



*Taxpayers shouldn't be forced to pay \$20 billion+ for **wasteful** government animal experiments.*

May 11, 2023

The Honorable Christi A. Grimm
Inspector General
HHS Office of Inspector General
330 Independence Avenue, SW
Washington, DC 20201

Via email: Christi.Grimm@oig.hhs.gov

Dear Inspector General Grimm,

On behalf of White Coat Waste Project (WCW) and its more than 3 million members and supporters, I am writing to alert your office to ongoing violations of federal law by EcoHealth Alliance (EHA) related to its dangerous virus-hunting and animal experimentation projects in the U.S., Wuhan, and elsewhere overseas being funded by the National Institutes of Health (NIH). This letter follows our March 15, 2021, letter to the NIH Division of Program Integrity documenting earlier EHA violations we uncovered, and which is attached here as Appendix 1.

We respectfully request an immediate investigation into the allegations below and for EHA to be prohibited from receiving taxpayer funding for its serial noncompliance with federal law.

HHS IG HAS DOCUMENTED EHA'S NONCOMPLIANCE AND ABUSE OF TAXPAYER DOLLARS

We are grateful for your office's work to investigate waste, fraud and abuse by EHA in the aptly titled January 2023 report, "The National Institutes of Health and EcoHealth Alliance Did Not Effectively Monitor Awards and Subawards, Resulting in Missed Opportunities to Oversee Research and Other Deficiencies."¹ The report laid out how EHA violated grant reporting requirements, misused grant money, and failed to provide oversight of dangerous taxpayer-funded gain-of-function experiments on bats and humanized mice it funded at the Wuhan Institute of Virology.

Similarly, the Government Accountability Office wrote in a January 2023 report, "According to NIH officials, they found that EcoHealth Alliance did not adequately monitor the activities of its subawardees and took action to terminate this part of the grant award."² The NIH grant in question is the one that directed \$600,000 to WIV.

WCW ALERTED NIH IN 2021 TO EHA'S NONCOMPLIANCE WITH FEDERAL TRANSPARENCY LAW

Unfortunately, the recent HHS IG report did not include mention of EHA's extensive history of violating federal spending transparency law, as first flagged for NIH by WCW in March 2021.

As you are likely aware, long-standing federal spending disclosure law—known as the Stevens Amendment—requires that any press releases or statements describing taxpayer-funded projects under the Departments of Education, Labor and Health and Human Services (HHS) must include, " (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)

¹ [The National Institutes of Health and EcoHealth Alliance Did Not Effectively Monitor Awards and Subawards, Resulting in Missed Opportunities to Oversee Research and Other Deficiencies](#). U.S. Department of Health and Human Services' Office of the Inspector General. 1/25/23

² [HHS Could Improve Oversight of Research Involving Enhanced Potential Pandemic Pathogens](#). U.S. Government Accountability Office. 1/18/23

White Coat Waste Project

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To stop taxpayer-funded animal experiments we must cut wasteful spending.

We find, expose, and defund government waste. **Stop the Money. Stop the Madness!**

percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources."³

As detailed in our 2021 complaint letter to NIH DPI, EHA repeatedly failed to comply with this law by not publicly disclosing how it spent taxpayers' money, including in press releases and other communications from 2018-2020 that discussed EHA's now-infamous coronavirus experiments on animals at WIV.⁴

EHA CONTINUES TO RECEIVE NIH FUNDING & VIOLATE FEDERAL SPENDING TRANSPARENCY LAW WITH IMPUNITY

Despite EHA's documented track record of egregious waste, fraud and abuse as documented by your office, other NIH officials, WCW, Congress, the GAO, the media, and others, the NIH has continued to award taxpayer funds to this disgraced firm. Just since the pandemic began, EHA has collected over \$47 million in new taxpayer funding, including \$7.5 million more from the NIH's National Institute of Allergy and Infectious Diseases (NIAID) for highly dangerous virus experiments on bats, hamsters, and humanized mice in foreign labs.^{5,6}

Troublingly, a new WCW analysis of EHA's website confirms that the group continues to violate the Stevens Amendment:

- *In a May 2023 press release, EHA announced the renewal of the controversial NIH grant that it used to bankroll virus-hunting in China and dangerous gain-of-function experiments on humanized mice in Wuhan that many experts believe caused the COVID pandemic.⁷ The grant was suspended since 2020 due to EHA noncompliance with NIH grant terms and other policies.⁸*
- *In a March 2023 press release, EHA announced that it had received yet another multi-million-dollar NIH grant to perform more treacherous, wasteful, and unnecessary bat coronavirus hunting, collect virus samples from up to 5,000 wild bats in Southeast Asia, and conduct dangerous animal experiments in foreign labs.⁹*
- *In an August 2022 press release, EHA announced the publication of an NIH-funded study in collaboration with WIV that has received over \$8 million to date in which they claimed to calculate how many people were infected with SARS-CoVs in Southeast Asia.¹⁰*

All of these EHA releases failed to report any of the legally mandated spending details required by the Stevens Amendment.

