

**United States Senate**  
WASHINGTON, DC 20510

August 14, 2023

**VIA ELECTRONIC TRANSMISSION**

The Honorable Michael S. Regan  
Administrator  
Environmental Protection Agency

Dear Mr. Regan:

The Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) gave the Environmental Protection Agency (EPA) over \$100 billion the last two years. The IIJA gave the EPA \$60 billion “to address challenges to human health and the environment.”<sup>1</sup> The IRA gave the EPA \$41.5 billion to “reduce U.S. emissions...while supporting disadvantaged communities and the clean energy industrial base.”<sup>2</sup> It is imperative that the EPA aggressively oversees how that money is spent and puts in place mechanisms necessary to eliminate fraud, waste, and abuse.<sup>3</sup>

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<sup>1</sup> U.S. Env’t Prot. Agency Office of Inspector General, *Infrastructure Investment and Jobs Act Oversight Plan – Year Two*, EPA, (Apr. 2023), at 2 [https://www.epa.gov/system/files/documents/2023-04/epaoig\\_IIJA%20Oversight%20Plan\\_final\\_April\\_2023.pdf](https://www.epa.gov/system/files/documents/2023-04/epaoig_IIJA%20Oversight%20Plan_final_April_2023.pdf).

<sup>2</sup> Env’t Prot. Agency, *Inflation Reduction Act Overview*, EPA, (Jan. 2023), at 2, [https://www.epa.gov/system/files/documents/2022-12/12%2009%202022\\_OAR%20IRA%20Overview\\_vPublic.pdf](https://www.epa.gov/system/files/documents/2022-12/12%2009%202022_OAR%20IRA%20Overview_vPublic.pdf).

<sup>3</sup> The EPA has a history of inadequate oversight of its spending. *See, e.g.*, U.S. Env’t Prot. Agency Office of Inspector General, Report No. 22-N-0055 *Considerations for the EPA’s Implementation of Grants Awarded Pursuant to the Infrastructure Investment and Jobs Act*, EPA, (Aug. 11, 2023), at 3, [https://www.epa.gov/system/files/documents/2022-08/epaoig\\_20220811-22-N-0055.pdf](https://www.epa.gov/system/files/documents/2022-08/epaoig_20220811-22-N-0055.pdf) (The OIG found three broad categories “of deficiencies in the EPA’s grant administration and oversight.” They were enhancing the grants oversight workforce and strengthening monitoring and reporting; improving communications and establishing and implementing comprehensive guidance and detailed work plans; and requiring adequate documentation to support grant payments.); U.S. Env’t Prot. Agency Office of Inspector General, 20-P-0204 *EPA Needs to Improve Oversight of Research Assistance Agreements*, EPA, (June 30, 2020), at At a Glance, [https://www.epa.gov/sites/default/files/2020-06/documents/epaoig\\_20200630-20-p-0204.pdf](https://www.epa.gov/sites/default/files/2020-06/documents/epaoig_20200630-20-p-0204.pdf) (The OIG found “The EPA’s lack of compliance with assistance agreement oversight requirements can put EPA research funds at risk.”); U.S. Env’t Prot. Agency Office of Inspector General, 20-P-0126 *EPA Did Not Accurately Report Under the Grants Oversight and New Efficiency Act and Needs to Improve Timeliness of Expired Grant Closeouts*, EPA, (March 31, 2020), at At a Glance, [https://www.epa.gov/sites/default/files/2020-03/documents/epaoig\\_20200331-20-p-0126.pdf](https://www.epa.gov/sites/default/files/2020-03/documents/epaoig_20200331-20-p-0126.pdf) (The OIG found that because the EPA’s Office of Grants and Debarment did not follow appropriate cutoff date requirements, “the EPA provided Congress with incorrect information that could affect Congress’ decision-making” and “the EPA had \$8.3 million in undisbursed balances for grant awards that expired one year or more prior.”); U.S. Env’t Prot. Agency Office of Inspector General, 19-P-0198 *EPA Needs to Improve Oversight of the Senior Environmental Employment Program*, EPA, (June 24, 2019), at At a Glance, [https://www.epa.gov/sites/default/files/2019-06/documents/epaoig\\_20190620-19-p-0198.pdf](https://www.epa.gov/sites/default/files/2019-06/documents/epaoig_20190620-19-p-0198.pdf) (The OIG found “[t]he EPA’s oversight of SEE cooperative agreements needs to be improved.”); and U.S. Env’t Prot. Agency Office of Inspector General, Report No. 17-P-0402 *Region 2 Needs to Improve Its Internal Processes Over Puerto Rico’s Assistance Agreements*, EPA, (Sep. 25, 2017), at At a Glance, <https://www.epa.gov/sites/default/files/2017->

