or answering feisty letters from Congress, but actually
detailed briefings on the technical uncertainties of what they’re trying to accomplish and the schedule uncertainties.

This is important, I think, to not only every American, but certainly every elected official. A city mayor cannot make plans if they don’t know whether a therapeutic will be available next month or not for years. And this sort of getting the best scientific information on when these will actually happen from a neutral third party is, I think, something that the GAO really is uniquely qualified to provide for us.

So, Mr. Comptroller General, the GAO has expertise in technical project management. So, could you just say what capabilities does the GAO have today to provide oversight of vaccine and therapeutic development? And what additional capabilities might you be able to stand up to help this committee address these efforts?

Mr. Dodaro. We’ve been building our capacities in the science and technology areas. In fact, we will have a Ph.D. in microbiology that has experience with vaccine therapies on staff here within a week as part of our effort, supported by the Congress, to grow that team. We have other people who have observed past efforts to build vaccines and distribute them. So, we have great capabilities.

We also have standing arrangements with the National Academy of Sciences. We just completed a joint study with the National Institute of Medicine on use of artificial intelligence in drug development. And I also have people on my advisory committee that are making themselves accessible, including Harvey Fineberg, who used to be the President of the Institute of Medicine.

So, we have in-house capabilities to do this, Congressman, and we have standing arrangements to get additional expertise.

Mr. Foster. Thank you.

In my many years in science I’ve been on the receiving end of GAO reporting on our projects, and I have to say that, although it was often painful at the time, it made the projects better, that having the GAO come in and ask the tough questions that we’ve sort of been hiding from or don’t have good answers for, asking: Well, what if this happens? Do you have a contingency plan in this case? What are your plans if the virus mutates, you deploy a therapeutic and then the virus immediately mutates around it? What’s your backup plan?

And simply asking those questions will often make the project stronger and give Congress and the American people better information on probably the most important question that we’re facing as a world right now.

Mr. Dodaro. Well, we’re planning to do that.

Mr. Foster. Well, thank you. And I look forward to working with you.

As I’ve mentioned, I’ve had good conversations on both sides of the aisle here on really standing up and getting an agreement between you and HHS, and to really get the kind of information, like your access to the data bases, so that you can get the answers that we need, so that if you’ve got access to things like the details of the contractual arrangements, the true projected capacity to manufacture different types of vaccines and therapeutics, and to be able to report in a timely manner, in almost real time, I think this could
be one of the most valuable things that this select subcommittee
could end up doing.

Mr. DODARO. Yes, I agree with you. We will make arrangements
to do that. We've done that on, like, major weapon systems, look
at the test data and analyze. Happy to do that. I agree with you,
it's essential to attacking this issue thoroughly and providing prop-
er safeguards, is vaccines and other therapeutics.

Mr. FOSTER. Thank you. Well, you're uniquely situated. I appreci-
ate that.

I'll yield back.

Mr. CLYBURN. Thank you, Mr. Foster.

The chair now recognizes Mr. Raskin for five minutes.

Mr. RASKIN. Thank you very much, Mr. Chairman.

I just want to start with a few facts. Fact: 124,415 deaths in the
United States from COVID–19. Fact: More than 2.4 million cases
of infection among our people. Fact: Hospitalizations in Texas are
up more than 215 percent since Memorial Day. Fact: Florida just
reported 10,000 new coronavirus infections in two days. Fact: Ari-
 zona, as of yesterday, had more than 60,000 cases, 1,467 deaths,
and the infection continues to spiral out of control.

Mr. Comptroller General, the GAO report raises questions about
the IRS' handling of the economic impact statements, the stimulus
checks, to get people through this nightmare.

According to your report, the IRS has issued around 160 million
payments so far, but the agency has faced challenges and delays
in getting checks to some of our most vulnerable people. That in-
cludes hard-to-reach populations like, quote, "individuals without
bank accounts, the homeless, people with limited or no internet ac-
cess, people with limited English proficiency."

Would you agree that these populations are especially vulnerable
during a pandemic and a recession and are likely in need of this
Federal support?

Mr. DODARO. Absolutely.

