

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

April 5, 2018

The Honorable Arthur A. Elkins, Jr.
Inspector General
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Mr. Elkins:

We have requested several investigations to date regarding protections in place at the U.S. Environmental Protection Agency (EPA) to prevent conflicts of interest and unethical abuses of power.¹ We write today with additional requests, focusing on whether EPA Administrator Scott Pruitt has misused or abused his position to inappropriately enrich himself or his family members and whether EPA's political leadership applied political pressure on Agency ethics officials.

With respect to Mr. Pruitt's potentially improper financial benefits, recent news reports indicate Administrator Pruitt rented a single bedroom in a Capitol Hill townhouse "that is co-owned by the wife of a top energy lobbyist."² Reports indicate that Mr. Pruitt paid \$50 per night for a single bedroom, but only on the nights he slept there, paying a total of \$6,100 to use the room for approximately six months.³ However, other apartments in the complex have reportedly been rented for more than \$5,000 per month, indicating the terms of Mr. Pruitt's housing

¹ Letter from Rep. Frank Pallone, Jr., Ranking Member, Rep. Bobby L. Rush, Rep. Kathy Castor, Rep. Diana DeGette, Rep. John Sarbanes, and Rep. Paul Tonko to EPA Inspector General Arthur Elkins (Mar. 13, 2017); Letter from Rep. Frank Pallone, Jr., Ranking Member, Rep. Kathy Castor, Rep. Diana DeGette, and Rep. Paul Tonko to EPA Inspector General Arthur Elkins (Oct. 30, 2017).

² *More Cabinet Trouble for Trump? EPA Chief Lived in Condo Tied to Lobbyist 'Power Couple,'* ABC News (Mar. 29, 2018).

³ *EPA Chief's \$50-a-Night Rental Raises White House Angst,* Bloomberg (Mar. 29, 2018).

arrangement may have been significantly below market value.⁴ Reports also indicate Mr. Pruitt's adult daughter used a second room in the property while serving as a White House intern, and they had access to the common areas and kitchen.⁵ However, according to the owner, the rental agreement was only with Mr. Pruitt, and it only included the use of one bedroom.⁶

Last week, EPA's Office of General Counsel released seemingly contradictory statements and materials regarding Mr. Pruitt's unique Washington, D.C. housing arrangement. EPA Senior Ethics Counsel Justina Fugh reportedly made an initial determination that Mr. Pruitt's use of the property did not constitute a gift under federal ethics regulations. However, that initial determination reportedly did not consider use of the property by Mr. Pruitt's adult daughter.⁷ Ms. Fugh indicated more information regarding Pruitt's daughter was needed.⁸ This appears to contradict a March 30, 2018, memorandum from EPA Designated Agency Ethics Official and Principal Deputy General Counsel Kevin Minoli. Mr. Minoli's memorandum stated, in part, that the lease authorized use of the property by Mr. Pruitt and his immediate family,⁹ a statement disputed by the property owners.¹⁰ Yesterday, Mr. Minoli issued a subsequent memorandum confirming that he lacked key facts when making his March 30 determination.¹¹

We have serious concerns that Mr. Pruitt may have misused his position as EPA Administrator to improperly enrich himself or his family members through this preferential and unique housing arrangement. Furthermore, the potentially contradictory actions by EPA's Office of General Counsel also raise serious concern that EPA's political leadership may be exerting undue pressure on Agency ethics officials and that the advice and determinations of Agency ethics officials are being altered as a result of this pressure. We, therefore, request you review and investigate the following:

⁴ *EPA Chief Pruitt Joined by Family in Condo Tied to Lobbyist 'Power Couple,'* ABC News (Mar. 31, 2018).

⁵ *Id.*

⁶ *Id.*

⁷ *Scott Pruitt's Apartment Deal is at the Center of an Ethical Storm for Trump's EPA,* BuzzFeed News (Mar. 30, 2018).

⁸ *Id.*

⁹ Memorandum from EPA Designated Agency Ethics Official and Principal Deputy General Counsel Kevin Minoli to EPA General Counsel Matthew Leopold (Mar. 30, 2018).

¹⁰ *As New Details Emerge, Scott Pruitt's Housing Arrangements Come under Scrutiny,* Washington Post (Mar. 30, 2018).

¹¹ *Top EPA Ethics Official Says He Lacked Key Facts About Pruitt's Condo Rental,* Washington Post (Apr. 5, 2018).

1. Have Administrator Pruitt's Washington, D.C. housing arrangements or any other action by Mr. Pruitt improperly or unlawfully financially enriched Mr. Pruitt or any family member as a result of his position as EPA Administrator?
2. How much money has EPA spent on costs associated with Mr. Pruitt's Washington, D.C. housing during his tenure as EPA Administrator, including but not limited to funds for any rental agreements, or repairs or improvements to properties rented by Mr. Pruitt or his security detail? What was the purpose of these expenditures, and was each expense in compliance with all applicable regulations and Agency policies and procedures? Has any waste, fraud, or abuse occurred in expenditures of Agency funds or resources, including Agency personnel, for housing for Mr. Pruitt or his security detail including, but not limited to:
 - a. Use of EPA employees to conduct housing searches or otherwise make housing arrangements;
 - b. Use of Agency funds, personnel, or other resources for any property rent, repairs, or improvements;
 - c. Use of Agency funds, personnel, or other resources for travel or housing arrangements during periods in which Mr. Pruitt allegedly lacked a Washington, D.C. residence, including but not limited to August 2017?
3. Has Administrator Pruitt or any other member of EPA's political leadership inappropriately sought to influence the ethics officials in EPA's Office of General Counsel? Did any direct or indirect action or request by political leadership serve to alter ethics advice provided by the office? We request that your review include, but not be limited to, whether EPA's political leadership applied undue pressure that may have impacted the ethics determinations made during Administrator Pruitt's tenure regarding:
 - a. Political appointees participating in matters involving former employers;
 - b. Approval of political appointees for paid outside employment; or
 - c. Whether housing agreements violated federal gift rules, Agency policies, or any other applicable federal ethics regulations.
 - d. Whether any other personal financial agreements involving Administrator Pruitt, any family member, security or other EPA political leadership violated federal gift rules, or any other applicable federal ethics regulations.

The Honorable Arthur A. Elkins, Jr.
April 5, 2018
Page 4

Thank you for your immediate attention to this matter. If you have questions, please contact Jon Monger or Caitlin Haberman of the Democratic Committee staff at (202) 225-3641.

Sincerely,



Frank Pallone, Jr.
Ranking Member



Diana DeGette
Ranking Member
Subcommittee on Oversight
and Investigations



Kathy Castor
Vice Ranking Member



Paul D. Tonko
Ranking Member
Subcommittee on Environment