NIH FAILS TO ADDRESS SYSTEMIC SPENDING TRANSPARENCY FAILURES

EHA's ongoing violations are troubling and are a symptom of a broader epidemic of spending secrecy and noncompliance that NIH has failed to address. Reports by WCW have found widespread violations of the Stevens Amendment by NIH grant-receiving institutions performing wasteful animal experiments.^{11,12}

³ [NIH Grants Policy Statement §4.2.1 Acknowledgment of Federal Funding](#). NIH site. Accessed 4/27/23

⁴ [BUSTED: US Org That Sent Tax \\$ To Wuhan Animal Lab Broke Federal Law. A Lot](#). WCW Blog. 3/15/21

⁵ [WCW INVESTIGATION: EcoHealth Raked In \\$46M In New Taxpayer Funds During Pandemic It Probably Caused](#). WCW Blog. 2/11/23

⁶ [Analyzing the potential for future bat coronavirus emergence in Myanmar, Laos, and Vietnam](#). NIH RePORTER. Accessed 5/9/23; [Study of Nipah virus dynamics and genetics in its bat reservoir and of human exposure to NiV across Bangladesh to understand patterns of human outbreaks](#). NIH RePORTER. Accessed 5/9/23; [Understanding Risk of Zoonotic Virus Emergence in EID Hotspots of Southeast Asia](#). NIH RePORTER. Accessed 5/9/23; [Understanding the Risk of Bat Coronavirus Emergence](#). NIH RePORTER. Accessed 5/9/23.

⁷ [EcoHealth Alliance Receives NIH Renewal Grant for Collaborative Research to Understand the Risk of Bat Coronavirus Spillover Emergence](#). EHA press release, 5/8/23. Funded by grant [R01AI110964](#) (\$4.3 million to date)

⁸ Mansur Shaheen, "Controversial research group linked to Covid lab leak fears will receive \$2m in US taxpayer cash to study risky BAT CORONAVIRUSES that could start next pandemic — as NIH restarts grant suspended 3 years ago by Trump." [The Daily Mail](#). 5/8/23

⁹ [EcoHealth Alliance Receives NIH Grant for Collaborative Research to Disrupt Bat Coronavirus Spillover and Spread in Myanmar, Laos, and Vietnam](#). EHA press releases, 3/30/23. NIH grant is [R01AI1163118](#) (\$653,392 to date)

¹⁰ [Assessing Spillover Risk of Bat SARS-Related Coronaviruses in SE Asia](#). EHA press releases, 8/9/2022. Funded by grants [R01AI110964](#) (\$4.3 million to date) and [U01AI151797](#) (\$4.5 million to date)

¹¹ [New report: Ivy League flunks on animal testing transparency](#). WCW Blog, 4/25/2017

¹² [Up In Smoke: WCW Report Exposes Wasteful Cannabis And 'Vape' Animal Experiments](#). WCW Blog, 4/20/2022

A GAO audit that followed the release of WCW's 2017 report cited our troublesome findings and wrote that, "NIH officials stated that they do not specifically monitor for Stevens Amendment compliance."^{13,14}

The GAO recommended that HHS (including NIH) begin enforcing the law, and HHS stated that it "would direct all operating divisions to design a process for implementing and monitoring the Stevens Amendment and would update HHS grants policy to reflect this new process" and that it "would address any non-compliance issues if they were raised."

Unfortunately, it appears NIH and its grantees like EHA continue to violate the law with impunity despite it being included in the NIH Grants Policy Statement under the heading "Acknowledgment of Federal Funding" and the NIH issuing notices specifically reminding grantees of this transparency mandate.^{15,16}

To stem this rampant noncompliance with the Stevens Amendment and improve transparency about federal spending, Senator Joni Ernst (R-IA) and Congressman Ralph Norman (R-SC) have introduced the Cost Openness and Spending Transparency (COST) Act to improve adherence to this commonsense, good government measure and extend it to cover all recipients of federal funds.

Additionally, lawmakers have introduced legislation to defund EHA.¹⁷

REQUEST FOR ACTION

For over 30 years since the Stevens Amendment was first passed, recipients of NIH funding like EHA have been legally required to clearly disclose the cost of their projects so taxpayers are aware of how their hard-earned money is being spent. Yet, evidence shows ongoing, widespread violations of this common-sense spending transparency law. The NIH has acknowledged this problem but abjectly failed to address it.

