

United States Senate  
WASHINGTON, DC 20510

February 8, 2017

Mr. Carl Hoecker  
Inspector General  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Dear Inspector General Hoecker:

As we begin the 115<sup>th</sup> Congress, the Committee on Homeland Security and Governmental Affairs and the Committee on the Judiciary seek to ensure that we are fully supporting the community of inspectors general (IGs) and empowering their work. The Committees recognize the significant role that IGs perform in rooting out waste, fraud, and mismanagement within the federal government and we understand that the independence of IGs is vital to protecting taxpayer dollars. To that end, Congress passed the Inspector General Empowerment Act of 2016<sup>1</sup> to ensure that IGs receive full and prompt access to agency records and to equip IGs with the necessary tools to more effectively and efficiently target waste, fraud, and mismanagement.

In 2010, Senators Coburn and Grassley wrote to each IG requesting semiannual reporting of “all closed investigations, evaluations, and audits conducted by the IG offices that were not disclosed to the public.”<sup>2</sup> In 2015, we wrote to each IG requesting that they continue to submit semiannual reports to the Committees and expanded the categories of reported information to facilitate additional collaboration between Congress and the IG community.

These reports have been instrumental to our Committees’ work in overseeing issues of integrity and accountability within the federal government. Consequently, the IG Empowerment Act includes provisions to enhance the reports that IGs submit semiannually to their heads of establishment.<sup>3</sup> Now, IGs must include the information they have been furnishing to the Committees, pursuant to our 2015 request, in their reports to their heads of establishment.<sup>4</sup> Each IG must furnish its report to its head of the establishment not later than April 30 and October 31 of each year.<sup>5</sup> On a semiannual basis going forward until otherwise notified, please provide a copy of this report to the Committees within 14 days of

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<sup>1</sup> Inspector General Empowerment Act of 2016, Pub. L. No. 114-317 (2016).

<sup>2</sup> Letter from Hon. Charles E. Grassley, Ranking Member, S. Judiciary Comm., and Hon. Tom Coburn, Ranking Member, S. Homeland Sec. & Governmental Affairs Comm. (Apr. 8, 2010).

<sup>3</sup> Inspector General Act of 1978, 5 U.S.C. App. 2 § 5.

<sup>4</sup> Inspector General Empowerment Act of 2016 § 4(c)(1), Pub. L. No. 114-317 (2016).

<sup>5</sup> Inspector General Act of 1978, 5 U.S.C. App. 2 § 5(b). The reporting periods for the April 30 and October 31 deadlines, respectively, are October 1–March 31 and April 1–September 30. *Id.* § 5(a).

transmittal to your head of establishment.

Finally, Congress depends on the IG community to bring instances of severe waste, fraud, and abuse within the Executive Branch to its attention. The Committees, therefore, would like to remind you that you must ensure that serious or flagrant issues of waste, fraud, and abuse are promptly communicated to Congress as prescribed by the IG Act.<sup>6</sup> The IG Act requires the head of an establishment to report particularly serious or flagrant problems, abuses, or deficiencies to Congress within seven days—a reporting requirement often referred to as the “seven-day letter.”<sup>7</sup> Congress included this requirement in the IG Act to encourage prompt reporting by IGs—a vital tool to ensure Congress is promptly made aware of particularly serious deficiencies within Executive Branch entities.

If you have any questions about this request, please contact David Brewer of Chairman Johnson’s staff at (202) 224-4751 or Samantha Brennan of Chairman Grassley’s staff at (202) 224-5225. Thank you for your attention to this matter.

Sincerely,



Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs



Charles E. Grassley  
Chairman  
Committee on the Judiciary

cc: The Honorable Claire McCaskill  
Ranking Member  
Committee on Homeland Security and Governmental Affairs

The Honorable Dianne Feinstein  
Ranking Member  
Committee on the Judiciary

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<sup>6</sup> *Id.* § 5(d).

<sup>7</sup> *Id.*