For example, in March of 2023, the EPA Inspector General (IG) testified to Congress with respect to \$60 billion from the IIJA. IG O'Donnell said this money:

requires a robust oversight mechanism to protect American dollars, especially as most of the EPA's IIJA funds will flow to nonfederal entities with potential capacity and capability issues. It is also critical to monitor program progress and to determine whether the Agency accomplished its promised program outcomes.<sup>4</sup>

The EPA seems to have plenty of workforce resources to do oversight. It currently has 17,202 "permanent" employees.<sup>5</sup> And, it was recently reported that, for FY 2022, the average salary at the EPA was "\$124,252, and 77% of the agency's employees make more than \$100,000 a year."<sup>6</sup> In FY2022, "[t]otal annual compensation at EPA amounted to about \$1.9 billion."<sup>7</sup> However, it is unclear how much of that money goes to oversight personnel.

The EPA should ensure the massive amount of taxpayer money it spends is not subject to fraud, waste, or abuse by fielding a workforce capable of robust oversight. Accordingly, for Congress to better understand what steps you have taken to oversee EPA spending, please provide answers to the following questions no later than August 28, 2023:

1. Provide a detailed description of the oversight mechanisms the EPA has in place to detect and deter fraud, waste, and abuse of taxpayer money.
2. How many non-OIG EPA employees perform oversight of EPA spending? What are their ranks, job descriptions, and salaries? Please provide all relevant records.<sup>8</sup>
3. Separate from the OIG, how much money does the EPA allocate for oversight of EPA spending each year? Please provide all relevant records.

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[09/documents/ epaig\\_20170925-17-p-0402.pdf](#) (The EPA "may have inefficiently used over \$217,000 in taxpayer funds by not confirming equipment was used as intended or obtaining support for requested fringe benefit costs.").

<sup>4</sup> Env't Prot. Agency, *Quantifying Agency Operations During Fiscal Years 2018-2022*, OPEN THE BOOKS OVERSIGHT REPORT, (July 2023), at 10,

[https://www.openthebooks.com/assets/1/6/EPA\\_OTB\\_Oversight\\_Report\\_FINAL.pdf](https://www.openthebooks.com/assets/1/6/EPA_OTB_Oversight_Report_FINAL.pdf).

<sup>5</sup> *Environmental Protection Agency (EPA)*, U.S. EQUAL EMP'T OPPORTUNITY COMM'N, (last accessed July 28, 2023), <https://www.eeoc.gov/federal-sector/environmental-protection-agency-epa-0>.

<sup>6</sup> Stephen Dinan, *Spendthrift EPA Growing Too Fast Under Biden, Watchdog Warns*, WASHINGTON TIMES, (July 26, 2023), [https://www.washingtontimes.com/news/2023/jul/26/epa-is-growing-too-fast-under-biden-says-watchdog-/?utm\\_source=pushly&utm\\_campaign=pushnotify&utm\\_medium=subscriber&utm\\_id=desktop](https://www.washingtontimes.com/news/2023/jul/26/epa-is-growing-too-fast-under-biden-says-watchdog-/?utm_source=pushly&utm_campaign=pushnotify&utm_medium=subscriber&utm_id=desktop); The EPA's FY2024 budget proposal provides for 17,077 full time employees. OPEN THE BOOKS OVERSIGHT REPORT, *supra*, note 4, at 13.

<sup>7</sup> OPEN THE BOOKS OVERSIGHT REPORT, *supra* note 4, at 13.

<sup>8</sup> "Records" include any written, recorded, or graphic material of any kind, including letters, memoranda, reports, notes, electronic data (e-mails, email attachments, and any other electronically-created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether they resulted in final documents).

4. Is the EPA increasing staffing to oversee IIJA spending proportionate to the increase in IIJA funding? Please explain and provide records.
5. How are offices that receive a large portion of funding, such as the Office of Water, going to prioritize funding?
6. What steps has the EPA taken to address the risks of fraud?
7. What steps has the EPA taken to increase its resources to support audit coverage as OIG and GAO increase audits?

Thank you for your attention to this important matter. If you have any questions, please contact Jace Pimentel at (202) 224-0642.

Sincerely,



Charles E. Grassley  
Ranking Member  
Committee on the Budget