



**How the Republicans have Turned the
GOVERNMENT Over to Special Interests**

A Valentine's Day Report

Democratic Policy Committee
Representative George Miller, Co-Chair
February 14, 2003

A Sweetheart Deal

How the Republicans Have Turned the Government Over to Special Interests

Just a few short months after Republicans rammed through a flawed prescription drug law that helps drug companies and HMO's but is a bad deal for America's seniors, the chairman of the committee that wrote the bill, Rep. Billy Tauzin, announced his resignation from Congress amid rumors that he has been considering a multi-million dollar job with the leading pharmaceutical trade association that had lobbied him heavily in support of the bill.

Even by Washington standards, reports of Tauzin's dealings are shocking: The *Wall Street Journal* (February 10, 2004) recently referred to Tauzin's job negotiations as a "public auction." But Tauzin's case is only one example of the cozy relationship between Republicans and the companies that lobby them – a relationship that has decision makers in the Bush Administration putting special interests ahead of the interests of regular people every day. Pick almost any issue of public concern -- water quality, food safety, defense contracts, pension security, or health insurance – and you will find that at every level of the Bush Administration **powerful roles in key agencies have been turned over to industry advocates who, in many cases, have long opposed the very programs they are now charged with implementing.**

In the recent case of Tom Scully, who had been the Bush Administration's point person on the Republican prescription drug law. It turns out that Scully reportedly had been in job negotiations with a law firm that represents PhARMA while he was working on the bill for the President. Not surprisingly, the President's prescription drug bill *prohibits* the federal government from negotiating lower drug prices for seniors, and it effectively bans seniors from buying their medicines from Canada, where the drug companies sell the same medications for a fraction of the price. Both points were key to the law firm that had been recruiting Scully.

And then there is Jeffrey Holmstead, Assistant Administrator at the Environmental Protection Agency (EPA) for Air and Radiation. Formerly a lawyer at the law firm Latham & Watkins where he represented a conglomerate of coal, energy, and utility companies in their fight against EPA air pollution standards, Holmstead is now charged with *implementing* the very air protections he had previously been paid to oppose! Since he joined the Administration, Holmstead has been the Administration's chief proponent of the "Clear Skies" initiative, which allows for weaker standards for mercury, sulfur dioxide, and nitrous oxide emissions from power plants. Not only has Holmstead been accused of reportedly lying to Congress over the impact of some of the Administration's rules to implement the initiative, but a recent report by the *Washington Post* found that EPA's new mercury emissions proposals were nearly identical to a memo circulated earlier by lawyers at Latham & Walkins – Holmstead's former employer.

At the Department of Defense, former chairman and current member of the prestigious Defense Policy Board (DPB), Richard Perle, has reportedly used his position as advisor to the Secretary of Defense to solicit investments for his venture capital firm, wasting billions of taxpayer dollars along the way. As Chairman of the DPB, Perle has been a major advocate for a controversial \$17 billion Boeing contract to lease 20 tankers and purchase up to 80 more, rather than pursuing an alternative approach with a \$5 billion price tag. As it turns out, Perle had solicited and accepted a \$20 million investment for his venture firm from Boeing while he had advocated for the contract. Perle was forced to give up his chairmanship of the DPB in the wake of the ensuing scandal, and two Boeing executives had to step down. Perle,

however, still serves on the board. And just a few months ago, Perle wrote a column in the *Wall Street Journal* supporting the Boeing deal without disclosing his relationship to the company. The Pentagon has since put the deal on hold, pending an investigation by its inspector general's office.

At the Department of Labor, David Lauriski, the Assistant Secretary for Mine Health and Safety, spent thirty years in the coal industry before winning a key appointment in the Bush Administration, where he is now in charge of administering the governments' mine safety programs. In June 2003, under Lauriski's watch, the Mine Safety and Health Administration (MSHA) issued controversial, industry friendly regulations that would cut down on the amount of coal dust testing in mines. Three months later, the Senate put an end to the fiasco by blocking the regulations through the annual spending bill. In addition to promoting industry friendly regulations at the expense of miners' health, a whistleblower at MSHA has alleged in a complaint that Lauriski awarded no bid contracts to former business associates and friends, and that he pressured investigators to approve an inaccurate report on a devastating coal slurry spill in Kentucky.

At the Department of Education, the Bush Administration brought on William Hansen in 2001 to be the Deputy Secretary of Education, where he was in charge of – among other things – overseeing the Department's direct college loan program, which competes with private lenders. Before his appointment, however, Hansen served as CEO of a trade group representing private lenders, and he had founded a PAC that gave contributions to federal candidates who favored private lenders over the Department's direct loan program. Hansen had even testified before Congress against the direct loan program. With Hansen at the helm, the Department cut off marketing for the direct loan program and stopped competing for new schools to offer the direct loans. The Bush Administration even proposed selling the direct loan portfolio to private lenders. Hansen left the Administration in July 2003 to become the managing director of education services for the Affiliated Computer Services (ACS) – an information technology business that specializes in outsourcing solutions to commercial and government clients. Four months later, ACS was awarded a \$2 billion contract from the Department of Education.

At the Food and Drug Administration (FDA), W. Daniel E. Troy became chief counsel – and *de facto* Administrator in the absence of an appointee – after making his name fighting the FDA's efforts to regulate tobacco advertising and inappropriate use of prescription drugs. Under his leadership, the number of FDA's enforcement actions against companies for false advertising plummeted from an average of 90 a year to only 30.

As Americans celebrate Valentine's Day 2004, this Report provides a catalog of the Bush Administration's intimate relationship with lobbyists and the industries they represent. In case after case, the former lobbyists who work at the Bush Administration continue to court their friends and former employers while jilting the interests of the public. **The result: A Sweetheart Deal for special interests.**

A Sweetheart Deal

How the Republicans Have Turned the Government Over to Special Interests

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- KRISTIE HANSEN, GENERAL MANAGER OF FINANCIAL PARTNERS, FINANCIAL STUDENT AID
- JEFF ANDRADE, DEPUTY ASSISTANT SECRETARY FOR THE OFFICE OF POSTSECONDARY EDUCATION

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- W. REBECCA WATSON, ASSISTANT SECRETARY FOR LAND AND MINERALS MANAGEMENT
- CAMDEN TOOHEY, SPECIAL ASSISTANT FOR ALASKA
- DRUE PEARCE, SENIOR ADVISOR FOR ALASKA AFFAIRS
- KIT KIMBALL, INTERIOR DIRECTOR OF EXTERNAL AND INTRAGOVERNMENTAL AFFAIRS.
- JASON PELTIER, DEPUTY ASSISTANT SECRETARY FOR WATER AND SCIENCE

