UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, DC 20230

November 16, 2026

The Honorable Joni Ernst
Chairwoman
Committee on Small Business and Entrepreneurship
United States Senate
Washington, DC 20510

The Honorable Edward Markey
Ranking Member
Committee on Small Business and Entrepreneurship
United States Senate
Washington, DC 20510

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

The Honorable Nydia Velazquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

The Honorable Brian Babin
Chairman
Committee on Science, Space, and Technology
U.S. House of Representatives
Washington, DC 20515

The Honorable Zoe Lofgren
Ranking Member
Committee on Science, Space, and Technology
U.S. House of Representatives
Washington, DC 20515

Dear Chairs and Ranking Members:

In accordance with 15 U.S.C. § 638b(c), this letter transmits the U.S. Department of Commerce Office of Inspector General's (OIG's) report of data and information regarding cases related to the Small Business Innovation Research (SBIR) program for fiscal year (FY) 2026.

During FY 2026, no cases were referred to OIG relating to fraud, waste, or abuse in the SBIR program. OIG opened one investigation and closed two investigations relating to SBIR award recipients. No fraud, waste, or abuse was determined to have occurred. Three investigative actions opened during previous reporting periods remain in open investigative status.

OIG's estimated FY 2026 expenditures involving SBIR program investigations to date were $1,839.85; no funds were recovered or saved as a result of OIG's SBIR-related activities. OIG special agents engaged in various investigative activities to identify potential fraud, waste, or abuse in the SBIR program. In its ongoing and proactive investigative efforts, OIG

continues to include reviews of SBIR grant files and coordination with SBIR program managers.

Should you or your staff wish to discuss the information provided in this letter, or other aspects of OIG's oversight, please contact me or Senior Legislative Affairs Officer Andrew Schmidt at 202-794-7788.

Sincerely,



Duane Townsend
Performing the Duties of Inspector General