Weekly COVID-19 Oversight & Enforcement Report

May 13, 2021

A. Congress

- 1. As part of its ongoing investigation into the Federal Reserve's administration of pandemic relief lending programs, House Select Subcommittee on the Coronavirus Crisis Chair James E. Clyburn sent a letter to Fed Chair Jerome Powell on May 7. The letter seeks documents and information regarding the Fed's administration of the Main Street Lending Program and Municipal Liquidity Facility. Rep. Clyburn expressed concern about the "delayed implementation" and "limited reach" of the programs. He said: "I seek to better understand the performance of the Fed's pandemic relief programs to determine whether those programs achieved their intended objectives and whether similar programs may be useful in responding to future crises."
- 2. Select Subcommittee Chair James Clyburn and Small Business Committee Chair Nydia Velazquez continue to investigate the administration of the Economic Injury and Disaster Loan (EIDL) program. On May 11, they sent a letter to Small Business Administration (SBA) Administrator Isabella Guzman regarding a \$750 million contract the Trump Administration awarded to RER Solutions to administer the EIDL program. The letter highlights "new evidence that political appointees in the Trump Administration may have been involved in a decision to substantially expand the scope of RER's contract . . . without a competitive bidding process." It also expresses concern about a lack of fraud controls in the EIDL program. Reps. Clyburn and Velazquez seek documents from the SBA to complete their investigation.
- 3. Twenty-six House Republicans sent a <u>letter</u> to Health and Human Services Inspector General Christi Grimm on May 10 requesting she "investigate immediately allegations of collusion and political influence in . . . correspondence between the [Centers for Disease Control and Prevention (CDC)] and the American Federation of Teachers (AFT)" regarding the CDC's latest school reopening guidelines. They cite emails between CDC and AFT showing "that two AFT requests restricting reopening were adopted almost verbatim in the final guidance."

B. Executive Agencies

- 1. Approval of OSHA's Covid-19 <u>emergency temporary standard</u> remains under review. The Office of Information and Regulatory Affairs (OIRA) within the White House's Office of Management and Budget continues to meet with interest groups.
- 2. Governor Andrew Cuomo <u>signed</u> the NY Hero Act last week, giving essential workers in New York new on-the-job protections. The NY Hero Act sets forth safety standards and requires employers to create a compliance committee to ensure that these standards are met. Once the bill

is implemented, its provisions may be enforced through litigation brought by the state or employees themselves. Although he signed the bill, Gov. Cuomo also stated that he had secured an agreement with the legislature to make various changes to the new law, which will be addressed this Summer.

C. State Attorneys General

No updates this week.

D. Special Inspector General for Pandemic Recovery (SIGPR)

1. On May 10, *Government Executive* published an <u>interview</u> with Brian Miller, the Special Inspector General for Pandemic Recovery ("SIGPR"). The interview discusses some of the challenges SIGPR has faced, including hiring and jurisdictional challenges. Miller also highlighted successes, including over 100 investigation referrals. Miller notes, "this office was almost set up to fail and yet we're succeeding and accomplishing the job."

E. Pandemic Recovery Accountability Committee (PRAC)

No updates this week.

Wilmer Cutler Pickering Hale and Dorr LLP is a Delaware limited liability partnership. WilmerHale principal law offices: 60 State Street, Boston, Massachusetts 02109, +1 617 526 6000; 1875 Pennsylvania Avenue, NW, Washington, DC 20006, +1 202 663 6000. Our United Kingdom office is operated under a separate Delaware limited liability partnership of solicitors and registered foreign lawyers authorized and regulated by the Solicitors Regulation Authority (SRA No. 287488). Our professional rules can be found at www.sra.org.uk/Solicitors/code-of-conductpage. A list of partners and their professional qualifications is available for inspection at our UK office. In Beijing, we are registered to operate as a Foreign Law Firm Representative Office. This material is for general informational purposes only and does not represent our advice as to any particular set of facts; nor does it represent any undertaking to keep recipients advised of all legal developments. Prior results do not quarantee a similar outcome. © 2020 Wilmer Cutler Pickering Hale and Dorr LLP