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- RICHARD PERLE, FORMER CHAIRMAN AND CURRENT MEMBER OF THE DEFENSE POLICY BOARD
- ROBERT E. MCKEE, SENIOR ADVISOR FOR OIL, COALITION PROVISIONAL AUTHORITY

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- JOHN PEMBERTON, FORMERLY HOLMSTEAD'S CHIEF OF STAFF
- EDWARD D. KRENK, ASSOCIATE ADMINISTRATOR FOR CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS
- JEAN-MARI PELTIER, COUNSELOR TO THE ADMINISTRATOR ON AGRICULTURAL POLICY
- ADAM J. SHARP, ASSOCIATE ASSISTANT ADMINISTRATOR FOR PREVENTION, PESTICIDES, AND TOXICS
- MARIANNE LAMONT HORINKO, ACTING ADMINISTRATOR

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- ANN LAINE COMBS, ASSISTANT SECRETARY OF PENSION AND WELFARE BENEFITS
- DAVID D. LAURISKI, LABOR ASSISTANT SECRETARY FOR MINE HEALTH AND SAFETY
- JOHN CAYLOR, DEPUTY ASSISTANT SECRETARY FOR THE MINE SAFETY AND HEALTH ADMINISTRATION

DEPARTMENT OF STATE:

- JAMES OBERWETTER, AMBASSADOR TO SAUDI ARABIA

DEPARTMENT OF TREASURY:

- WILLIAM F. SWEETNAM, JR., BENEFITS TAX COUNSEL

FOOD AND DRUG ADMINISTRATION:

- W. DANIEL E. TROY, CHIEF COUNSEL, FDA OFFICE OF THE CHIEF COUNSEL

NATIONAL HIGHWAY SAFETY AND TRANSPORTATION ASSOCIATION:

- JACQUELINE (JACKIE) GLASSMAN, CHIEF COUNSEL

Executive Office of the Vice President:



Dick Cheney, Vice President. Vice President Dick Cheney tops the list of insiders in the Bush Administration because of his close ties with industry and his habit of blurring the line between corporate interests and public policy-making. Cheney was CEO of Halliburton from 1995 to 2000 – an oil field services company that has profited from lucrative, no-bid contracts in post-war Iraq and admitted overcharging taxpayers millions of dollars.

Cheney's close ties to Halliburton and its subsidiaries first came to light just a few months into the Bush Administration when Cheney put together a task force of America's top energy businesses to write the Bush Energy proposal. After meeting in private for several months, the task force recommended opening more public lands for drilling and re-emphasizing nuclear power sources. Though Cheney has steadfastly refused to release the participants or details of the meetings, news sources have determined that representatives from the now-bankrupt Enron Corporation, the single largest contributor to the Bush-Cheney ticket in 2000, took part in at least six of the meetings. At one of these occasions, former Enron CEO Ken Lay gave Cheney a three page memo with several suggestions that were eventually incorporated into the Administration's final energy plan.

Cheney is also at the center of the controversy surrounding his former employer, Halliburton, and its contracts with the federal government in Iraq. In December, Kellogg Brown & Root, a Halliburton subsidiary, came under fire for overcharging the government by more than \$60 million for bringing fuel in from Kuwait and by more than \$16 million for serving meals at a single base in Kuwait.

When he was the Secretary of Defense [1989-1993], Cheney had helped spearhead the idea of privatizing Army logistical services, giving Brown & Root its first army contract. Then, during his years at Halliburton, the company's federal contracts doubled. Though Cheney retired from the company in August 2000 to join the Bush campaign, he received more than \$36 million in adjusted gross income from Halliburton that year, including more than \$4 million in bonuses and deferred compensation. And, despite his assurances otherwise, Cheney continues to have financial ties to Halliburton as Vice President, receiving more than \$150,000 a year in deferred payments. The Vice President also holds more than 430,000 shares of Halliburton stock. [[CNN.com](#), 1/24/04, [Journal News](#), 1/19/04, "All Things Considered," [NPR](#), 1/23/03, [The Times](#), 1/17/03, [Houston Chronicle](#), 12/16/03, [Harper's Weekly](#), 11/1/03, [CNNMoney](#), 10/16/03. [Wall Street Journal](#), 2/2/04]

Department of Agriculture:



Mark Rey, Undersecretary of Agriculture. As Undersecretary of Agriculture, Mark Rey oversees the US Forest Service, which manages 156 national forests and 20 national grasslands on 191 million acres across the country. Before joining the Administration, Mr. Rey was the vice president for forest resources at the American Forest and Paper Association, a trade association for the paper and logging industries. Rey was also executive director of the American Forest Resource Alliance, and earlier served as vice president of public forestry programs at the National Forest Products Association. Under Rey,

the Administration has pursued a vigorously pro-industry forestry policy. In June 2003, the Forest Service stunned environmentalists by announcing it would permit logging in previously protected portions of the nation's two largest national forests – Tongass and Chugach – along with formerly roadless areas in national forests across the country. [White House Weekly, 6/26/01, [Greenwire](#), 9/15/03, [Roadless Rule exemptions proposed by Administration](#)]

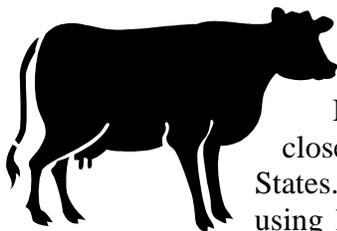
Chuck Lambert, Deputy Undersecretary for Marketing and Regulatory Programs. Lambert joined the USDA on December 2, 2002, after 15 years at the National Cattlemen's Beef Association (NCBA), the lobbying group for the cattle industry. In his current job, Lambert is one of the people in charge of regulating the meat packing industry. Before the discovery of mad cow disease in the United States, Lambert's close ties with the meat packing industry contributed to the formulation of the Administration's decidedly pro-business meat policies. For instance, the Administration fought hard for a provision in the 2004 Omnibus appropriations bill to delay a requirement that supermarket meat and produce carry labels identifying them by country of origin for two years. But, it was the very lack of labeling that made it so difficult to determine from which country the mad cow found in the United States had come. [[Biographical Sketch: Chuck Lambert](#), [Bismarck Tribune](#), 10/6/02]

- **Two more key USDA staffers also have ties to NCBA.** [Dale Moore](#), Chief of Staff to Secretary Veneman, was the executive director for legislative affairs for NCBA, where he worked from 1997 until he joined the USDA in 2001. And, [Alisa Harrison](#), Deputy Director of Communications and Press Secretary, also joined USDA in 2001 after leaving the NCBA, where she served as Executive Director of Public Relations and where she had worked since 1986. [[C:\Program Files\SoftQuad\HoTMetaL PRO 6\ gifs\Dale Moo.htm](#), [Release No. 0197.01](#)]