Mr. RASKIN. So, should this be a top priority for the IRS to reach
these populations?

Mr. DODARO. Yes. And we'll be looking at their efforts to do so.
I know they've started some on the Interagency Council on Home-
lessness and Men of Valor to help individuals coming out of prison.
So, we'll be looking at it to see if we have any additional sugges-
tions.

Mr. RASKIN. Your report says that IRS faced difficulties identi-
fying and then delivering payments to people who did not file tax
returns in 2018 or 2019, including recipients with low adjusted
gross incomes.

I've heard from a number of these people. These nonfilers usually
have incomes below 12,000 a year and, according to one estimate,
there are as many as 12 million nonfilers who may be at risk of
missing out on their economic impact statement that they may
need more desperately than the rest of the population.

What should Treasury and IRS be doing now to ensure payments
reach up to 12 million American nonfilers without any further
delay?
Mr. DODARO. Yes. They need to explore different data sources to try to identify these individuals. That’s one of the things we’re going to look at and make some recommendations to them.

Mr. RASKIN. Well, when will that happen? It’s just a matter of some urgency. My office, and I’m sure my colleagues’ offices, are just besieged with people who desperately need this money.

Mr. DODARO. Yes. We’re working on it. I hope to have those recommendations by our next bimonthly report.

Mr. RASKIN. OK. I’m working through the weekend during this pandemic. I hope your people are working through the weekend, too, to get that report.

Mr. DODARO. We wouldn’t have been able to produce that report that you have there in 90 days since the law if we weren’t working 24/7.

Mr. RASKIN. I appreciate that.

GAO also reported that Treasury and IRS sent nearly $1.4 billion in payments to 1.1 million decedents, that is, Americans who had already died. I had also heard from some honest constituents who called up and said: We got this check for my wife or my husband who’s no longer with us.

IRS apparently was aware this was happening back in March but didn’t begin to correct it until months later. What’s up with that? That’s just shocking. How did that happen?

Mr. DODARO. Well, IRS’ original determination was that the law required them to send the check to everybody who filed a return in 2018 or 2019. So, they figured it would include those people. So, they did it with foresight that that’s what they were supposed to do. Then——

Mr. RASKIN. Well, OK, so let me pause you there, because that seems to contradict common sense. In other words, because we said that it should go to everyone who filed taxes, they thought it should go to people who had died.

Mr. DODARO. Right.

Mr. RASKIN. Who had filed taxes.

All right. Well, what is the law? Because some people were saying: Should we cash this check? Why would the government be sending to it us?

Mr. DODARO. Right. Right. Yes. No, no, I agree.

Mr. RASKIN. Well, what is the correct legal interpretation?

Mr. DODARO. The correct interpretation, we believe, is Treasury’s interpretation after that was that the intent was to help people who were affected by the situation, which wouldn’t include people who were deceased. So, they stopped it at that point in time after IRS had made the first three payments.

So, we believe the correct interpretation now is they should not have been sent, and our recommendation is to try to get as much of the money back as possible.

Mr. RASKIN. OK. And they’ve changed that policy of sending checks to people who have died?

Mr. DODARO. That’s correct.

Mr. RASKIN. OK.

Mr. DODARO. Yes, they stopped that after the first three rounds.

Mr. RASKIN. All right. Thank you very much.

