Weekly COVID-19 Oversight & Enforcement Report

November 5, 2020

A. Congress

- 1. Congressional Oversight Commissioner Rep. Donna Shalala (D-FL) <u>lost</u> her bid for reelection. Commissioner Rep. French Hill (R-AR) was <u>reelected</u>.
- 2. The Congressional Oversight Commission released its sixth <u>report</u>, which provides updates regarding the various lending programs and facilities implemented by the Federal Reserve and Treasury.
- 3. The House Select Subcommittee on the Coronavirus Crisis released an <u>interim staff report</u> entitled "Inefficient, Ineffective and Inequitable: The Trump Administration's Failed Response to the Coronavirus Crisis," documenting key findings from its first six months investigating the nation's response to the pandemic. According to a <u>press release</u>, the Select Subcommittee has conducted 30 investigations (many of which are still ongoing), reviewed hundreds of thousands of documents, held 15 public hearings and briefings, and issued seven staff reports.
- 4. Small Business Oversight Chair Judy Chu (D-CA) is <u>scrutinizing</u> the SBA's handling of the Economic Injury Disaster Loan program, which has been beset by evidence of fraud. "I'm demanding answers from SBA on how they plan to recover this taxpayer money," Rep. Chu wrote Friday on Twitter. In an interview, Rep. Chu said she will hold a hearing on the issue and that she's a lready writing a letter to the agency "demanding accountability."
- 5. Senators Sherrod Brown (D-OH) and Jeff Merkley (D-OR) led seven of their Democratic colleagues in sending <u>letters</u> to the nation's largest utility companies urging them to suspend all utility shutoffs for the duration of the pandemic.
- 6. Senators Elizabeth Warren (D-MA) and Cory Booker (D-NJ) released a <u>statement</u> regarding the Department of Labor's response to their inquiry about why OSHA failed to take quick and sufficient actions to enforce workplace safety laws and protect workers in meatpacking plants.
- 7. Senators Warren and Tina Smith (D-MN) are asking several federal agencies to issue detailed plans for collecting and reporting information on COVID-19 cases linked to elementary and secondary schools. In a <u>letter</u> to the Department of Education, HHS, and the CDC, the Senators say the Administration has not formulated a national method for reporting and tracking cases in these schools, resulting in "inconsistent, unreliable, and unavailable data."

B. Executive Agencies

- 1. Two California business partners have been <u>charged</u> with fraudulently submitting PPP loan applications for over \$2 million.
- 2. OSHA <u>issued</u> new respiratory-protection guidance focused on shielding workers in nursing homes, assisted living, and other long-term care facilities from occupational exposure to COVID-19.
- 3. A coalition of unions, including the American Federation of Teachers and American Federation of State, County, and Municipal Employees, filed a <u>petition</u> last week asking the Ninth Circuit to order OSHA to enact a rule protecting workers from airborne diseases as COVID-19 cases continue to soar. Other unions have unsuccessfully tried to convince federal courts to require OSHA to enact an emergency temporary standard for COVID-19. The Trump Administration has refused to pursue an emergency rule, saying existing OSHA regulations are adequate.

C. State Attorneys General

- 1. North Carolina AG Josh Stein announced his office obtained a <u>consent judgment</u> in its litigation against Stephen Gould Corporation, which the AG alleged offered state agencies, private hospitals, and the Charlotte Chapter of the American Red Cross N95 and similar masks at a more than 100% markup, far higher than the single digit markup the company had claimed. The consent judgment, which was approved by the court, requires the company to pay \$150,000 in civil penalties and fees, and prohibits it from engaging in deceptive business practices or price gouging in the future.
- 2. California AG Xavier Becerra, leading a coalition of 22 AGs, wrote a <u>letter</u> to HHS and the National Institutes of Health (NIH) urging the rejection of recommendations made by NIH's Human Fetal Tissue Ethics Advisory Board, which would limit federal funding for treatments and therapies for various health conditions, including COVID-19, to the extent such research utilized fetal tissue. The AGs noted that Regeneron, one of the drugs administered to President Trump during his corona virus hospitalization, was tested in cells derived from fetal tissue.

D. Special Inspector General for Pandemic Recovery (SIGPR)

No updates this week.

E. Pandemic Recovery Accountability Committee (PRAC)

1. PRAC released its first semi-annual report, which spans April 1 to September 30. The report summarizes the committee's structure and responsibilities, details the work of the committee thus far, and demonstrates the progress of meeting its goals of "ensuring effective and efficient operations, conducting objective and independent oversight, detect[ing] fraud, waste and abuse, and promoting transparency." Specifically, the report touted PRAC's website, its efficient sharing of data, analytics, and other information across numerous OIGs, and PRAC's hotline that supports law enforcement's pursuit of fraud. PRAC also stated that it is now at 90% staffing level.