
Weekly COVID-19 Oversight & Enforcement Report

February 18, 2021

A. Congress

1. On her first day as Chair of the Senate Committee on Commerce, Science and Transportation, Sen. Maria Cantwell (D-WA) [said](#) she would ask the FTC to look into N95 mask fraud, including 1.9 million counterfeits shipped to hospitals in Washington state.

B. Executive Agencies

1. A Michigan woman was [indicted](#) on charges that she intentionally misused CARES Act funds intended for medical treatment and care of COVID-19 patients. These are the first criminal charges brought for the intentional misuse of money under the Provider Relief Fund (moneys that were provided to medical providers that must be used for medical providers' coronavirus response).
2. A Florida man [pleaded guilty](#) yesterday to fraudulently obtaining approximately \$3.9 million in PPP loans. The indictment alleges that he submitted multiple fraudulent loan applications on behalf of a number of companies. Rather than use the funds for payroll expenses, he bought a \$300,000 Lamborghini.
3. A San Francisco woman was [charged](#) with stealing the identities of two licensed attorneys in California. She allegedly used the names and license numbers of actual attorneys, and even appeared in court to represent clients under those fake credentials. In the course of investigating these charges, investigators discovered that she had also submitted a PPP loan application for a fake business.
4. Civil rights organizers [filed](#) an OSHA complaint against the North Carolina Department of Labor (NCDOL) this week, alleging that the State of North Carolina inadequately handled the pandemic. The complaint criticizes North Carolina's failure to engage in rulemaking or investigate COVID-19 complaints and requests a federal investigation of NCDOL.
5. On February 11, California biotech company Arrayit Corp. [agreed](#) to settle an SEC suit alleging that it lied to investors about the development of a blood test for the coronavirus. It agreed to accept final judgment in the matter without admitting to or denying the SEC's claims that it misled investors about both the COVID-19 blood test and financial documents it earlier failed to file.

C. State Attorneys General

1. New York AG Letitia James and Amazon filed dueling lawsuits arising from General James's investigation of the worker-safety conditions at two of the company's NY fulfillment centers. Last week, Amazon [sued](#) General James in federal court, alleging that her office made unreasonable demands upon Amazon and threatened to sue the company if it did not comply, even though according to Amazon the doctrines of federal preemption and primary jurisdiction strip the AG of legal authority to regulate workplace safety. Days later, General James did indeed sue Amazon. Her [lawsuit](#) claims the company failed to provide the reasonable and adequate protection from coronavirus transmission to employees at the fulfillment centers required by state law.
2. Kentucky AG Daniel Cameron announced a settlement with Voyageurs International, Ltd., a travel agency, regarding student travel canceled due to the pandemic. Under the terms of the [settlement](#), the company must pay \$766,765 to fully reimburse nearly 400 Kentucky students and parents who paid deposits to attend a music tour that was canceled.

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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