I yield back, Mr. Chairman.
Mr. CLYBURN. Thank you very much, Mr. Raskin.
The chair now recognizes Mr. Kim for five minutes.
Mr. Kim. Thank you, Mr. Chairman.
I just want to begin by just addressing something that came up earlier in this hearing. It was talked about CDC guidance when it comes to wearing a mask and social distancing.
I just went onto the CDC website and just want to confirm that it says cover your mouth and nose with a cloth face cover when around others and continue to keep about 6 feet between yourself and others. It is not saying that it is one or the other. It is recommending both social distancing and using a mask.
Moving forward, I have to say I'm very concerned about the Trump administration's failures when it comes to providing personal protective equipment and medical supplies that our communities need to keep safe. According to the GAO's report, there was an HHS exercise in August 2019 that determined, quote, “that domestic manufacturing capacity would be unable to meet the demands for personal protective equipment and other supplies in the event of a global influenza pandemic.”
This was months before the coronavirus pandemic, but the Trump administration failed to act on these findings. As a result, according to the GAO, quote, “The nationwide need for critical supplies to respond to COVID–19 quickly exceeded the quantity contained in the Strategic National Stockpile.”
Mr. Comptroller General, I wanted to ask you, do you agree that the Strategic National Stockpile had been short of the critical supplies that were needed during this pandemic?
Mr. DODARO. Yes. And that's been acknowledged, and they're trying to fix it now, and they're going to try to revamp the stockpile going forward.
The exercise that you talk about, it's called Crimson Contagion, and it was pretty much an exercise that mirrored what exactly has happened with this particular COVID–19 situation, and it identified things.
Now, what they told us was that they didn't have enough time to react to the findings in there, that they did brief some Members of the Congress, but they're trying to revamp the national stockpile now.
But the masks that were in there that were left over from H1N1 weren't effective anymore, and so they had to be replaced, or they were provided with a caveat about their potential ineffectiveness.
Mr. Kim. What steps could have been taken and should have been taken to prepare for this to quickly replenish that stockpile, in your opinion?
Mr. DODARO. Yes, well, I mean, the issues—we raised this before in prior administrations as well, that there weren't enough ventilators in urban hospitals around the country. So, we've raised these issues over time.
Our country has difficulty—and the hardest part of my job is getting people to act before there's a crisis—has great difficulty in preparing ahead for things. So, it's not unique to any administration. This has been a problem that I've seen throughout my career in government.
Mr. Kim. So, earlier in this hearing——
Mr. Dodaro. So, they could have—they had the information and everybody preceding had it in order to act on it, but they just—they didn’t. Either the money wasn’t appropriated, they didn’t allocate it properly. We’re looking more at the details about it, but clearly steps could have been taken previously and recently.

Mr. Kim. It was characterized earlier in this hearing that some of the problems that we’re facing with the government response were a few glitches. So, would you then categorize the problems in terms of the supply of PPE as a few glitches?

Mr. Dodaro. I wouldn’t categorize it that way.

Mr. Kim. Now, beyond just the supply side of the issue, it’s also about the coordination side. And this was something that was raised here. I think you wrote there had been reports of the Federal acquisition and distribution efforts to supplement the Strategic National Stockpile supplies lacked coordination and resulted in challenges obtaining supplies here.

How did that lack of coordination hurt the efforts to obtain the critical supplies?

Mr. Dodaro. Well, I think early on—I’ll ask Ms. Clowers to elaborate—early on HHS was taking the lead here. Later it was shifted to FEMA. Then the President’s—the task force, the White House Task Force came in, set up the unified command, and brought in people to focus on the supply chain.

Mr. Kim. Would you characterize that as a few glitches?

Mr. Dodaro. Pardon me?

Mr. Kim. Would you categorize the problems when it comes to the coordination as a few glitches that caused the problems with getting the PPE to the states and the hospitals?

Mr. Dodaro. No.

Mr. Kim. When it comes to—one last part here that I just wanted to address. In your report you said you requested information on the Strategic National Stockpile inventory prior to the pandemic, the types and amount of supplies that states requested, as well as what HHS and FEMA distributed from the Strategic National Stockpile to the states’ request. You said you did not have that information as of June 12th.

That seems like very basic information to me about what is necessary to assess whether the stockpile is doing what it’s meant to do. Have you received that information yet?

Mr. Dodaro. Go ahead.

Ms. Clowers. We have not.

Mr. Kim. When did you make that request?

Ms. Clowers. I don’t have a specific date, but it’s a request that we made fairly early on. But we’ll continue to work with HHS.

Mr. Kim. Have you been given a reason why you have not been receiving this information?

Ms. Clowers. We have not.

Mr. Kim. Do you know how much is in our stockpile right now?

Ms. Clowers. I do not.

Mr. Kim. A question is just, who pays for our stockpile?