Scott Charbo, Chief Information Officer. In August 2002, Charbo became Chief Information Officer (CIO) of USDA and took charge of the Department's information technology resources and assets. Prior to joining USDA, Charbo was the president of mPower3, Inc., a subsidiary of ConAgra Foods Company. Last year, the USDA allowed ConAgra to continue selling beef even after it found 34 E.coli samples in one of their plants. At least one person died as a result of the ensuing E.coli outbreak. ["Critics: Agency Too Cozy With Those it Regulates," [Philadelphia Inquirer](#), 5/18/03, [Charbo Biography](#)]



- **Mary Waters, Assistant Secretary for Congressional Relations**, also has ties to ConAgra, where she was the Senior Director and Legislative Counsel. [[Biographical Sketch: Mary Waters](#)]



Jim Moseley, Deputy Secretary of Agriculture. Before joining USDA in 2001, Moseley was a half owner of AgRidge Farms and Infinity Pork, a hog farm. At USDA, Moseley came under fire for his close ties to industry after mad cow disease was discovered in the United States. Under his watch, USDA had upheld the beef industry’s practice of using hobbled “downer” cattle for meat. This rule was reversed after mad cow disease was discovered in downer cattle in Washington State last year. [[New York Times](#), 1/5/04, [Associated Press](#), 7/12/01]

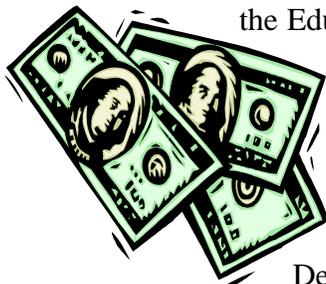
Department of Education:

Teresa Shaw, COO, Financial Student Aid (FSA). Shaw started at the Department of Education in September 2002 as the Chief Operating Officer of the Financial Student Aid Office (FSA), which annually administers student aid worth more than \$60 billion to nearly nine million people. Shaw also worked at a variety of positions at SLM Corporation (Sallie Mae), a leading provider of private student loans. According to [US News & World Report](#), Sallie Mae has been competing with the



Department of Education for student loan business – winning more than \$1 billion in new loans from schools that had formerly participated in the Department of Education’s direct loan program. Overall, Sallie Mae earned nearly \$800 million last year, mostly from its student loan business. Under Shaw, the Bush Administration proposed selling off the government’s direct loan portfolio to the private sector – a proposal that would have been a boon to Sallie Mae. [[Theresa S. Shaw, Chief Operating Officer, Federal Student Aid, U.S. Department of Education -- Biography](#), [US News & World Report](#), 10/27/03]

William Hansen, Former Deputy Secretary of Education. Hansen was Deputy Secretary of Education from 2001 to 2003. Prior to joining the Administration, Hansen had been the CEO of the Education Finance Council, a leading trade group representing lenders, and one of the lenders that sued the Department of Education in 2001 for providing on-time repayment incentives to students in the direct loan program. Hansen also headed up a political action committee (PAC) that made contributions to candidates who favored private lending over the Department’s direct student loan program, and he had testified before Congress prior to his appointment *against* the direct loan program. At the

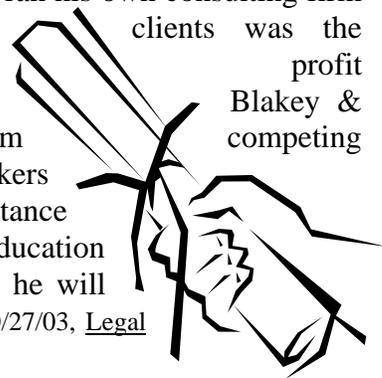


Department, Hansen continued his push to undermine direct loans. Then, the Bush Administration proposed selling off the direct loan portfolio to the private sector. When Hansen left the Department, he became the senior vice president and managing director of education services for Affiliated Computer Services (ACS) – an information technology business that specializes in outsourcing solutions to commercial and government clients worldwide. In November 2003, the Department of Education announced that ACS won a new 5-year contract, worth \$2 billion over ten year, to service all direct loans. [[US News & World Report](#), 10/27/03, [Newsbytes](#), 6/26/03, 11/21/03, http://www.acenet.edu/hena/issues/2000/11_20_00/11_20_00.pdf]



Kristie Hansen, General Manager of Financial Partners, Federal Student Aid (FSA). In June 2002, Hansen was named general manager of financial partners at Federal Student Aid (FSA). As general manager of financial partners at FSA, Hansen works directly with the 3,600 lenders and servicers who participate in the student loan programs. Hansen had previously served as the executive vice president for the National Council of Higher Education Loan Programs (NCHELP), which represents a national network of lenders that have provided more than \$300 billion in student loans. Members of NCHELP include ACS, which recently won a \$2 billion contract from the Department of Education. [[Legal Times](#), 6/17/02, [Newsbytes](#), 11/21/03]

Jeff Andrade, Former Deputy Assistant Secretary for the Office of Postsecondary Education. Andrade served as Deputy Assistant Secretary for the Office of Postsecondary Education from 2002 through the fall of 2003. As Deputy Assistant Secretary, Andrade was responsible for all student aid issues. Prior to this position Andrade ran his own consulting firm focusing on higher education and financing issues. One of his top clients was the Career College Association, a national advocacy group for for-profit colleges. Andrade had also worked for the lobbying firm Dean Moskowitz, where he lobbied to restrict the direct loan program from profit-making lenders on behalf of his clients, the Consumer Bankers Association and the Coalition of Higher Education Assistance Organizations. In 2004, Andrade took a job as director of education government relations with Powers Pyles Sutter & Verville, where he will again represent lenders and universities. [[US News & World Report](#), 10/27/03, [Legal Times](#), 1/26/04, [Chronicle of Higher Education](#), 9/12/2003]



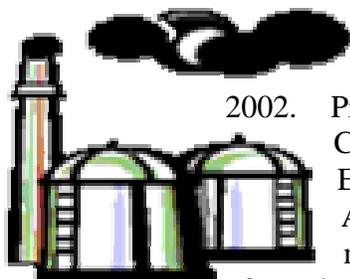
Department of Health and Human Services:



