



Written testimony of Justin R. Goodman

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before the

U.S. Senate Committee on Small Business and Entrepreneurship

concerning

“Sunshine Week: Bringing Secret Government Spending to Light”

March 18, 2026

Good afternoon, Chair Ernst, Ranking Member Markey, and distinguished members of the Committee.

I am the Senior Vice President of Advocacy and Public Policy at the nonprofit, non-partisan government watchdog group White Coat Waste. Our sole mission is to find, expose, and defund approximately \$20 billion in animal testing bankrolled each year by the federal government.

In recognition of Sunshine Week, I am honored to testify before you today about how transparency helps identify and eliminate waste, fraud, and abuse in programs funded by the Small Business Administration and other agencies—and even protect dogs from abuse in laboratories.

We believe that taxpayers have a right to know how their hard-earned money is being spent, so they can hold their government accountable for waste.

When it comes to transparency, there is obviously much room for improvement, as I will discuss. But there are also many important tools—albeit imperfect ones—available that have already helped us root out abuse and save taxpayers’ money and animals’ lives.

Let me briefly highlight one example that demonstrates why transparency tools are so critical for congressional oversight:

Back in 2022, using the federal spending transparency databases USASpending and NIH RePORTER, White Coat Waste uncovered how Dr. Anthony Fauci’s division of the National Institutes of Health (NIH) had awarded a \$1.8 million Small Business Innovation Research (SBIR) contract to a biotech company to develop a new seasonal allergy drug.^{1,2}

¹ https://www.usaspending.gov/award/CONT_AWD_75N93021C00044_7529_-NONE_-NONE-

² <https://blog.whitecoatwaste.org/2022/05/23/killed-for-a-runny-nose-wcw-discovers-5-new-fauci-funded-puppy-experiments/>

This discovery was only the starting point, however. Because of systemic gaps in reporting requirements on these federal databases, the available details were sparse. So, we submitted a Freedom of Information Act request for more details.

The FOIA records confirmed that the NIH-approved SBIR contract budgeted for a series of drug tests on 6-month-old puppies, the results of which would be included in a new drug application to the U.S. Food and Drug Administration (FDA).

More troubling still, the records also revealed that the company admitted internally that the planned dog use—which was blessed and funded by the NIH—was completely unnecessary.

We shared the documents with, Senator Ernst’s office, and Senator Ernst quickly fired off a letter to Dr. Fauci.³ Within weeks, Fauci personally responded to Senator Ernst.⁴ His letter admitted that the NIH reviewed and approved the SBIR contract for dog testing, but that the dog tests his team greenlit were now being canceled following further scrutiny and conversations with FDA.^{5,6} In fact, the allergy drug reached human trials without any testing on dogs.

Without FOIA, USASpending, and NIH RePORTER—despite their limitations—puppies would have been cruelly abused in SBIR-funded drug tests that were completely unnecessary and even may have led to the puppies’ deaths just to study a hay fever drug.

More recently, triangulating data using the same transparency tools—and others like the SBIR’s searchable database—we uncovered that wasteful SBIR spending on unnecessary dog testing remains widespread.

In fact, we’ve identified *at least* \$86 million in SBIR funding awarded by NIH in Fiscal Year 2025 to biotech companies for unnecessary testing on dogs.

It’s currently impossible to pinpoint the total amount due to disclosure deficiencies on public spending databases, which barely require any details in grant and contract descriptions and completely exempt some funding from being reported at all.