Ms. Clowers. There’s a—the Federal Government provides appropriations. And as the Comptroller General mentioned, the appropriations have varied each year over a number of years in terms
of what’s been provided to maintain adequate supplies in the stockpile.

Mr. Kim. Yes, that’s absolutely correct. It comes from our government. It comes from the American people. It’s the American people’s stockpile, and they deserve to know what has been done to keep them safe.

The American people are still under threat from this virus. We face rising cases across this country. We face a threat of a second wave later this year. And the American people deserve to know if we’re ready, and your testimony and the report today makes me concerned that we’re not ready.

Mr. Chairman, back to you.

Mr. Clyburn. I thank the gentleman.

We have had questions from all of our members. I would like now to yield to the Ranking Member for any closing statement he would like to make.

Mr. Scalise. Thank you again, Mr. Chairman, for holding this hearing in this committee room.

Again, thank you, Mr. Dodaro, for your report, your testimony. I appreciate the fact that you’ve been working with the Trump administration to get the information you need to compile this report, as well as to continue providing us proper oversight. And I’m glad that in your testimony you made clear that you’re getting that cooperation from the Trump administration.

Clearly, there are other issues you’re going to continue to work through with the Small Business Administration. As you testified today, they have been overwhelmed. Last year they issued about 36,000 loans under the 7(a) program and in eight short weeks they issued over 4–1/2 million loans through that same program, over 125 percent increase in workload in a time where we knew we had to move expeditiously. Time was of the essence to save millions of small businesses, to save millions of jobs so that families have the ability to pay their mortgage, to get back to work, to have their careers before them as we work through this pandemic.

It’s been unprecedented in terms of the response, the quickness that we’ve seen in getting testing brought to the market. Tests that would have taken two years for the FDA to approve have been approved instead in weeks, following safety guidelines but removing red tape.

I applaud the Trump administration for implementing Operation Warp Speed to push more results for families, to get more testing, to get more cures, therapies. We’re seeing revolutionary changes, drugs like Remdesivir, that are proving effective for many people of COVID–19.

That would not have happened without the Trump administration moving red tape out of the way so we could save lives, continuing to search for a vaccine at rapid speed that we’re seeing in the private sector because red tape has been cut. We need to continue to push for those kinds of reforms and that kind of expeditious response.

Now, clearly when you move expeditiously there can be mistakes made. It’s good for us to look at finding out what those mistakes are and correct them. I’m glad you testified that you are seeing agencies like the IRS correct things along the way that they found.
But we also have seen that, based on your findings that you presented, so far the PPP program has more than a 99 percent success rate. That is revolutionary for a program that has given out loans to over 4–1/2 million small businesses, over 500 billion taxpayer dollars that have been used properly, as we all voted for. Republicans and Democrats joined together to say let’s help these small businesses quickly. To have over a 99 percent effective rate.

Let’s go find the folks who abused it. Let’s go get that money back. And I’m glad the administration’s working to do that. But for somebody to suggest that a program that has over a 99 percent success rate is a failure or shouldn’t have happened is ludicrous. Again, millions of families would be out of work. Small businesses that would be closed. Even with the unemployment numbers we’re seeing each week, those numbers are dropping because businesses are starting to open again.

Again, we look back to the science. As Dr. Green talked about, why did we do this? We didn’t do this to hope that nobody gets coronavirus. Sure we hope that nobody gets coronavirus. But in a real world we know it’s still out there. And so the question is, do we just shut everything down and wreck our economy, wreck the livelihoods?

And, again, as Dr. Green pointed out, there are thousands of people dying because they’re staying at home. They’re not going to their doctor. They’re not getting their checkups and their cancer treatments and their colonoscopies and their mammograms and their immunizations. Children will die because they’re not getting immunized.

So, there’s a cost to keeping people at home as well. We need to look at all of that.

We’ve talked in this committee about the nursing home crisis that happened. Yes, every state experienced nursing home deaths, but not all states experienced it at the same level. Let’s just look at the data we’ve gotten so far.

And, again, we’re trying to get more data because some of these states are hiding the data. But what we know, if you look at the five states that violated the CMS guidelines, went against the science, tens of thousands of people died that shouldn’t have died. We want to know about that.