Tom Scully, Former Administrator, Centers for Medicare & Medicaid Services (CMS). Called one of the most “visible proponents” of President Bush’s Medicare prescription drug bill, for more than two years Scully was in charge of administering both Medicare and Medicaid, as well as negotiating the Republican proposal for a Medicare prescription drug benefit. In December, the *New York Times* revealed that Scully had been in job negotiations with Ropes & Gray, a firm that represents PhARMA, the drug industry’s lobbying arm, for several months. The firm and its lawyers also represent Abbot Laboratories, AstraZenica, Bristol Myers Squibb, Eli Lilly, Novartis and Pfizer – all of whom had a vested interest in the final prescription drug bill. In fact, a closer inspection revealed that over a period of six months, Scully had conversations with five law firms, including Ropes, most of which represented interests with issues before CMS. In December, Scully accepted an offer from Alston & Bird, an Atlanta-based firm that represents, among other interests, the National Association for Home Health Care and Johnson & Johnson. Not surprisingly, the President’s prescription drug bill actually prohibits the federal government from negotiating lower drug prices for seniors and effectively bans seniors from buying their medicines from Canada, where the drug companies sell the same medications for a fraction of the price. Both points were key to the pharmaceutical lobby that eventually hired Scully. [[Drug Industry Daily](#), 12/04/03, [St. Petersburg Times](#), 12/04/03, [New York Times](#), 1/19/03, 12/03/03]

Julie Goon, Director of Medicare Outreach. According to [Congress Daily](#), the Bush Administration recently hired former HMO lobbyist, Julie Goon, to be the Administration's Director of Outreach on Medicare. Goon will be charged with "getting the word out to seniors, healthcare professionals, consumer groups and others about how the program works." The Administration recently announced it would be spending nearly \$10 million dollars on television ads to try to convince seniors that the President's fatally flawed Medicare prescription drug bill is a good deal. At AAHP-HIAA, the self-described "voice of America's Health Insurers," Goon helped lead the industry effort to block the Patients' Bill of Rights, and this year, she worked with AAHP-HIAA to push through the Republican prescription drug bill, which includes billions of dollars in subsidies for HMO's and the insurance industry. [[Congress Daily](#), 1/23/04, [Welcome to Our Future.org](#), [Business Insurance](#), 8/17/98, [Associated Press](#), 2/03/04, [AAHP Press Release](#)]

Department of Energy:



Francis S. Blake, Former Deputy Secretary of Energy. Blake served as Deputy Secretary of Energy from March 2001 until March 2002. Prior to his appointment, Blake was the Senior Vice President of Corporate Business Development at General Electric. Blake is now the Executive Vice President at Home Depot, and he serves on Secretary Abraham's blue ribbon panel on how to increase competition for the management of the national laboratories. Blake played a key role in formulating the Administration's Clear Skies initiative, which lowered emissions standards. According to reports, all but one of the more than 60 people Blake met with to talk about the clean air rules were from energy companies or industry groups. [[energy.gov : Press Releases : DOE Presidential Appointees Sworn In](#), [San Francisco Chronicle](#), 5/13/03, [Washington Post](#), 3/2/02]

Dan Brouillette, Assistant Secretary of Energy for Congressional & Intergovernmental Affairs. Before joining the Administration, Brouillette worked as a lobbyist for mining companies and oil companies – his firm collected at least \$2.7 million from extraction related industries. Most recently, Dan Brouillette was a partner with the Alpine Group, Inc. In addition, he was Senior Vice President of R. Duffy Wall & Associates from 1997 to 2000. [[Warstories:CC - Dan Brouillette](#)]

Vickey Bailey, Assistant Secretary. Before joining the Bush Administration, Vicky Bailey served from 2000 up until her appointment in 2001 as the President of PSI Energy Inc., Indiana's largest electric supplier and the Indiana operating company of Cinergy Corp. The Bush energy plan, which Bailey helped to craft, was a boon to the oil industry, opening up currently protected lands to oil and gas drilling, weakening environmental standards, and authorizing the building of more than 1,000 new electric power plants. [[Regulatory Intelligence Data](#), 8/3/01, [NRDC: The Bush-Cheney Energy Plan: Players, Profits and Paybacks](#)]



Department of the Interior:

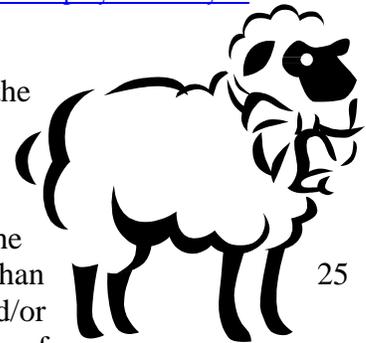


Gale A. Norton, Secretary. Norton was sworn in as Secretary of the Department of the Interior in January 2001. Before joining the Administration, Norton had co-founded the Council of Republicans for Environmental Advocacy, a property rights, market oriented group backed by the American Forest Paper Association. Norton was also a senior attorney for the Mountain States Legal Foundation, a controversial group formed by former Interior Secretary James Watt and funded by mining, logging, oil and grazing interests such as Louisiana Pacific, Idaho Forest Industries, Phelps Dodge Corporation, Texaco, Exxon, and Chevron. As

Secretary, Norton has pushed a pro-industry agenda, opening up previously protected national environmental treasures to logging and oil companies. [[The Complete Marquis Who's Who Biographies](#), 7/21/00; [Washington Post](#), 1/8/01, [The Associated Press State & Local Wire](#), 2/11/99; [The Fresno Bee](#), 9/4/00; [Ventura County Star](#), 9/1/00; [The New York Times](#), 1/31/01, [Chemical Market Reporter](#), 8/17/98]

J. Steven Griles, Deputy Secretary. Norton nominated Griles to be her chief deputy in March 2001. In the private sector, Griles had been a lobbyist, representing Shell Oil, Texaco, Arch Coal, Chevron and the National Mining Association. In fact, Griles continues to receive deferred compensation from his former lobbying firm - National Environmental Strategies -- to the tune of \$284,000 a year (for four years). Though Griles had signed an agreement to recuse himself from making any client related decisions as a condition of his confirmation, he has allegedly met dozens of times with clients of his former firm. Documents obtained through the Freedom of Information Act (FOIA) reveal that Griles has met with officials from the National Mining Association and Edison Electric – both clients of his former firm with issues pending before the Administration. The Department of Interior's inspector general is currently investigating Griles' conduct since he accepted the post. [[Friends of the Earth: Griles by the Numbers](#), [The Seattle Post-Intelligencer](#), 7/14/01, [Norton Announces Nomination of J. Steven Griles to Serve as Deputy Secretary of the Interior](#), [Palm Beach Post](#), 10/2/03, [New York Times](#), 7/2/03]

