

UNITED STATES SENATOR • IOWA  
**CHUCK GRASSLEY**  
RANKING MEMBER • SENATE COMMITTEE ON FINANCE

---

<http://grassley.senate.gov>  
[press\\_office@grassley.senate.gov](mailto:press_office@grassley.senate.gov)

Contact: Jill Kozeny, 202/224-1308  
Jill Gerber, 202/224-6522

For Immediate Release  
Tuesday, Oct. 30, 2001

Grassley Encourages Quick, Fair Charity Relief for Sept. 11 Victims

WASHINGTON – Sen. Chuck Grassley, ranking member of the Committee on Finance, today encouraged the federal agencies with a role in overseeing charities to help ensure that charities provide quick, fair relief for the victims of Sept. 11. Grassley wrote a letter to four federal agencies and the New York and Virginia attorney generals. The text of his letter follows.

October 30, 2001

Via Regular Mail and Telefax

The Honorable John D. Ashcroft  
Attorney General  
Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, D.C. 20530  
Telefax: 202-514-4507

The Honorable Charles O. Rossotti  
Commissioner of Internal Revenue  
Internal Revenue Service  
1111 Constitution Avenue, NW  
Washington, D.C. 20224  
Telefax: 202-622-5756

The Honorable Joe M. Allbaugh  
Director  
Federal Emergency Management Agency  
500 C Street, SW  
Washington, D.C. 20472  
Telefax: 202-646-3600

The Honorable Timothy J. Muris  
Chairman  
U.S. Federal Trade Commission  
6th & Pennsylvania Avenue NW  
Washington, D.C. 20580  
Telefax: 202-326-3585

The Honorable Eliot Spitzer  
New York State Attorney General  
The Capitol  
Albany, NY 12224-0341  
Telefax: 518-473-9909

The Honorable Randolph A. Beales  
Attorney General of Virginia  
900 East Main Street  
Richmond, VA 23219  
Telefax: 804-786-1991

Re: Oversight of 9-11 Relief Funds Distribution

Gentlemen:

As Ranking Member of the Senate Committee on Finance (Committee), I am committed to help ensure that charitable contributions to United States-based charities are timely distributed to qualified recipients. I am particularly resolute at this time given the unprecedented amount of

donations intended to help victims of the September 11, 2001, terrorist attacks. This spirit of patriotic giving is praiseworthy, and I encourage people to continue making contributions to various September 11 funds set up nationwide. At this juncture, I am not aware of any inappropriate act by a charity or inappropriate use of a donation intended for the September 11 victims. I write to better understand how your agencies are coordinating to oversee that charities deliver monetary relief judiciously and with due speed.

To date, more than 200 charities have received donations from around the world that now approach \$1 billion. However, according to Business Week (October 29, 2001; page 58), only about 10 percent of the money raised has been distributed so far. And, no mechanism exists to prevent these charities from making duplicate payments to one recipient or to prevent someone eligible to receive relief from falling through the cracks.

To encourage the American people to continue making charitable donations in response to the September 11 attacks, it is necessary for your organizations to pool your resources and work together to oversee the fair and expeditious distribution of these donations by the relief effort groups to the intended recipients. It is also important that your agencies coordinate to identify any unscrupulous actors and help bring them to justice.

Accordingly, I appreciate your responses to the following questions. Also, I request that you supplement your answers as information becomes available to you.

1. Describe how your agencies are coordinating to oversee the fair and timely distribution of charitable donations raised in response to the September 11 attacks to their intended recipients. Describe any criteria used by your agencies collectively, or by your agency individually, to determine what is a fair and timely distribution. Please produce any documents relevant to your response.
2. Is there any one, central agency or organization that serves as a clearinghouse for all charitable relief efforts, particularly to provide information to victims' families? If so, identify that entity and explain the details of its functions. If not, explain why not and whether you intend to establish a central clearinghouse of this nature.
3. What steps, if any, are you taking to ensure that all charities soliciting and receiving donations for September 11 relief efforts are legitimate and are disbursing funds? Your reply should list specific oversight steps you are taking in this regard. These oversight steps might include but are not limited to checking charity employees for criminal backgrounds, tax violations, and bankruptcies. If you are not exercising any such oversight, explain why not and when you plan to begin.
4. Describe how your agencies are coordinating to minimize waste, fraud, and abuse in the distribution process.
5. Describe whether your agency has in any way changed its practices regarding the approval, audit, or sanctioning of charities after the September 11 attacks.
6. Identify any charity that your agency has censured since September 11, explain the reason for and nature of the censure, and state whether any criminal or administrative charges are pending against that charity.
7. For the agencies other than the Internal Revenue Service (IRS): State whether you are receiving sufficient taxpayer information and information about charities related to September 11 relief efforts from the IRS to adequately assess a victim's needs for monetary relief and to determine the legitimacy of any such charity.

8. The New York State Attorney General, the American Red Cross, and the September 11th Fund, which was established by the United Way and New York Community Trust, have agreed in principle to participate in a confidential, shared data base that will track applications for assistance by victims of the attack. In addition to this database, state whether your agencies have any shared database for any purpose related to the September 11 attacks or relief effort. If not, explain why not. If so, please identify:

- a. The purpose of the database;
- b. The nature of the information in the database;
- c. Who has access; and
- d. Whether other private or governmental organizations will have access in the future. If so, please identify those organizations.

9. I appreciate any information you can provide, even if you did not generate the information, regarding the following:

- a. The amount of money raised since September 11;
- b. The charities distributing these funds;
- c. The amount that has been distributed to date;
- d. The amount of funds that is not directly going for victim relief but for another purpose (i.e., administrative costs or marketing fees);
- e. The intended recipients;
- f. The amount each recipient of the World Trade Center or Pentagon attacks has received to date;
- g. Any distribution timetable; and
- h. The amount each victim of the World Trade Center or Pentagon attacks will receive in total.

Given the timeliness of this information, I appreciate your providing me with your responses by November 16, 2001.

Sincerely,

Charles E. Grassley  
Ranking Member

cc: The Honorable Max Baucus, Chairman, Senate Committee on Finance