I’m glad that you’re looking into it. As Mr. Jordan said, we hope that you do that quickly as well, because we need to stop it from happening where it is still going on. In states like Michigan, where we know this is killing people to force nursing homes to take back COVID-positive patients if they can’t isolate them, it killed tens of thousands of people and probably a lot more.

I know the chair brought up the state of Texas. The state of Texas had 700 percent fewer nursing home deaths per capita than the state of New York. Of course, they had deaths, every state had nursing home deaths, but not all states experienced the same thing. The state of Florida had over 500 percent fewer nursing home deaths per capita than the state of New York.

We ought to be looking at where it’s working well, where it’s working poorly, stop it from working poorly, and say, why don’t you follow the guidelines that the folks who are doing it right are?
I’d love to have zero nursing home deaths. But 700 percent fewer in one state than another, you should be looking and going, why are they doing it right and why are they not?

And finally, Mr. Chairman, and to all of our members, I know we’re looking at the ICU beds. Again, the economy was closed down to make sure our hospitals don’t get overwhelmed. And as we speak today, there’s not a single state in the Nation whose hospital system is overwhelmed.

We’ve seen spikes, clearly we’re following the spikes, and the governors are managing that, but not a single state in this Nation has their hospital system overwhelmed. That was the barometer for closing the economy down. It’s why we need to reopen safely. And, again, to address the people that are dying because things are closed down, that has to be understood as well.

So, I appreciate the report you gave. I look forward to the future reports.

I hope the governors of those five states comply with the letter we sent, and I’m going to get you a copy of this. There were very specific things we’ve asked for that they’re recording. They’re just not sharing it with the public.

We need to know more about what happened in those states that didn’t follow the Federal guidelines, and the result was that thousands of people died in nursing homes that shouldn’t have.

Why are they hiding the data? What do they have to hide? We ought to find it out. I appreciate that you’re going to join with us to finally get the facts and uncover this scandal.

With that, I yield back.

Mr. CLYBURN. I thank the gentleman for yielding back.

Let me close by thanking Mr. Dodaro, Ms. Brown, and Ms. Clowers for being here today. We appreciate all the work you do to hold our government accountable, especially during this terrible pandemic.

Today’s hearing has made clear that there are tangible steps the Federal Government can take now to increase transparency, to demand accountability from those receiving Federal funds, and to ensure that tax dollars are used to help the American people and are not diverted due to waste, fraud, and abuse.

I want to thank the ranking member for calling attention to what happened last month and the month before in New York. I think we all would like to know what happened last week in South Carolina, my home state, in Georgia, in Florida, in Texas, in Arkansas, in Oklahoma. All those states are spiking within the last week.

And I’m interested in last week and what we can expect next week, as opposed to spend all of our time trying to figure out where the virus came from. I would hope that we spend a little time trying to figure out where the virus is going next so as to be prepared for it.

We talked a little bit today, I thank the gentleman from Illinois for raising the issue of vaccines. I’m old enough to remember the last time the country wrestled with vaccines. I was around. I was a school kid when we had the polio vaccines.

There was an “s” on that. Jonas Salk came up with a great vaccine. Required a shot. Albert Sabin came up with a great vaccine,
a little drop of serum on a lump of sugar, and according to all the science it was more effective than Salk.

I happen to remember which communities got Salk and which communities got Sabin. I grew up in the communities that got Salk, the least preferred and the least effective.

Now, I know there are going to be about 19—there are about 19 countries that supposedly are in search of a vaccine. That’s what I want to see this committee focus on: What vaccines come forward, the effectiveness of the vaccines, and where they’re allocated, not just the efficiency of the work, but how effective it’s going to be and how equitable it will be distributed.

I grew up a victim of that which is not equitable, and I’m not going to preside over a process that will revisit that or even continue it. So, you can wallow in the past. I’m going to be concerned about the future.

And thinking about the future, let me just read, for our benefit, this is a document from the Attending Physician, and I want to read it.

“For U.S. House of Representatives meetings in a limited and closed space, such as a committee hearing room, for greater than 15 minutes, face covering are required,” in all caps.