William Myers, Former Solicitor. Myers served as solicitor for the Department of the Interior between 2001 and 2003, after having worked as an attorney for the National Cattlemen's Beef Association (NCBA), the Public Lands Council, the Association of National Grasslands, the American Sheep Industry Association, and for the private firm, Holland & Hart, LLP. As solicitor, Myers had more than meetings with both groups and individuals who had mining and/or grazing interests before the government, including former clients of Holland & Hart. Myers also had at least 11 meetings with partners at Holland & Hart and their clients. In January, the Office of Government Ethics ruled that Myers did not violate any *criminal* statutes. In May 2003, Myers was nominated to serve as a judge on the Ninth Circuit Court of Appeals. [[Secretary Norton Praises Senate Action Confirming William Myers as Solicitor for the Interior Department](#), [Greenwire](#), 1/13/04, [Secretary Norton Praises Senate Action Confirming William Myers as Solicitor for the Interior Department](#)]



25



Bennett William Raley, Assistant Secretary for Water and Science. Raley was nominated by the Bush Administration to serve as Assistant Secretary for Water and Science at Interior in April 2001. Prior to his nomination, he was the President of Trout and Raley, P.C., in Colorado, a law firm that represents water users who fall under the Endangered Species Act. Raley also served as a co-chair of the Federal Water Rights Task Force and worked for the Defenders of Property Rights and the Mountain States Legal Foundation's Board of Litigation.

Working in the private sector, he lobbied for private land rights and against the Endangered Species Act and stricter water pollution controls. He also testified before Congress on their behalf. The [San Francisco Chronicle](#) described Raley as "a strong critic of the Clinton administration's environmental policies. He has called for the repeal of the Endangered Species Act and criticized the Clinton administration for putting the interests of fish over those of property owners and other water users." Now at Interior, he is in charge of defending the very programs he once fought. [[President Bush to Nominate One Individual to Serve in His Administration and His Appointment of Two Individuals](#), [National Journal](#), 2/23/02, [Witness Testimony](#), [Denver Post](#), 1/26/01, [San Francisco Chronicle](#), 4/19/2]

W. Rebecca Watson, Assistant Secretary for Land and Minerals Management. Watson was confirmed in January 2002 after a long career representing logging, mining, oil and gas companies, as well as off vehicle associations. Watson also served on the Mountain States Legal Foundation's Board of Litigation, and she was a member of the Northwest Mining Association and the Montana Petroleum Association, on behalf of her former law firm, Gough, Shanahan, Johnson and Waterman. Now at Interior, Watson is responsible for setting policy priorities and overseeing government programs at the Bureau of Land Management, the Minerals Management Service, and the Office of Surface Mining Reclamation and Enforcement, some of which she previously fought to roll back. [[National Journal](#), 2/23/02, [U.S. Department of the Interior - Rebecca W. Watson Biography](#), [Behind the Curtain](#)]

Camden Toohey, Special Assistant for Alaska. Toohey was named special assistant for Alaska in June 2001, after serving as executive director of Arctic Power -- one of the chief lobbying groups for opening up Alaska's Arctic National Wildlife Refuge to drilling. Mr. Toohey was also Executive Director and co-owner of the Crow Creek Mine in Girdwood Alaska, where he managed daily operations of family-owned gold mine. In January 2004, Interior Secretary Norton finalized the Department's plan to begin drilling in the Arctic refuge, and the President's FY2005 budget includes plans and estimated revenues for the drilling. At Interior, Toohey is one of the people in the Administration in charge of making decisions about opening up the Arctic refuge. [[Land Letter](#), 6/12/03, [Buffalo News](#), 9/8/02, [Interior Finalizes Plan for NW National Petroleum Reserve-Alaska](#), [The League of Conservation Voters : Bush Budget Projections Include \\$2.4 Billion from ANWR](#), [Interior Secretary Names Toohey Special Assistant for Alaska](#)]



Drue Pearce, Senior Adviser for Alaska Affairs. Formerly President of the Alaska State Senate, Pearce was appointed to be a senior adviser for Alaska Affairs in June 2001. As a member of the Alaska State legislature Ms. Pearce opposed Clinton's

attempts to declare ANWR a national monument. After leaving the Senate, Pearce worked as a consultant for an Alaska oil development company. [[President Bush Praises Interior Secretary Appointment of Drue Pearce as Senior Advisor for Alaskan Affairs](#), *Washington Post*, 5/7/03]

Kit Kimball, Interior Director of External and Intragovernmental Affairs. Norton appointed Kimball to be the Interior Department's Director of External and Intergovernmental Affairs in August 2001. Before joining the Department, Kimball was a lobbyist for the Western Regional Council (WRC), an advocacy group comprised of energy, mining, oil and gas companies that advocates for more access to public lands. Just weeks before her nomination, Kimball wrote a letter to WRC's membership about a meeting she had with Secretary Norton regarding access to public lands. [[Associated Press](#), 8/7/01; [www.wcrusa.com](#), 8/27/01, [Norton Names Kimball Intergovernmental & External Affairs Director](#)]

Jason Peltier, Deputy Assistant Secretary for Water and Science. Peltier joined the Department of Interior in 2001 to work as Secretary Norton's key assistant on California water issues. At Interior, Peltier has played a key role in negotiating administering the Bureau of Reclamation's implementation of the 1992 Central Valley Project Improvement Act (CVPIA), a law signed by President George H.W. Bush but bitterly opposed by wealthy California agribusinesses because it requires a reduction in their irrigation subsidies and the freeing of some water to mitigate massive environmental and fishery degradation. Peltier is also a key negotiator on behalf of the Department in the drafting of new long term water contracts with California farmers, which will commit the federal government to multi billion dollar subsidies for decades into the future. And, Peltier is also involved in the resolution of the Klamath water crises where farmers, Indian tribes, conservationists and commercial fishermen in northern California and southern Oregon are in a heated dispute over the allocation of water. Prior to joining the Department of the Interior in 2001, Peltier had worked for more than a decade for the Central Valley Project Water Users Association, which is composed of the very farm interests with whom the Department is now negotiating CVPIA implementation and contract renewals. In fact, shortly after the CVPIA's enactment Peltier told the *San Francisco Chronicle*, "We'll do anything and everything to keep from being harmed. If that means obstructing implementation so be it." [[Western Farm Press](#), 1/24/04, [Environmental News Service](#), 8/28/02, [Contra Costa Times](#), 7/11/2001, [Land Letter](#), 6/12/03, [San Francisco Chronicle](#), 10/31/92, [Fresno Bee](#), 11/6/02]

White House Council on Environmental Quality:



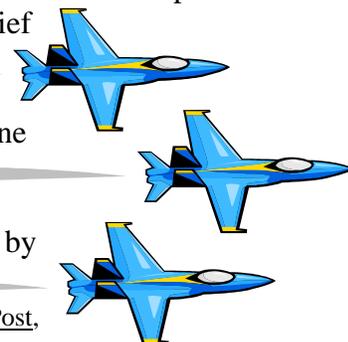
James Connaughton, Chairman of the White House Council on Environmental Quality. Bush announced Connaughton's appointment in May 2001 to be Chairman of the White House Council on Environmental Quality. Connaughton has a long history of lobbying for mining and chemical manufacturing industries as a partner at Sidley & Austin, where he represented Atlantic Richfield and General Electric in disputes over Superfund sites. In the private sector, Connaughton had also lobbied for ASARCO Inc., a mining company. At the White House, Connaughton is now in charge of protecting the environment from – among other things – the industries he once represented.