Even with limited disclosures, we’ve shown that in these SBIR-funded tests, dogs—including newborn puppies as young as three weeks old—are being injected with experimental drugs or force-fed massive doses of them by having tubes shoved down their throats. Dogs are being injected with fentanyl, having their skulls drilled into to test bone glue, and subjected to other abuses.⁷

³ https://www.ernst.senate.gov/imo/media/doc/letter_to_national_institute_of_allergy_and_infectious_diseases.pdf

⁴ <https://www.ernst.senate.gov/imo/media/doc/6-22-22%20Fauci%20NIH%20Response.pdf>

⁵ <https://freebeacon.com/latest-news/nih-nixes-painful-puppy-experiments-after-free-beacon-report/>

⁶ <https://www.ernst.senate.gov/news/press-releases/after-ernst-raised-concerns-fauci-to-end-his-taxpayer-funded-experiments-on-dogs>

⁷ <https://washingtoncitypaper.com/article/771796/despite-promises-feds-still-funding-sick-and-unnecessary-beagle-testing/>

Tens of millions in SBIR funding continues to be spent for expensive, wasteful dog tests even though the FDA has stated that it “does not mandate that human drugs be studied in dogs” and FDA Commissioner Dr. Marty Makary has said, “Why are we testing every single drug on...dogs, usually beagles? Because they’re obedient...It’s sad and it’s unnecessary.”^{8,9}

This wasteful SBIR-funded dog testing continues even though legislation championed by Senators Paul, Booker and Schiff was enacted in 2022 to remove FDA’s outdated animal testing mandate.¹⁰

White Coat Waste’s investigations into SBIR funding have also disproved claims by NIH officials that funding for dog testing “predates” them, and we prompted action from a bipartisan group of lawmakers to try and stop it.

Many of these SBIR-funded companies wasting tax dollars on dog testing have also violated longstanding federal spending disclosure law, which requires certain grantees to disclose federal funding details in press releases and other public communications.

For instance, documents White Coat Waste obtained through FOIA show that one biotech company co-founded and run in part by Moderna’s billionaire cofounder recently received \$1.2 million in SBIR funding from NIH to test an experimental weight loss pill on dogs.¹¹ But the public wouldn’t know they paid for it because the company violated the law by not disclosing its SBIR funding in press releases about the drug.¹²

This federal spending disclosure requirement was first enacted in 1989 for Departments of Labor, Health and Human Services, and Education grantees and was more recently extended to SBA and the Department of Defense following provisions authored by Senator Ernst.^{13,14,15} This transparency mandate should be standard across the government and include penalties for noncompliance, including withholding of federal funds. Senator Ernst’s Cost Openness and Spending Transparency (COST) Act would do that.

Our investigations have also identified potential SBA fraud that warrants further scrutiny and demonstrates the importance of Senator Ernst’s SBA Fraud Enforcement Extension Act.¹⁶

⁸ <https://wjla.com/features/i-team/animals-drug-testing-fda-labs-animals>

⁹ <https://youtu.be/6ADZVghf7wc?si=u1e1sgqUc1Fbke95&t=46>

¹⁰ <https://www.paul.senate.gov/dr-pauls-bipartisan-fda-modernization-act-2-0-to-end-animal-testing-mandates-included-in-2022-year-end-legislation/>

¹¹ <https://reporter.nih.gov/search/IDzGguEJRUn7Vjb4xwxaA/project-details/11005815> and

¹² <https://syntis.bio/syntis-bio-releases-new-data-supporting-potential-of-synt-101-as-a-once-daily-oral-treatment-for-obesity-at-european-congress-on-obesity-and-weight-management/> and <https://www.biospace.com/press-releases/syntis-bio-announces-first-patient-dosed-in-phase-1-1b-clinical-trial-of-synt-101-in-obesity-and-key-leadership-additions>

¹³ <https://www.gao.gov/products/gao-19-282>

¹⁴ <https://www.ernst.senate.gov/news/press-releases/ernst-demands-sba-put-a-price-tag-on-projects-funded-by-taxpayers>

¹⁵ <https://www.ernst.senate.gov/news/press-releases/ernst-taxpayers-win-in-the-war-on-waste-in-annual-defense-bill>

¹⁶ <https://www.congress.gov/bill/119th-congress/senate-bill/1199>

In 2024, citing White Coat Waste research, House Small Business Committee member Rep. Pete Stauber requested an investigation by the SBA's Inspector General into potential Paycheck Protection Program (PPP) fraud by a notorious beagle breeder named Envigo.¹⁷ White Coat Waste had exposed the company supplied laboratories operated and funded by the NIH and other federal agencies.¹⁸

In 2020 and 2021, Envigo was awarded \$11 million in PPP loans to help retain staff during the COVID pandemic. Then, in 2022, Envigo's beagle mill in Virginia was investigated and shut down by federal authorities for neglecting and abusing beagles through 2021 and 2022 because, according to the DOJ, in part, "the facility was understaffed." The company pled guilty to violating federal law, surrendered more than 4,000 dogs, and received a record fine of \$35 million.¹⁹

If Envigo did not spend the PPP funds to adequately staff its beagle facility, where did the money go?

