

Congress of the United States
House of Representatives

SELECT SUBCOMMITTEE ON THE CORONAVIRUS CRISIS

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<https://coronavirus.house.gov>

April 27, 2022

The Honorable Richard K. Delmar
Deputy Inspector General
Office of Inspector General
U.S. Department of the Treasury
1500 Pennsylvania Avenue
Washington, D.C. 20220

Dear Deputy Inspector General Delmar:

The Select Subcommittee on the Coronavirus Crisis is investigating waste, fraud, and abuse in pandemic relief programs, including those implemented by the Department of the Treasury. A Select Subcommittee investigation of the Coronavirus Aid, Relief and Economic Security (CARES) Act loan program for companies “critical to maintaining national security” administered by the Department of the Treasury has raised concerns about the program’s administration as well as the veracity of the representations made by Yellow Corporation, which received the 95% of the program’s funds. Yellow Corporation, formerly YRC Worldwide Inc. made misleading representations to government officials in the course of its efforts to obtain a loan under the CARES Act. For example, while the CARES Act national security loan program made funds available to offset losses incurred as a result of the coronavirus, one executive’s email communications show that Yellow intentionally sought to use loan funds for “catch up” capital investment while the company had its “hand in the cookie jar.” Yellow also represented in its application to Treasury for a national security loan that it provided twice the share of certain trucking services to the Department of Defense (DOD) than DOD itself assessed. Detailed information about the Select Subcommittee’s findings are available in the enclosed staff report, which is being released today.

I write today to request that the Office of Inspector General (OIG) investigate whether any of the misleading representations the company made in applying for its \$700 million loan constitute knowing false claims and false statements within the meaning of the False Claims Act, or otherwise violate federal law.¹ I request that OIG refer any evidence or assessment that the company violated the False Claims Act or any other laws to the Department of Justice.

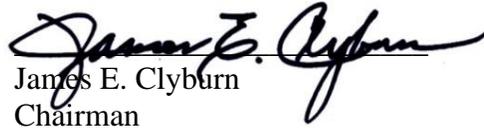
¹ 31 U.S.C. § 3729.

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If you have any questions regarding this matter, please contact Select Subcommittee staff at (202) 225-4400. Thank you for your assistance in this matter.

Sincerely,


James E. Clyburn
Chairman

cc: The Honorable Steve Scalise, Ranking Member