[[www.whitehouse.gov/ceq/connaughton-bio.html](#), [www.whitehouse.gov/news/nominations/246.html](#), [Environment and Energy Daily](#), 6/22/01; [National Journal](#), 2/23/02; [New York Times](#), 5/12/01]

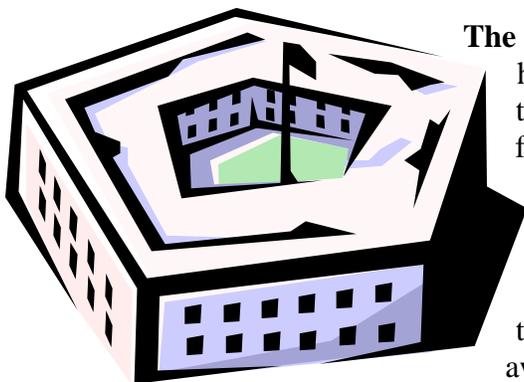
Department of Defense:

E.C. “Pete” Aldridge, Jr., Former Under Secretary of Defense for Acquisition, Technology, and Logistics. Aldridge was confirmed as Under Secretary of Defense for Acquisition, Technology and Logistics in May 2001. Formerly, Adlridge had been the president of McDonnell Douglas Electronics Systems Co. and the chief executive officer at the Aerospace Corporation. At the Pentagon, Aldrich was the Department of Defense’s chief weapon’s buyer, where he was responsible for decisions involving Lockheed Martin’s F-22 fighter.

At the time, the F-22 was both behind schedule and over cost. Less then one month after leaving his job at the Pentagon, Aldridge was elected to the board of Lockheed Martin, to be the company’s chief weapons buyer. At the same time he joined Lockheed, Aldridge was named by Defense Secretary Rumsfeld as the head of a panel studying the reorganization of the Defense Department. [[Washington Post](#), 6/27/03, [National Defense Magazine](#), [Business Press California](#), 1/13/03]



Donald Schregardus, Deputy Assistant Secretary of the Navy for Environment. Schregardus was appointed as a Deputy Assistant Secretary of the Navy in November 2001 after Senate Democrats refused to confirm him to head the EPA’s Office of Enforcement and Compliance Assurance. Formerly the head of the Ohio Environmental Protection Agency, Schredgardus withdrew his name for the EPA slot after intense questioning of his Ohio record. In Ohio, Schredgardus openly refused to comply with federal clean air standards. At the Navy, Schredgardus is in charge of ensuring the Navy is in environmental compliance at contaminated sites. [[Environment and Energy Daily](#), 9/16/03, [Earthjustice: Policy and Legislation](#)]



The Defense Policy Board. The Defense Policy Board is a high-powered advisory board for the Secretary of Defense that is comprised of 30 civilians, including academics, former government advisors, and civilian defense contractors. During the Bush Administration, members of the board have come under fire for reportedly making policy recommendations that involve personal financial gain. According to the *Center for Public Integrity*, nine of the board’s members have ties to companies that have been awarded more than \$75 billion in defense contracts in just the

first two years of the Bush Administration. The scandals have culminated most recently with allegations surrounding a controversial \$20 million contract to Boeing Corporation and the former chairman of the panel, Richard Perle, who had financial ties to the company. Perle was forced to resign his chairmanship of the panel last spring, but he continues to serve on the board. [[Corporate Affiliations of Defense Policy Board Members](#)]

The following Defense Policy Board members had ties to companies that won defense contracts in 2001 and 2002: (Source: [Corporate Affiliations of Defense Policy Board Members](#))

Defense Policy Board Member	Defense Contracts – 2001 and 2002
Harold Brown	\$445,659,445
Ronald R. Fogleman	\$2,456,197,404
David Jeremiah	\$16,461,062,909
Philip Merrill	\$789,919,979
William Owens	\$98,706,339
James Schlesinger	\$938,752,318
Jack Sheehan	\$1,674,480,681
Chris Williams	\$49,120,623, 385
R. James Woolsey	\$1,122,568,369

➤ **Richard Perle, Former Chairman and Current Member of the Defense Policy Board.**

Secretary of Defense Donald Rumsfeld appointed Perle to the Defense Policy Board in 2001. Perle first came under fire in March 2003 when a *New Yorker* article revealed that he had reportedly used his position as chairman of the Defense Policy Board to solicit investments for his venture capital firm, Trireme Partners. Allegedly, Perle had solicited \$20 million in investments from Boeing Corporation, while advocating for a controversial \$17 billion Boeing contract to lease 20 tankers and purchase up to 80 more, rather than pursuing an alternative approach with a \$5 billion price tag. As the details of the Boeing deal came to light, Perle was forced to resign as chairman, but he continues to serve on the board. Just this past December, Perle co-authored an opinion piece that was published in the *Wall Street Journal* in favor of the Boeing deal, without disclosing his financial ties. The Pentagon has since put a hold on the Boeing deal, pending an investigation by its inspector general, and last week Boeing fired two of its executives, one a former Air Force procurement official, for violating company policies. [*60 Minutes*, 1/21/03, [Washington Post](#), 1/11/04, 12/5/03, [The Nation](#), 4/3/03, [Reuters](#), 12/05/03, [The New Yorker](#), 3/17/03]



Robert E. McKee, Senior Advisor for Oil, Coalition Provisional Authority (CPA). At the end of September 2003, the Bush Administration tapped Robert E. McKee III to be chief oil advisor for the Coalition Provision Authority (CPA) in Iraq. McKee's appointment was quite controversial, as he is the chairman of Enventure Global Technology, a joint venture between Shell and Halliburton, and Halliburton has come under fire for over-charging American government for services provided in Iraq. McKee is also currently on the board of directors for Questar Corp, a pipeline and exploration and production company. McKee replaced Philip J. Carroll, also an industry-insider from Shell Oil Co., who had been handling the post-war development of Iraq's oil sector for less than five months. [[Oil and Gas Journal](#), 10/13/03]

