



Taxpayers for Common Sense



Project On Government Oversight



R Street Institute



National Taxpayers Union

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-222, The Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader of the House of Representatives
H-204, The Capitol
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader, United States Senate
S-221, The Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader, United States Senate
S-230, The Capitol
Washington, DC 20510

The Honorable Rosa DeLauro
Chairman, House Appropriations Committee
H-307, The Capitol
Washington, DC 20515

The Honorable Kay Granger
Ranking Member, House Appropriations Committee
H-307, The Capitol
Washington, DC 20515

The Honorable Patrick Leahy
Chairman, Senate Appropriations Committee
S-128, The Capitol
Washington, DC 20510

The Honorable Richard Shelby
Ranking Member, Senate Appropriations Committee
S-128, The Capitol
Washington, DC 20510

May 11, 2022

Dear Congressional Leader,

Current reporting states lawmakers will swiftly enact a nearly \$40 billion emergency supplemental assistance appropriation for Ukraine. People of conscience want to help Ukraine fight off Russian aggression. Aid is critical to Ukraine's success against Russia. But oversight is key.

The groups sending this letter are dedicated to good stewardship of federal tax dollars and transparency in federal spending. Our extensive backgrounds in the oversight of federal spending have taught us that care must be taken from the very beginning of major military and financial aid programs like those proposed by the Biden Administration.

The Gross Domestic Product of Ukraine in 2020 was \$155.6 billion in U.S. dollars. Moving tens of billions of dollars into an economy that isn't used to absorbing that much money will require care and the best economic and transparency practices possible in a dire situation. The United States must play a larger role here, as the Ukrainian government is focused on fighting off an invasion. Congressional oversight is needed, even after these funds are released.

The combined funds to be overseen by the Department of Defense, Department of State, and U.S. Agency for International Development (USAID) in the April 28th request is \$30.5 billion of the original \$33 billion request from the Biden Administration. This would be in addition to more than \$13 billion appropriated to the Department of Defense, Department of State, and USAID in the first Ukraine supplemental assistance package passed into law by

Congress in March. We point out that there is no permanent Inspector General in place at either the State or Defense departments, the latter operating without a permanent inspector general for more than six years. With these departments funneling billions of dollars of assistance to Ukraine, it's more important than ever to install permanent inspectors general to prevent waste, fraud, and abuse of taxpayer dollars. The administration has yet to even nominate an inspector general for the State department, while the Defense nominee needs only Senate confirmation to assume office.

Lawmakers must also ensure humanitarian assistance, to both individuals in Ukraine and other countries affected by Russia's invasion, is targeted and as protected as possible from waste and fraud. USAID and its in-country partners should be allowed to source and distribute food aid in a manner that reduces cost and increases delivery speed. Suspending domestic sourcing requirements and cargo preferences on food aid is a critical step.

Our nation's experience with legislation intended to address COVID-19, natural disasters, and provide economic recovery highlights the importance of robust oversight of off-budget spending. There are legitimate unplanned needs that merit a federal response. Lawmakers must, however, ensure robust transparency and accountability in the management of these dollars. In addition to facilitating the approval of permanent Inspectors General at the Defense and State departments, Congress should require federal agencies to thoroughly and regularly report on obligations incurred in response to Russia's invasion of Ukraine. This reporting should be shared with Congress and made publicly available to the maximum extent possible. Ukrainian aid spending should be assigned a Disaster Emergency Funding Code to better enable the tracking of related assistance awards within USAspending.gov. Federal agencies should also collect and report sub-award data from Ukrainian recipients to the extent practicable in order to better understand how the assistance funds were used and distributed.

Americans are generous and want to help Ukraine; which is why no one wants to see our tax dollars lost to fraud or other forms of waste. We ask that Congress take the necessary steps to ensure these dollars are used for their intended purposes. Senate confirmation of Inspectors General for the Departments of Defense and State would be a good first step.

We ask congressional leadership to work with the Biden Administration to effectuate oversight of this \$40 billion aid package.

Sincerely,

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