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March 11, 2021

Christi A. Grimm
Principal Deputy Inspector General
Office of Inspector General
United States Department of Health and Human Services
330 Independence Avenue, SW
Washington, DC 20201

Ms. Grimm,

Federal appropriations law requires projects supported with financial assistance provided by the Department of Health and Human Services to publicly disclose the cost to taxpayers.

Division H, Title V, Section 505 of the Consolidated Appropriations Act of 2021 (Public Law 116-260) states:

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state—

- (1) the percentage of the total costs of the program or project which will be financed with Federal money;
- (2) the dollar amount of Federal funds for the project or program; and
- (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

This provision is important enough that Congress has renewed the requirement annually for more than 30 years since it was initially passed an amendment to the Fiscal Year 1989 Department of Defense (DOD) appropriations bill by then-Senator Ted Stevens.

There are a number of reasons for this.

First, the Stevens Amendment guarantees that hard working taxpayers can see how their dollars are being spent and decide for themselves whether or not the price is right.

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Transparency is also vitally important for Congress to properly conduct oversight and ensure tax dollars are being spent wisely and as intended. As part of that responsibility, it became clear recipients of funds from the department were not complying with this law.

Along with five other senators, I requested the Government Accountability Office (GAO) conduct an investigation which confirmed HHS operating divisions (OPDIVs) were not enforcing the Stevens Amendment.

A [report](#) issued March 2019 found, “Despite the claims and efforts of some HHS operating divisions with regard to monitoring for Stevens Amendment compliance, none of HHS’s OPDIVs could demonstrate that they had a process to manage and administer grantees’ compliance with the Stevens Amendment requirements.”

GAO pointed out, “HHS regulations that govern the agency’s grant making state that, ‘The Federal awarding agency must manage and administer the Federal award in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with U.S. statutory and public policy requirements.’ Further, these regulations also state, ‘The Federal awarding agency must communicate to the non-Federal entity all relevant public policy requirements, including those in general appropriations provisions, and incorporate them either directly or by reference in the terms and conditions of the Federal award.’ Neither HHS, nor its operating divisions, had developed processes to manage and administer grantees’ Stevens Amendment compliance.”

Notably, “NIH officials stated that they do not specifically monitor for Stevens Amendment compliance and that NIH officials have not received any reports of noncompliance with the Stevens Amendment. They said they would address any non-compliance issues if they were raised.” This claim itself is false since some of the senators who requested the GAO review had previously raised questions specifically about NIH grants.

GAO further notes, “Congress has repeatedly taken action to include the Stevens Amendment requirements with agencies’ appropriations. Ensuring grantee compliance with accountability requirements is achieved through investments of federal agency resources that reflects decisions regarding how best to ensure efficient and effective use of grant funds while reinforcing statutory requirements.”

Yet, even after two years having passed since GAO released these findings, there does not appear to be any greater enforcement of the Stevens Amendment by the department to bring grant recipients into compliance with the disclosure requirements mandated by law.

None of the published studies funded by NIH listed in the agency’s [Research Portfolio Online Reporting Tools \(RePORT\) database](#) appear to include any of the specific information mandated by the Stevens Amendment and the same appears to be true of statements issued by NIH grant recipients.

As an example, NIH has provided [nearly \\$15 million](#) to EcoHealth Alliance, a group that has been collaborating with and sending U.S. taxpayer dollars to China’s state-run Wuhan

Institute of Virology (WIV). [Safety warnings had been issued for years](#) by U.S. diplomats regarding the risky studies on coronaviruses being conducted at WIV, which just happens to be located in the very city where the COVID-19 pandemic began. A review of EcoHealth Alliance's [press releases](#) and [published studies](#) over the past several years demonstrates a total disregard for the Stevens Amendment requirements.

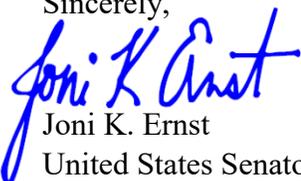
This is not isolated to NIH as similar reviews of statements about projects issued by grant recipients of other HHS OPDIVs also omit the information mandated by the Stevens Amendment.

I would, therefore, request the Office of the Inspector General:

- (1) conduct a thorough review of enforcement and compliance with the Stevens Amendment by HHS's OPDIVs to determine if actions have been taken since the release of the GAO report to remedy the lack of documented adherence with statutory and HHS regulatory grant requirements;
- (2) calculate what percentage of grantees of federal funds from each OPDIV are complying in full with all of the requirements of this law;
- (3) determine if indirect costs billed to the grants for completion of projects are being calculated and included in the total costs provided for each project; and
- (4) issue recommendations for the department to ensure full compliance with congressional intent and the requirements of the Stevens Amendment.

Thank you for your consideration of this request and please do not hesitate to contact me or Roland Foster of my staff at (202) 224-3254 or Roland_Foster@ernst.senate.gov if you have any questions.

Sincerely,


Joni K. Ernst
United States Senator