That’s not me. That’s the Attending Physician. And we are not going to have another meeting in a confined space for more than 15 minutes if we’re not going to abide by this. I will stay in the safety of my home. In fact, I would ask all you to do.

I grew up believing that the first sign of a good education is good manners. I think it’s good manners to look out for your fellow men. I see all the staff wearing masks. I don’t know what this is that we are pretending—

Mr. SCALISE. Mr. Chairman, will you yield on that?
Mr. CLYBURN. I’ll be glad to yield.
Mr. SCALISE. I thank the chairman for yielding.

And as Dr. Green pointed out, there are guidelines out there for how to properly social distance and we’re following those.

I understand doctors might look at things differently and want to give even extra precautions. But the precautions that have been out there are clearly being followed, and Dr. Green pointed that out.

None of us would want to put anybody else in harm’s way. It’s why the House has been having votes on the House floor safely, properly, with social distancing, with the necessary supplies to make sure we can wipe down spaces as we’re all—not here, but in the House floor, we’re working in a similar area, speaking at podiums, and, as one person moves out, they wipe down the area and another person follows those guidelines, just like we do here.

I would yield back.
Mr. GREEN. Mr. Chairman.
Mr. RASKIN. Mr. Chairman.
Mr. CLYBURN. Mr. Raskin.
Mr. GREEN. I’d yield to Mr. Raskin.
Go ahead. After you, sir, please.
Mr. RASKIN. OK.
I really wish, Mr. Chairman, we could work this out pursuant to your suggestion, following the exact instructions of the Capitol physician.

Look, we don’t have a cure right now, we don’t have a treatment, and we definitely don’t have a vaccine. We’ve got one thing, which is the public health guidance from Dr. Fauci, the Centers for Disease Control, and the vast majority of the doctors in the land who do not think this is a hoax and do not think this is invented and they don’t think it’s political. And there’s one thing we can do. We can put our masks on, and we can keep our distance.

And I don’t understand why my friends in the minority, who I know are sincerely motivated people, would lambaste the majority for trying to keep the continuity of government going with committee meetings, online with remote or through proxy voting, and say, “Everybody needs to be here, everybody needs to be here,” and then show up and not wear masks, and put terror and fear in your colleagues and perhaps your staff.

Ms. Waters lost her sister to this disease. We have lots of colleagues who have gotten COVID–19. We’ve lost more than 125,000 of our countrymen and—women. There’s no other country in the world in which wearing a mask has become a political or ideological statement. It’s a public health measure.

You know, we’ve got a rule which says you have to wear a jacket on the floor of the House. And I know people tease our friend, Mr. Jordan, about never wearing a jacket. You know, I don’t care about his not wearing a jacket. That’s a fashion statement. But when he doesn’t wear a mask and interacts with people in the legislative assembly, it’s dangerous. That is a public health menace.

So, could we all agree that we will abide by the chairman’s suggestion and the Capitol physician’s strict recommendation and let’s go forward and let’s try to meet together as much as possible, as opposed to driving us away from the Capitol?

Mr. Scalise. Could I ask my friend, in reference to Mr. Jordan, I think you used the term “public menace.” I hope you weren’t referring to him. He walked out of here with a mask on. I hope you noticed that.

Mr. Raskin. He walked within one foot of our friend, Mr. Green. I saw it happen. And they whispered to each other. It happens all the time. You know, we might think we’re in these six-foot bubbles, but we’re not.

I see it happening on the floor on both sides of the aisle. You start to hang around with people. We’re social beings, and people begin to interact.

Did you see what happened in the Pennsylvania Legislature where one of the legislators came down with it, told his party, but didn’t tell the other party? It created absolute panic and more division.

Why are we the only country on Earth where this is now a matter of polemical partisan debate instead of just public health order? Why don’t we just follow what the public health authorities are telling us to do?

Mr. Clyburn. The chair recognizes Mr. Green.

Mr. Green. Mr. Chairman, let me say, before I cite this study that just came out June the 27th, that if you put the gavel down
and say we want to wear a mask or we're going to require it, I'll wear my mask.