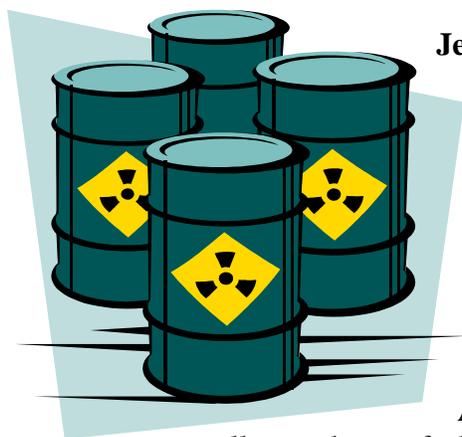
Department of Justice:



Thomas Sansonetti, Assistant Attorney General for the Environment and Natural Resources. Sansonetti was appointed to his position at Justice in November 2001. At Justice, Sansonetti is in charge of representing the government in cases against the EPA involving pollution prevention and cleanup, public lands and resources, wildlife protections, and Indian rights claims. A Wyoming lawyer, Sansonetti had been a lobbyist for the coal industry and a member of the libertarian Federalist Society, an anti-regulatory group, before joining the

Department. In 2003, Sansonetti came under fire for allegedly misleading Congress about the impact of the EPA's revised Clean Air Act rules on New Source Review (NSR) relating to lawsuits pending at the agency against plants and refineries built before 1970's. The Administration had revised the Clinton-era rule based on a recommendation from Vice President Cheney's energy task force in 2001 to review the standard. The industry, which had contributed nearly \$5 million to the Bush campaign and other Republican committees in 2000, had argued that the existing rules discouraged investment. Revised rules were announced in August 2002 that significantly loosened the clean air requirements, but Sansonetti, along with his colleagues at EPA, assured Congress at the time that the changing rules would not impact the outcome of pending lawsuits that the EPA had filed against older plants during the Clinton Administration. In October 2003, however, two former EPA employees came clean, revealing that the changed rules were in fact already impacting an enforcement case against Dynegy, which operates a major power plant in Illinois. The new rules could effect enforcement against enforcement cases against more than 50 other power plants operators, and dozens of refineries. [[Wyoming Eagle-Tribune](#), 4/17/03, [Washington Post](#), 10/10/03, [DOJ: Environment & Natural Resources Division](#)]

Environmental Protection Agency:



Jeffrey Holmstead, Assistant Administrator for Air and Radiation. Holmstead was sworn in as EPA's Assistant Administrator for Air and Radiation in 2001, where he is in charge of implementing the Clean Air Act, regulating industry and automotive air pollution, and administering the EPA's global climate change program. Holmstead came to EPA after working as a lawyer at Latham & Watkins, where he represented the Alliance for Constructive Air Policy in their effort to halt an EPA plan to reduce smog. The American Electric Power, Cinergy, the National Mining Association, and other coal and utility industry leaders, were

all members of the Alliance. Holmstead also represented various chemical companies, including Eastman Chemical Company, Hoeschst Calanese Corporation, and the Acetone Panel of the Chemical Manufacturing Association. At EPA, Holmstead became the Bush Administration's chief proponent of the "Clear Skies" initiative, the Administration's proposal to set new targets for air pollution emissions – targets that are *weaker* than existing law. Moreover, according to a recent report in the *Washington Post*, the Administration's revised Clean Air rules on mercury emissions bear a striking resemblance to two memos circulated by

law firms representing industry clients – one of which was Latham & Watkins, Holmstead's former employer.

Holmstead has also been reportedly implicated, along with Sansonetti at Justice, for misleading Congress on the impact of NSR rule changes on cases pending against polluters. According to a report by the independent General Accounting Office (GAO), Holmstead was repeatedly warned by his staff that the Administration's NSR rules could undermine EPA's efforts to force polluters to come into compliance with air quality laws. Despite these warnings, Holmstead told two Congressional committees in July 2002 that the changed rules would have no negative impact on enforcement. In October 2003, however, two former EPA employees came clean, revealing that the changed rules were in fact already impacting and enforcement case against Dynegy, which operates a major power plant in Illinois. The new rules could effect enforcement against enforcement cases against more than 50 other power plants operators, and dozens of refineries.

- **John Pemberton**, who had been Holmstead's chief of staff, left the Bush Administration in 2003 just one week after the EPA issued its final Clean Air Act rule to go work for Southern Co., an Atlanta utility that is considered by many to be among America's worst polluters and was a driving force in lobbying for the rule. Southern Co. is one of the defendants in eight of 51 federal clean air enforcement cases on NSR violations and would most likely have been found liable had the rules not been changed.
- **Edward D. Krenik, Former Associate Administrator for Congressional and Intergovernmental Relations.** In November 2003, Krenik, who had been Associate Administrator for Congressional and Intergovernmental Relations at EPA, left his job to work for Bracewell & Patterson, the law firm that had coordinated lobbying efforts for a number of utilities impacted by the NSR rule change. [[Los Angeles Times](#), 10/24/03, [EPA National News: KEY OFFICIALS ASSUME SENIOR ENVIRONMENTAL POSTS](#), [Dallas Morning News](#), 8/31/03 [New York Times](#), 7/14/03, [St. Louis Post Dispatch](#), 11/2/03, [Energy Daily](#), 1/9/04, [Providence Journal Bulletin](#), 11/3/03, [Multinational Monitor](#), 10/1/03, 9/15/03, [Washington Post](#), 1/31/04]



Jean-Mari Peltier, Counselor to the Administrator on Agricultural Policy. Peltier began working at EPA in May 2001 as counsel to the Administrator on Agricultural Policy. Before she joined EPA, Peltier had spent most of her career representing agricultural interests in their disputes with the EPA. [[National Journal](#), 2/23/02, [EPA National News: NEW COUNSELOR TO ADVISE EPA ADMINISTRATOR ON AGRICULTURE ISSUES PELTIER OF CALIFORNIA TO ASSUME POST](#)]

Adam J. Sharp, Associate Assistant Administrator for Prevention, Pesticides, and Toxics. Sharp was named to the EPA in February 2002 as Assistant Administrator for Prevention, Pesticides and Toxics. Sharp had been the director of government affairs for the American Farm Bureau Federation, one of the leading farm lobbies, where he was in charge of promoting pro-farming policies on the federal level. In particular, Sharp worked with the Bureau on industry friendly pesticides, air quality and biotechnology issues. Now at EPA, Sharp is in charge of maintaining the integrity of these programs. [[United Press International](#), 2/13/02, [US Newswire](#), 2/11/02]