We urge you to investigate EHA's ongoing violations of federal law and hold it accountable for its repeated failure to properly disclose taxpayer funding for its dangerous, cruel, and wasteful experiments on animals, and to take action to prohibit EHA from receiving future NIH funding.

Thank you for your attention to this matter. Please do not hesitate to contact me with any questions at DL@whitecoatwaste.org or 202-643-8453.

Sincerely,



Daniel Lopez
Research and Investigations Director
White Coat Waste Project

¹³ [Feds confirm WCW report on animal testing transparency violations, propose reforms.](#) WCW Blog, 3/14/2019

¹⁴ [Agency action required to ensure grantees identify federal contribution amounts.](#) Government Accountability Office, 3/14/2019

¹⁵ [NIH Grants Policy Statement §4.2.1 Acknowledgment of Federal Funding.](#) NIH site. Accessed 4/27/23

¹⁶ [NIH: Notice of legislative mandates in effect for FY 2021,](#) 1/29/2021

¹⁷ [Congress Renews Push To Defund EcoHealth Alliance & Dangerous Gain-Of-Function Experiments.](#) WCW Blog. 1/25/23



*Taxpayers shouldn't be forced to pay \$20 billion+ for **wasteful** government animal experiments.*

March 15, 2021

Deborah Kearsse
Director, Division of Program Integrity
National Institutes of Health
Office of Management Assessment
6011 Executive Blvd., Suite 601, MSC 7669
Rockville, MD 20852

Via email: Deborah.Kearsse@nih.gov

Dear Ms. Kearsse,

On behalf of White Coat Waste Project (WCW) and its more than 3 million members and supporters, I am writing to request an investigation into widespread violations of federal spending transparency law by EcoHealth Alliance (EHA) related to its dangerous National Institutes of Health (NIH)-funded coronavirus animal experiments conducted in cooperation with the Wuhan Institute of Virology (WIV).

EcoHealth funneled NIH funding to the Wuhan Institute of Virology for dangerous coronavirus experiments on animals at center of COVID-19 origin probes

Since 2002, EHA has received nearly \$15 million in NIH funding.¹ Over the past year, major media outlets,^{2,3} Congress^{4,5} and the Biden⁶ and Trump Administrations⁷ have expressed concerns that WIV's coronavirus animal experiments that EHA participated in and funded with NIH money—including “gain-of-function” animal experiments designed to make coronaviruses deadlier and more contagious to humans—could have caused the COVID-19 pandemic.⁸

Violations of federal spending transparency law by EcoHealth Alliance

EHA has been criticized for obscuring its questionable relationship with WIV and the Chinese government.^{9,10,11} We have determined that EHA has also failed to publicly disclose taxpayer-funding for its work with WIV, in violation of federal law.

¹ [NIH RePORTER: EcoHealth Alliance funding history.](#)

² [We're still missing the origin story of this pandemic. China is sitting on the answers.](#) Washington Post, 2/5/2021

³ [Wuhan lab at heart of COVID outbreak may get three more years of US funding.](#) New York Post, 2/21/2021

⁴ [Reschenthaler introduces bill to defund EcoHealth Alliance.](#) Press release, 2/1/2021

⁵ [28 Congressmembers demand probe into NIH-Funded Wuhan animal lab that may have caused pandemic, following WCW exposé.](#) WCW Blog, 2/23/2021

⁶ [U.S. still hasn't ruled out lab accident origin for Covid because China hasn't been transparent.](#) NBC News, 2/16/2021

⁷ [NIH presses U.S. nonprofit for information on Wuhan virology lab.](#) The Wall Street Journal, 8/19/2020

⁸ [The lab-leak hypothesis.](#) New York Magazine, 1/4/2021

⁹ [Who are the Covid investigators?](#) The Wall Street Journal Editorial Board, 2/15/2021

¹⁰ [The man at the center of the world's biggest story has a conflict of interest. why won't the media report it?](#) The Daily Caller, 2/13/2021

¹¹ [A conflict of interest: How can Peter Daszak, a British scientist who helped fund controversial experiments on coronaviruses by China's Batwoman, be part of WHO's team investigating the original source of the outbreak?](#) Daily Mail, 1/9/2021

As you are aware, long-standing federal spending transparency law—known as the Stevens Amendment—requires that any press releases or statements describing taxpayer-funded projects under the Departments of Education, Labor and Health and Human Services (HHS) must include, “ (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.”¹²

Virtually all of EHA’s press releases reporting its taxpayer-funded experiments over the last three years violate the Stevens Amendment.¹³ The releases fail to acknowledge federal funding, and/or fail to report the amount of taxpayer money spent, and/or fail to report the percentage of the project paid for with taxpayer funds.