But I do want to inform the committee, The Lancet published just on June 27th a meta-analysis. A meta-analysis is where they look all these other studies and they compile the data and draw conclusions with hopefully more confidence because they're looking at multiple studies.

They looked at 172 studies across 16 countries on 6 continents. They found that a 1-meter distance increased—it decreased your risk with moderate certainty.

Now, when they do these meta-analyses, they say high certainty, the data is convincing enough to say that there's high certainty that the conclusion is accurate. There's moderate certainty, and then there's low certainty. On the mask issue, it was low certainty that it makes a difference.

The New England Journal of Medicine, one of the most respected journals in the Nation, had an article several weeks ago that said outside the healthcare segment the masks don't work.

Now, it was referenced earlier about fomites, but, yet, documents are being passed around in here all the time. Are we sterilizing each document before we hand it off to one another? I haven't seen that.

This mask that was sitting outside is there for anyone. They could go to the bathroom and come in and pull a mask out and touch other masks in the stack and then the next person comes along and collects the masks. We're not doing surgical sterilization here.

I just want us—we have to be consistent. And if you say, "Green, I want you to wear a mask," sir, I'll wear a mask. You're the chairman of my committee. But I want us to make decisions based on sound data and information.

Thank you, sir.

Mr. Clyburn. Will you yield for a question?

Mr. Green. Yes, sir, I will.

Mr. Clyburn. Are you arguing that we should not meet in person?

Mr. Green. No, sir, not at all. I think with the social distancing——

Mr. Clyburn. That sounds like the argument you're making to me.

Mr. Green. No, I don't—I don't——

Mr. Clyburn. Because of all—because there's no certainty, the mask may not work. But we know how the disease is transmitted. So, if the mask has such a low probability of working, maybe we ought not be meeting in person.

Mr. Green. If you're asking my clinical opinion, sir——

Mr. Clyburn. Yes.

Mr. Green [continuing]. My opinion is, is that patients who are in high-risk categories——

Mr. Clyburn. Oh, patients——

Mr. Green. People, individuals. Anyone who's 65 years or older——

Mr. Clyburn. That's me.
Mr. GREEN [continuing]. That has comorbidities should wear a mask. If you don't, I'm telling people in Tennessee it's not required.

Mr. RASKIN. Mr. Chairman, could I ask about that?

As I understand it, the mask is not to protect me. It gives me a little protection. But it's to protect other people in the event that I'm infected. And a majority of the infections, I understand, are of people who are asymptomatic or pre-symptomatic. So, you don't know whether you've got it.

We have Members of Congress who didn't realize they had it and they were fraternizing with everybody else and any of us would do that if that were the rule.

So, why is this so complicated? There's one thing we can do to try to protect other people when we're together, which is put on a mask. It doesn't cost us anything. Why would we not do that? Why is it some kind of macho thing, like, if I don't wear a mask, I'm tough?

I think if you want to be tough, go spend a day with the nurses and the doctors in the hospital and all of them come out and say: Everybody wear your mask. Listen to them. You don't want to spend the day with them, at least listen to them. All of the first responders are saying: Save us from this nightmare, wear your mask.

Mr. GREEN. I can cite many other professionals who are saying just the opposite. So, that's the challenge we're in right now.

Mr. RASKIN. They're saying don't wear a mask?

Mr. GREEN. When I'm around, I'm not wearing a mask, no.

Mr. RASKIN. Will you send us the medical advice that people not wear a mask? Because I haven't seen that.

Mr. GREEN. I can share some medical literature with you, Mr. Raskin.

Mr. RASKIN. It's against the Centers for Disease Control.

Mr. GREEN. I know what they're putting out.

Mr. RASKIN. And Harvard University, Johns Hopkins, all the studies I've seen.

Mr. GREEN. Thank you, Mr. Chairman.

Mr. CLYBURN. OK. Without objection, all members will have five legislative days within which to submit additional written questions for the witnesses to the chair, which will be forwarded to the witnesses for their response. I ask our witnesses to please respond promptly, as promptly as are you able to.

With that, this hearing is adjourned.

[Whereupon, at 12:08 p.m., the subcommittee was adjourned.]