
Weekly COVID-19 Oversight & Enforcement Report

December 10, 2020

A. Congress

1. The Congressional Oversight Commission will hold a hearing today to examine the funds authorized by the CARES Act that provide up to \$17 billion for loans and loan guarantees to businesses critical to maintaining national security. Treasury Secretary Steven Mnuchin is expected to testify.
2. House Financial Services Committee Chair Maxine Waters (D-CA) sent a [letter](#) to President-Elect Joseph R. Biden, providing recommendations on areas where the Biden Administration should immediately reverse the actions of the Trump Administration and several actions that the Biden Administration can immediately take to coordinate the federal response to COVID-19, keep people safely housed, protect consumers and small businesses, support the broader economy, and ensure a global recovery. Chair Waters also sent a [letter](#) to agencies within the Committee's jurisdiction calling on them to cease and desist from finalizing any "midnight rulemakings" or other administrative actions until President-Elect Joseph R. Biden is sworn into office on January 20, 2021.
3. Sen. Elizabeth Warren (D-MA) and Rep. Ayanna Pressley (D-MA) sent a [letter](#) to U.S. Comptroller General Gene L. Dodaro requesting a Government Accountability Office report on how COVID-19 relief funds have been distributed to disproportionately affected communities. The request seeks to examine how much federal COVID-19 relief funding went to businesses and providers located in low-income and medically underserved communities, as well as Tribal businesses and health care providers, community health centers, and other organizations serving high-need populations.

B. Executive Agencies

1. The SEC [has settled](#) with Cheesecake Factory for \$125,000 over alleged "materially false and misleading" statements after the restaurant chain failed to disclose the financial impact of the coronavirus pandemic earlier this year. The SEC action is the first charging of a public company for misleading investors over the pandemic's financial impact, the agency said.
2. OSHA [decided against](#) fines or sanctions for a Pennsylvania meat packing plant where employees say as many as half the workers have been infected with COVID-19 due to unsafe conditions. OSHA's decision follows a report last month by the Labor Department's Inspector General that was critical of the agency's efforts on policing pandemic safety. In July, three workers at the plant sued the company for allegedly ignoring the imminent danger posed by the coronavirus, OSHA said it inspected the plant in June and "recognized" that the company had taken various steps to reduce the

spread of the virus, including increased sanitation of high-touch surfaces and screening of employees for symptoms.

C. State Attorneys General

1. Massachusetts AG Maura Healey [sued](#) Town Sports International LLC, which operates Boston Sports Club, alleging that the gym operator misled its members about their cancellation rights and continues to charge members who have sought to cancel their memberships, in violation of state law. AG Healey's office said it received more than 2,000 complaints from members who tried to cancel, but were not allowed to do so, thus paying for facilities that often have been closed due to the pandemic. The lawsuit comes approximately two months after New York AG Letitia James [sued](#) Town Sports International, making similar claims in connection with its operation of New York Sports Club and Lucille Roberts.
2. New York AG James, leading a coalition of 13 AGs, wrote a [letter](#) to congressional leaders urging the federal government to take steps to ensure that individuals enrolled in Medicaid, as well as the uninsured, are able to obtain the COVID-19 vaccines at no cost. The Families First Coronavirus Response Act makes state Medicaid programs eligible for an increase in federal funding, provided the programs cover COVID-19 vaccines at no cost to most Medicaid beneficiaries. The CARES Act created a Provider Relief Fund to ensure that the uninsured receive the vaccine without being subject to administrative fees. While applauding both laws, the AGs wrote that additional federal funding support appears necessary to guarantee that these populations receive the vaccine at no cost.
3. New York AG James [charged](#) an individual, Robert Decker, with theft of CARES Act unemployment insurance benefits. According to the 11-count indictment, Mr. Decker filed for and collected the funds even though he was gainfully employed. Two months ago, AG James charged Mr. Decker and others in connection with a contractor fraud they allegedly perpetrated, pre-pandemic, against dozens of homeowners and businesses in the state.

D. Special Inspector General for Pandemic Recovery (SIGPR)

No updates this week.

E. Pandemic Recovery Accountability Committee (PRAC)

1. On December 7, the [Federal News Network released an interview with Robert Westbrook, the Executive Director of PRAC](#). Westbrook discussed how PRAC conducts its work and collaborates with other agencies.