



CRISIS PRACTICE

Coronavirus

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Select Subcommittee on the Coronavirus Crisis Ends 2021 With Several Open Investigations and Promises for Continued Oversight Across Industries

The House Select Subcommittee on the Coronavirus Crisis (“Select Subcommittee”), first assembled in April 2020 and charged with investigating the effectiveness and transparency of the nation’s response to the coronavirus pandemic, remained persistently active in 2021.¹ A newly released year-end staff report notes that the Select Subcommittee expanded on many of the investigations it began in 2020, while also opening multiple new investigations across several industries including healthcare, food and beverage, financial services, technology, and housing in 2021.² Indeed, the Select Subcommittee ramped up oversight efforts considerably this year, during which it sent over 100 letters, held 14 hearings and public briefings, and published seven staff reports. As detailed in our April 2020 alert, the Select Subcommittee has continued to use its broad oversight authority, including the power to issue subpoenas and compel witness testimony, to carry out these investigations.³ To date, the Select Subcommittee’s key areas of oversight have been on vaccine development and distribution, private industry efforts to protect employees and public health, economic stimulus funding, and the federal government’s response to the pandemic.⁴

VACCINE DEVELOPMENT AND DISTRIBUTION

A primary focus for the Select Subcommittee continues to be on the ability of the federal government, pharmaceutical manufacturers, and healthcare sector to ensure vaccines are being administered expeditiously and equitably. On February 19, the Select Subcommittee held a briefing on vaccine equity among communities of color, low-income communities, and rural communities. In an accompanying press release, Chairman Clyburn (D-SC) praised the Biden Administration for working to resolve the inequities but noted that further efforts from the government and industry were needed.⁵ And the Select Subcommittee reiterated this



message at a December 14 hearing examining the “immediate need” to accelerate global coronavirus vaccination efforts.⁶

In April 2021, the Select Subcommittee launched a joint investigation with the House Committee on Oversight and Reform into certain coronavirus vaccine and therapeutic manufacturers regarding production errors and facility contaminants.⁷ After the Select Subcommittee sought testimony from the CEO of one manufacturer on May 19 and published a staff memo identifying initial findings and releasing internal company documents, the Biden Administration terminated its supply agreement with the company.⁸ The year-end report also noted that the Select Subcommittee will continue to investigate the manufacturer’s conduct and monitor the company’s efforts to produce and distribute coronavirus vaccines under its remaining agreements with pharmaceutical companies.⁹

PRIVATE INDUSTRY EFFORTS TO PROTECT EMPLOYEES AND PROMOTE PUBLIC HEALTH

Food & Beverage Industry

In February 2021, the Select Subcommittee opened an active investigation into coronavirus infections and deaths at meatpacking facilities, and sent document and information requests to five companies in the industry.¹⁰ On October 27, the Select Subcommittee held a hearing and released a staff report detailing findings on the investigation. In addition, the Select Subcommittee released internal company documents and communications, including multiple exchanges with executive officers.¹¹ According to the year-end staff report, the Select Subcommittee plans to continue its investigation into the meatpacking industry with a particular focus on the companies’ mitigation efforts to curb infection rates at their facilities.¹²

Technology Industry

The Select Subcommittee has also keyed in on the online propagation of misinformation about the coronavirus vaccines and treatments this year. On November 10 and 17, the Select Subcommittee held hearings on “bad actors” profiting from such misinformation and questioned whether technology companies were sufficiently monitoring their platforms to curb misuse.¹³ And, on October 29, the Select Subcommittee wrote to Federal Trade Commission Chair Lina Khan requesting an investigation into certain online companies to determine whether those entities violated federal law.¹⁴ Given the substantial efforts of the Select Subcommittee on these issues in 2021, online entities will likely continue to be a target for the Select Subcommittee’s oversight activities next year.

Housing Industry

On July 19, the Select Subcommittee sent letters requesting documents and information on eviction rates and rental assistance to multiple housing corporations.¹⁵ Shortly thereafter, on July 27, a hearing was held to review actions by these corporations and state governments related to these issues.¹⁶ The hearing addressed the use of emergency rental assistance funds and identified further actions required to prevent housing crises.¹⁷ The year-end staff report touted that these oversight activities led to the “dramatic[] reduc[tion in] rate[s] of eviction filing[s]” this year.¹⁸

Financial Services Industry

On May 27, the Select Subcommittee initiated an investigation into the role that financial technology entities played in the potential “waste, fraud, and abuse[s] of the Paycheck Protection Program (PPP).”¹⁹ Particularly, the Select Subcommittee noted it was concerned with “fraud controls and compliance systems that FinTechs have applied to their PPP loan programs.”²⁰ And recently, on November 22, the Select Subcommittee expanded its investigation and sent letters to two online financial services corporations requesting information on PPP loan processing and facilitation.²¹ Chairman Jim Clyburn (D-SC) emphasized the importance of continued oversight of these issues, noting, “[F]inTechs and their bank partners may have an important role to play through participation in small business loan programs. However, future partnerships must be contingent on FinTechs and their bank partners’ demonstrated ability to properly administer taxpayer funds and not jeopardize the integrity of the programs in which they participate.”²²