Unfortunately, the Biden administration never responded to Rep. Stauber's letter about potential PPP fraud.

The SBA should also investigate the \$1.7 million in forgiven PPP loans awarded to EcoHealth Alliance. This is the shady nonprofit that White Coat Waste first exposed funneled taxpayer dollars to the Wuhan lab for dangerous gain-of-function animal experiments that intelligence agencies in both the Trump and Biden administrations believe likely caused COVID.^{20,21,22,23,24}

In January 2025, based in part on documents obtained by White Coat Waste through FOIA, EHA was debarred for 5 years by the Biden Administration to "protect the Federal Government's business interests" with HHS stating, "EHA has not demonstrated...that it is presently responsible to be a steward of federal funds."²⁵ In addition to mismanaging an animal testing grant to China that may have caused a pandemic and obstructing investigations into COVID's origins, EHA's shady activity included charging taxpayers hundreds of thousands of dollars for luxury flights.²⁶

¹⁷ <https://stauber.house.gov/media/press-releases/stauber-calls-investigation-potential-abuse-paycheck-protection-program-funds>

¹⁸ <https://www.wric.com/news/taking-action/what-happens-to-some-of-the-envigo-dogs-taxpayer-funded-research-exposed/>

¹⁹ <https://www.justice.gov/usao-wdva/pr/animal-breeder-sentenced-animal-welfare-and-water-pollution-crimes-will-pay-more-35m>

²⁰ <https://blog.whitecoatwaste.org/2021/04/16/from-ppp-to-ppp-org-that-shipped-your-tax-to-the-wuhan-animal-lab-got-another-pandemic-bailout-check/>

²¹ https://www.usaspending.gov/award/ASST_NON_1177998506_073

²² https://www.usaspending.gov/award/ASST_NON_4826187704_073

²³ <https://www.buzzfeednews.com/article/peteraldhous/white-coat-waste-anthony-fauci-nih-ecohealth-alliance-lab>

²⁴ <https://blog.whitecoatwaste.org/2021/11/04/bombshell-wcw-foia-investigation-proves-nih-ignored-gof-research-wuhan-lab-funder-calls-it-terrific/>

²⁵ https://oversight.house.gov/wp-content/uploads/2025/01/ARM_EHA_1.17.2025_Redacted.pdf

²⁶ <https://usrtk.org/risky-research/intrepid-virus-hunter-peter-daszak-flies-in-style/>

White Coat Waste’s investigation into NIH funding for the Wuhan lab also documented how EHA repeatedly violated the law by not disclosing its federal funding and secured records supporting Senator Paul’s allegation that Dr. Fauci lied under oath when he stated he did not fund gain-of-function research in China.^{27,28}

In closing, Sunshine Week reminds us that transparency is not an abstract principle—it is a practical tool that protects taxpayers, strengthens oversight, exposes waste—and can even save puppies’ lives.

When the government turns on the lights, waste and abuse have nowhere left to hide.

Thank you for the opportunity to testify today. I look forward to answering your questions and working with the Committee to improve transparency and accountability about how taxpayers’ money is spent.

²⁷ <https://blog.whitecoatwaste.org/2023/05/11/wcw-busts-ecohealth-again-for-secretive-scary-spending-in-wuhan-and-beyond/>

²⁸ <https://www.hsgac.senate.gov/media/refs/senator-rand-paul-re-refers-dr-anthony-fauci-to-the-department-of-justice/>