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United States Senate

WASHINGTON, DC 20510-2509

COMMITTEES JUDICIARY ARMED SERVICES HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS SMALL BUSINESS AND ENTREPRENEURSHIP

October 18, 2021

Brian D. Miller Special Inspector General for Pandemic Recovery U.S. Department of the Treasury 1500 Pennsylvania Avenue, NW Washington, D.C. 20220

Richard K. Delmar Acting Inspector General U.S. Department of the Treasury 1500 Pennsylvania Avenue, NW Washington, D.C. 20220

Dear Inspector General Miller and Acting Inspector General Delmar,

The Congress provided unprecedented funds to airlines and other companies during the COVID-19 pandemic, on the condition that they did not lay off their employees.¹ Yet according to recent reports, some airlines have been laying off employees who decline to submit themselves to President Biden's vaccine mandate.² This has led to many employees losing their jobs.³

Under the CARES Act,⁴ your offices have jurisdiction to audit and investigate loans from the Department of the Treasury to these airline companies.⁵ I appreciate your inclusion of these loans in your reports to Congress so far.⁶

¹ Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), Pub. L. 116-136, div. A, title IV, subtitle A, 134 Stat. 281, 469, §§ 4001 *et seq.* (Mar. 27, 2020) (codified at 15 U.S.C. §§ 9041 *et seq.*); *see also* U.S. Department of the Treasury, Procedures and Minimum Requirements for Loans to Air Carries and Eligible Businesses and National Security Businesses under Division A, Title IV, Subtitle A of the Coronavirus Aid, Relief, and Economic Security Act (Mar. 30, 2020), available at https://home.treasury.gov/system/files/136/Procedures%20and%20Minimum%20Requirements%20for%20 Loans.pdf

² See, e.g., Coral Murphy Marcos, *United Airlines to Fire Workers Who Refused to Get a Vaccination*, N.Y. Times (Oct. 7, 2021), available at <u>https://www.nytimes.com/2021/09/29/business/united-airlines-vaccine-mandate.html</u> ("United Airlines said it would terminate about 600 employees for refusing to comply with its vaccination requirement, putting the company at the forefront of the battle over vaccine mandates as the economy moves through a bumpy pandemic recovery.").

³ *Id*.

⁴ CARES Act, 134 Stat. at 482, §4018(c)(1) (codified at 15 U.S.C. § 9053(c)(1)); *id.* at §4111 *et seq.* (Payroll Support Program).

⁵ Authority of the Special Inspector General for Pandemic Recovery to Oversee Programs Established Under the Cares Act, 45 Op. O.L.C. (April 29, 2021).

⁶ See, e.g., Quarterly Report to the United States Congress: April to June 2021, Office of the Special Inspector General for Pandemic Recovery, at 12 *et seq.* (July 30, 2021), available at <u>https://www.sigpr.gov/sites/sigpr/files/2021-07/SIGPR-Quarterly-Report-June-2021-Final.pdf</u>.

I now write to call on you to immediately open a complete investigation into the widespread layoffs by major airline companies and legal review of whether these companies violated the terms of their loans. This review is especially timely as a federal court recently issued a temporary restraining order against United Airlines from implementing its mandatory vaccine policy.⁷

Unfortunately, this is not the first time that I have expressed my concern with airlines' receipt of pandemic funds. In May 2020, I wrote to United Airlines CEO Oscar Munoz about reports that he was cutting pay for workers after receiving CARES Act funds.⁸ I continue to believe that decision should be subject to renewed scrutiny for compliance with the CARES Act.

So that Congress can consider remedial legislation, I also request the following information by November 15, 2021:

- 1. Which airlines took adverse actions against employees who failed to submit to President Biden's vaccine mandate?
- 2. Have any of these airlines delayed or canceled flights as a result of their failure to accommodate employees' applications for medical or religious exemptions from the COVID-19 vaccine?
- 3. Did any of these airlines violate the terms of their loans under the CARES Act, and if so, what steps were taken to recover these funds?
- 4. What additional jurisdiction or appropriations do you need to fulfill your mission?

Sincerely,

Josh Hawley United States Senator

CC: Janet Yellen, Secretary of the Treasury

⁷ Sambrano v. United Airlines, Inc., No. 4:21-cv-1074, 2021 WL 4760645 (N.D. Tex. Oct. 12, 2021).

⁸ Letter from Josh Hawley, U.S. Senator, to Oscar Munoz, CEO, United Airlines, Inc. (May 1, 2020), available at <u>https://www.hawley.senate.gov/sites/default/files/2020-05/Hawley-Letter-United-Airlines-Pay-Cuts.pdf</u>.