SELECT SUBCOMMITTEE IN THE NEW YEAR

As noted in our April 2020 alert, the Select Subcommittee has proven to be one of the more active and aggressive of the various COVID-19 congressionally established oversight entities.²³ And Chairman Jim Clyburn (D-SC) recently said that he considers the Select Subcommittee’s work as continuing to be “essential to improving the ongoing response efforts and ensuring we are better prepared for future public health crises.”²⁴ Going into the new year, we expect the Select Subcommittee to remain very active and continue to focus on both government and private sector stakeholders.

Companies should recognize that congressional investigations will significantly affect and likely propel parallel government investigations by federal and state enforcement agencies. Perennially recognized by Chambers USA, King & Spalding’s Congressional Investigations practice is uniquely positioned to help clients understand and mitigate significant investigative, public relations, and political risks relating to COVID-19 investigations.

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¹ *Chairman Clyburn Welcomes Select Subcommittee Members for the 117th Congress*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (January 27, 2021), available [here](#).
² *More Effective, More Efficient, More Equitable: Overseeing an Improving & Ongoing Pandemic Response*, U.S. House Select Subcommittee on the Coronavirus Crisis (December 2021), available [here](#).
³ See *K&S Client Alert: With New Select Investigative Subcommittee, House Democrats Double Down on COVID-19 Oversight* (April 23, 2020), available [here](#).
⁴ See *K&S Client Alert: Oversight Subcommittee on the Coronavirus Crisis Continues to Actively Investigate the Previous Administration’s Pandemic Response* (July 9, 2021), available [here](#).
⁵ *At Briefing, Experts Warn Disparities In Vaccinations Could Put Pandemic Recovery At Risk*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (February 19, 2021), available [here](#).
⁶ *At Hearing, Experts Say Global Vaccination Efforts Are Key To America’s Pandemic Recovery*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (December 14, 2021), available [here](#).
⁷ See *Memorandum from Majority Staff to Members of the Select Subcommittee on the Coronavirus Crisis and Members of the Committee on Oversight and Reform, Preliminary Findings from Investigation into Emergent BioSolutions, Inc. Response*, U.S. House Select Subcommittee on the Coronavirus Crisis (May 19, 2021), available [here](#).
⁸ *More Effective, More Efficient, More Equitable: Overseeing an Improving & Ongoing Pandemic Response*, U.S. House Select Subcommittee on the Coronavirus Crisis (December 2021), available [here](#).
⁹ *Id.*



¹⁰ *Select Subcommittee Launches Investigation into Widespread Coronavirus Infections and Deaths in Meatpacking Plants*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (Feb. 1, 2021), available [here](#); *Select Subcommittee Expands Investigation into Coronavirus Outbreaks at Meatpacking Plants*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (Sept. 15, 2021), available [here](#).

¹¹ *Id.*

¹² *More Effective, More Efficient, More Equitable: Overseeing an Improving & Ongoing Pandemic Response*, U.S. House Select Subcommittee on the Coronavirus Crisis (December 2021), available [here](#).

¹³ *At Chicago Field Hearing, Mayor Lightfoot And Other Witnesses Push For More Community-Based Approaches To Fight Vaccine Hesitancy*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (November 10, 2021), available [here](#); *Hearing Exposes Widespread Harm Caused By Coronavirus Misinformation*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (November 17, 2021), available [here](#).

¹⁴ *Letter to The Honorable Lina Khan, Chair, Federal Trade Commission*, U.S. House Select Subcommittee on the Coronavirus Crisis, (October 29, 2021), available [here](#).

¹⁵ *Clyburn To Investigate Pandemic Evictions By Corporate Landlords*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (July 20, 2021), available [here](#).

¹⁶ *Hearing Witnesses Urge Equitable Distribution Of Federal Rental Assistance, Highlight Extent Of Corporate Landlord Evictions*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (July 27, 2021), available [here](#).

¹⁷ *Id.*

¹⁸ *More Effective, More Efficient, More Equitable: Overseeing an Improving & Ongoing Pandemic Response*, U.S. House Select Subcommittee on the Coronavirus Crisis (December 2021), available [here](#).

¹⁹ *Select Subcommittee Launches Investigation Into Role Of FinTech Industry In PPP Fraud*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (May 28, 2021), available [here](#).

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ See *K&S Client Alert: With New Select Investigative Subcommittee, House Democrats Double Down on COVID-19 Oversight* (April 23, 2020), available [here](#).

²⁴ *Select Subcommittee's Year-End Staff Report Highlights Oversight Work, Releases New Findings From Ongoing Investigations*, U.S. House Select Subcommittee on the Coronavirus Crisis, Press Release (December 17, 2021), available [here](#).