The noncompliant press releases cover EHA’s coronavirus experiments with WIV including:

1. EcoHealth Alliance Announces Discovery of SARS-Like Viruses Spilling Over into People in China¹⁴
2. EcoHealth Alliance Announces Discovery of New Bat-Origin Virus Impacting Pig Farms in Southern China¹⁵
3. Phylogenetic Analysis Shows Novel Wuhan Coronavirus Clusters with SARS¹⁶

Systemic spending transparency failures by NIH grantees

The current example is troubling, but it is a symptom of a broader problem. A report coauthored by WCW found widespread violations of the Stevens Amendment by NIH grant-receiving institutions performing wasteful animal experiments.¹⁷

A Government Accountability Office (GAO) audit that followed the release of WCW’s report—after being requested by current Senators Ron Johnson (R-WI), James Lankford (R-OK), Rand Paul (R-KY) and Joni Ernst (R-IA)—cited our troublesome findings and wrote that, “NIH officials stated that they do not specifically monitor for Stevens Amendment compliance.”^{18,19}

The GAO recommended that HHS (including NIH) begin enforcing the law, and HHS stated that it “would direct all operating divisions to design a process for implementing and monitoring the Stevens Amendment and would update HHS grants policy to reflect this new process” and that it “would address any non-compliance issues if they were raised.”

Unfortunately, it appears NIH and its grantees continue to violate the law with impunity despite it being included in the NIH Grants Policy Statement under the heading “Acknowledgment of Federal Funding” and the NIH issuing notices specifically reminding grantees of this transparency mandate.^{20,21}

¹² Sec 505 of the Labor, Health and Human Services, and Education Appropriations Bill, 2021 (H. Rept. 116-450)

¹³ [EcoHealth Alliance press releases.](#)

¹⁴ [EcoHealth Alliance announces discovery of SARS-Like viruses spilling over into people in China](#) EHA press releases, 3/2/2018

¹⁵ [EcoHealth Alliance announces discovery of new bat-origin virus impacting pig farms in Southern China](#) EHA press releases, 4/8/2018

¹⁶ [Phylogenetic analysis shows novel Wuhan coronavirus clusters with SARS](#) EHA press releases, 1/2020

¹⁷ [New report: Ivy League flunks on animal testing transparency.](#) WCW Blog, 4/25/2017

¹⁸ [Feds confirm WCW report on animal testing transparency violations, propose reforms.](#) WCW Blog, 3/14/2019

¹⁹ [Agency action required to ensure grantees identify federal contribution amounts.](#) Government Accountability Office, 3/14/2019

²⁰ [NIH grants policy statement \(Sec. 4.2.1\). Acknowledgement of federal funding.](#)

²¹ [NIH: Notice of legislative mandates in effect for FY 2021, 1/29/2021](#)

To stem this rampant noncompliance and improve transparency about federal spending, Iowa Senator Joni Ernst introduced the Cost Openness and Spending Transparency (COST) Act (S. 807 in the 116th Congress) to require that all recipients of federal funds abide by the conditions of the Stevens Amendment and giving the Office of Management and Budget the authority to withhold funding for noncompliance.²²

A version of the Stevens Amendment was also passed as part of the National Defense Authorization Act and now covers Defense Department grantees, including EcoHealth Alliance.²³

Request for action

For 30 years since the Stevens Amendment was first passed, recipients of NIH funding have been legally required to clearly disclose the cost of their projects so taxpayers are aware of how their hard-earned money is being spent. Yet, evidence shows ongoing, widespread violations of this common-sense spending transparency law. The NIH has acknowledged this problem and pledged to address it.

We urge you to investigate the federal transparency violations documented in this letter and hold EHA accountable for its repeated failure to properly disclose taxpayer funding for dangerous coronavirus experiments conducted in conjunction with WIV. We also request that the NIH permanently disqualify EHA from receiving taxpayer funding.

Thank you for your attention to this matter. Please do not hesitate to contact me with any questions at DL@whitecoatwaste.org or 202-643-8453.

Sincerely,



Daniel Lopez
Research Manager
White Coat Waste Project

cc: Meredith Stein, Acting Director, OMA
Jeff Hayden, Assistant Director, OMA
Dr. Michael Lauer, Deputy Director, NIH Office of Extramural Research
Senator Joni Ernst

²² [Cost Openness and Spending Transparency \(COST\) Act \(S. 807\)](#)

²³ [Victory! Defense bill requires rogue DOD-funded animal experimenters to disclose spending](#). WCW blog, 12/14/2020