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## *Weekly COVID-19 Oversight & Enforcement Report*

January 14, 2021

### A. Congress

*Congress has been focused this past week on the aftermath of the January 6 attack on the Capitol, and yesterday's 232-197 vote to impeach President Trump for a second time, on a charge of "incitement of insurrection." Meanwhile, there were still some notable COVID-related congressional actions:*

1. Rep. Susan Wild (D-PA) [said](#) that lawmakers evacuated from the Capitol building were placed in a secure location with 300 to 400 people, a move she warned could become a "super-spreader event" for the coronavirus, given that some lawmakers were not wearing masks. Several lawmakers have since tested positive for COVID-19. The House subsequently adopted a resolution that would implement a [fine system](#) for non-compliance with Speaker Nancy Pelosi's mask requirement on the House floor. The rule establishes a \$500 fine for the first offense and \$2,500 for a second offense. The fine will be deducted from the member's pay.
2. The House Committee on Energy and Commerce sent letters to nine internet service providers (ISPs) [questioning](#) their commitment to consumers amid ISPs' raising prices and imposing data caps during the COVID-19 pandemic.
3. Senate Minority Leader Chuck Schumer (D-NY), Ranking Member of the Senate Health, Education, Labor, and Pensions Committee Patty Murray (D-WA), and 43 Senate Democrats wrote a [letter](#) to HHS Secretary Alex Azar demanding the Trump Administration take immediate action to address the failures of the COVID-19 vaccine-distribution program.
4. The Congressional Oversight Commission released its eighth [report](#) at the end of the year, focusing on the Treasury Department and Department of Defense's \$700 million loan to YRC Worldwide, Inc. and other smaller loans made under the CARES Act loan program "for businesses critical to maintaining national security." Based on the Commission's analysis, the report recommends that "the Treasury and DOD evaluate their criteria related to their underwriting analysis and national security designation. Specifically, the Commission believes that the DOD should have used a more robust criteria and process for recommending and certifying that a business is critical to maintaining national security and should apply those parameters consistently. The Treasury should better understand the underlying collateral when underwriting a loan and better measure the incurred losses caused by COVID."

## B. Executive Agencies

1. The SBA Inspector General [issued a report](#) on improper payments made under the PPP. The report's analysis concludes that approximately \$3.6 billion in PPP loans went to potentially ineligible recipients.
2. The Center for Audit Quality released a [report](#) on January 11, titled "Mitigating the Risk of Common Fraud Schemes: Insights from SEC Enforcement Actions," offering lessons to guide boards, internal auditors, and external auditors as public companies prepare to release their annual reports in the coming weeks. Revenue recognition, reserve manipulation, and inventory misstatements were among the most common areas for fraud in SEC enforcement cases between 2014 and 2019, according to the report.

## C. State Attorneys General

1. Virginia AG Mark Herring announced a price-gouging [settlement](#) with Joule Wellness Pharmacy. AG Herring alleged that the pharmacy violated both the Post-Disaster Anti-Price Gouging Act and the Consumer Protection Act by charging unconscionable prices for rubbing alcohol, which had been declared an essential good by executive orders issued by the state's governor. The settlement requires Joule Wellness Pharmacy to pay \$2,500 in penalties and disgorge all profits from the offending sales to the consumers who paid the excessive prices.
2. Minnesota AG Keith Ellison reached a [settlement](#) with Cornerstone Café, which the Attorney General had earlier sued for violating executive orders banning indoor, on-premises dining. The settlement requires the restaurant to pay a \$10,000 penalty and disgorge profits made while operating in violation of the orders. It also features a suspended penalty of \$25,000 to be levied should Cornerstone Café fail to fully comply with the settlement terms, which also require full compliance with COVID-19-related executive orders.

## D. Special Inspector General for Pandemic Recovery (SIGPR)

*No updates this week.*

## E. Pandemic Recovery Accountability Committee (PRAC)

*No updates this week.*

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