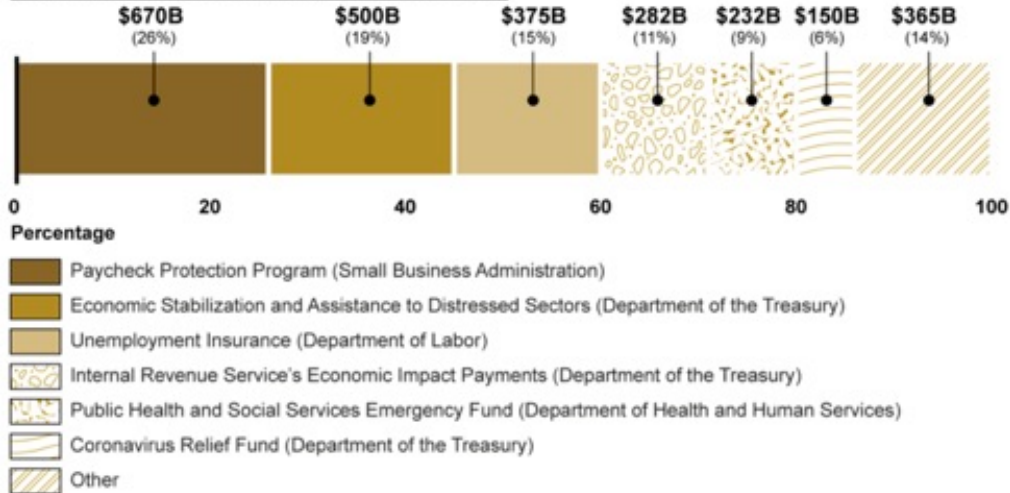


# Money Allocated to Programs in CARES

## Appropriations for COVID-19 Response from COVID-19 Relief Laws Enacted as of May 31, 2020

Total appropriations amount: \$2,574 billion [B]



Source: GAO analysis of appropriation warrant information provided by the Department of the Treasury as of May 31, 2020. | GAO-20-625

Note: COVID-19 relief laws enacted as of May 31, 2020, include the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, Pub. L. No. 116-123, 134 Stat. 146; Families First Coronavirus Response Act, Pub. L. No. 116-127, 134 Stat. 178 (2020); CARES Act, Pub. L. No. 116-136, 134 Stat. 281 (2020); and Paycheck Protection Program and Health Care Enhancement Act, Pub. L. No. 116-139, 134 Stat. 620 (2020).

These amounts represent appropriation warrants issued as of May 31, 2020, by the Department of the Treasury (Treasury) to agencies in response to appropriations made by COVID-19 relief laws. A warrant is an official document issued upon enactment of an appropriation that establishes the amount of money authorized to be withdrawn from the Treasury. These amounts could increase in the future for programs with indefinite appropriations. In addition, this figure does not represent transfers of funds that agencies may make between accounts or transfers of funds they may make to other agencies, to the extent authorized by law.

# CoronaCorruption Themes

## Swamp Like Behavior

Lobbyists & insiders

Example: Per a POLITICO article at least five Covid lobbyists may have violated a Trump Executive Order that restricts lobbying activities by former officials.

## Undermining Our Public Health Approaches to the Pandemic

Example: Poorly vetted & Non-competitive contracts. Per GAO last week, by mid-June the government had incurred \$17.8 billion in contract obligations for Covid-19 related equipment. More than half of the contracts were not competitively awarded.

Example: “A company formed by Zach Fuentes, a former White House deputy chief of staff, won a \$3 million contract just days after forming to supply face masks to the Indian Health Service. The masks did not meet FDA standards for use in health care settings.” Per Pro Publica

## Reinforcing/Increasing Income Inequality & Small Business v Big Business

Example: At least 32 companies paying CEOs more than \$1 million received funds from the Paycheck Protection Program, according to an investigation by Popular Information.

Example: More than 11,000 [temp staffing] companies took in a total of between \$3.6 billion and \$7.9 billion, with about 4,600 of those getting more than \$150,000 each... Many were counting workers contracted by other companies as saved jobs.

Example: At the beginning of last week, the Eastman Kodak Company gave its CEO 1.75 million stock options. The next day, the White House announced the company would get a \$765 million loan to produce ingredients to make pharmaceuticals in the United States. Within 48 hours of the options grants, their value had ballooned, at least on paper, to about \$50 million.

# CoronaCorruption Themes

## Racism, Sexism and Corruption: Impact On Our Economic Responses

Example: 74.9% of small businesses with employees have requested financial assistance from the PPP and 38.1% have received assistance.

What made the difference in getting or not getting one? Gender or race issues?

- » How did the Administration handle these issues?
  - The SBA failed to issue guidance to lenders about prioritizing borrowers in underserved and rural markets.
  - The SBA failed to require demographic data to determine if lenders prioritized underserved markets and businesses.
- » How did banks themselves grapple with them?

Impact: "Up to 90% of minority and women owners [are] shut out of Paycheck Protection Program" partly because "when the application process for PPP loans opened in April, large banks like Bank of America prioritized customers who already had lending relationships, according to Bank of America officials. Those decisions left the smallest small businesses in America essentially shut out, unable to access the funds before they ran out," per Center for Responsible Lending.

These issues have likely penetrated all of the various business support programs under CARES: from PPP, to EIDL, to Main Street Lending, to Agriculture or Education Department programs.