Marianne Lamont Horinko, Acting Administrator. Marianne L. Horinko was named Acting EPA Administrator by President George W. Bush on July 10, 2003. Prior to her appointment, she had been in charge of EPA's Superfund program. Before joining EPA, Horinko was the president of Don Clay Associates, an environmental consulting firm, where her clients included the Chemical Manufacturers Association, Koch Petroleum Group and several other companies that now currently benefit from a Superfund tax-free status. Horinko was also an attorney at Morgan, Lewis & Bockius, where she represented clients in Superfund and Clean Air litigation. In January 2004, an EPA Inspector General Report found that the Bush Administration had fallen nearly \$175 million short in cleanup funding for hazardous Superfund waste sights in 2003. In fact, President Bush is the first President since Reagan signed the Superfund reauthorization into law to oppose the renewal of the polluters-pay tax that funds Superfund cleanups. Not surprisingly, this key cleanup program ran out of money on October 1, 2003, jeopardizing the health and well being of the one in four Americans – including 10 million children – who live within four miles of a Superfund site. [[EPA Newsroom: Biography of Acting Administrator Marianne Lamont Horinko](#), [Christian Science Monitor](#), 11/14/03[Bush Administration Admits to Leaving Communities at Risk from Toxic Waste in 2003](#)]

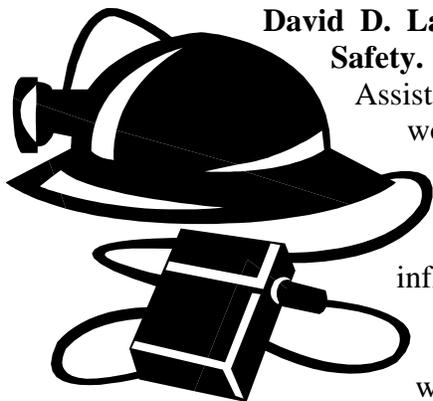


Department of Labor:



Elaine Chao, Secretary of Labor. Chao, who was confirmed by the Senate in late January 2001, has a “wealth of business experience,” according to her biography. Indeed, Chao has served as both the Vice President of Syndications at BankAmerica Capital Markets Group and a banker with Citicorp. Chao has also sat on a variety of corporate boards, including Dole Food CO, NASD (the parent company of NASDAQ), NADAQ, Protective Life; Vencor Inc.; Millipore; Raymond James Financial Corp.; North American Electric Reliability Council; Northwest Airlines; C.R. Bard, Inc.; Clorox; Columbia/HCA Healthcare, Parsons Co. and Kindmark, Inc. As Labor Secretary, Chao has pushed changes in regulations that would help businesses at the expense of millions of workers, including the reversal of ergonomics regulations and rolling back overtime benefits. [[U.S. Department of Labor: Office of the Secretary: About Secretary of Labor Elaine L. Chao](#), [Multinational Monitor](#), 5/1/01]

Ann Laine Combs, Assistant Secretary of Pension and Welfare Benefits. Before joining the Administration in 2001, Combs had been vice president and chief counsel for pensions and retirement at the American Council of Life Insurers (ACLI). As Assistant Secretary, Combs has testified before Congress on behalf of administrative and legislative changes to permit insurers to provide self-interested investment advice -- an issue supported by ACLI that would directly benefit insurers. [[Multinational Monitor](#), 5/1/01, [Presidential Nomination: Ann Laine Combs](#), [Alliance for Retired Americans](#), [The Economist](#), 2/7/04, Hearing on H.R. 2269, ‘Retirement Security Advice Act,’ Sbcmtc on Employer-Employee Relations, Committee on Education and the Workforce, 7/17/01]



David D. Lauriski, Labor Assistant Secretary for Mine Health and Safety.

Lauriski was confirmed by the Senate in May 2001 to be Assistant Secretary of Mine Health and Safety after thirty years of working in the coal industry. Lauriski had formerly been the General Manager of Energy West Mining Company and the president of Lauriski and Associates. Lauriski has come under fire for allegedly allowing his close ties to industry influence decision making at the Department of Labor. In June 2003, the Mine Safety and Health Administration (MSHA) proposed regulations on regulating coal dust in mines that would have resulted in less frequent testing. The regulations were bitterly opposed by coalminers, who accused Lauriski of compromising their health to do the industry's bidding. In September 2003, the Senate halted Lauriski's proposal by incorporating language into the Labor-HHS spending bill.

Lauriski was also implicated by Jack Spadaro, the former superintendent of the National Mine Health and Safety Academy in Berkley, West Virginia. Spadaro named Lauriski in his complaint regarding the handling of an MSHA investigation into a huge coal sludge spill at the Martin County Coal Company in eastern Kentucky. Sparado accused Lauriski of cutting the investigation short and failing to hold federal regulators accountable for weak oversight. In 2001, Sparado resigned from his position as a member of the team investigating the spill in protest. Others also filed complaints about the Kentucky coal slurry spill, alleging that MSHA employees had been pressured to approve an inaccurate report about the cause of the spill. Sparado also accused Lauriski's of rewarding no-bid contracts to former business associates and colleagues, an accusation that has led to an ongoing investigation at the Department of Labor. [[Information about the Assistant Secretary](#), [New York Times](#), 11/9/03, [Charleston Gazette](#), 1/30/03, [Charleston Daily Mail](#), 9/12/03]

John Caylor, Deputy Assistant Secretary for the Mine Safety and Health Administration.

Caylor, who serves as Lauriski's deputy, also came from the mining industry. Caylor worked for Cyprus Minerals, Amax Mining, and Magma Copper. Several complaints have been filed regarding the Kentucky spill, including one by Mr. Sparado, who accused Caylor of giving away hundreds of thousands in no-bid contracts to his friends in the industry. Specifically, Sparado accused Caylor of threatening to fire or transfer him because of his complaint to the Department of Labor's Inspector General about a \$ 300,000 sole-source, no-bid contract that went to Jerry Silver and Associates to analyze the agency's training needs. Silver and Caylor were close friends at the time. [[Charleston Gazette](#), 1/27/04, 7/4/03, 5/23/03, 1/30/03, 11/10/02]

- **MHSA Deputy Assistant Secretary John Correll** was also named in the Sparado scandal for threatening to fire the long-time employee. Like Caylor, Correll also came to MSHA with an industry background, having worked for Amax Mining and Peabody Coal. [[Charleston Gazette](#), 1/27/04, 7/4/03, 5/23/03, 1/30/03, 11/10/02]

Department of State:



James Oberwetter, Ambassador to Saudi Arabia. In January, Texas oil lobbyist James Oberwetter was sworn in as US Ambassador to Saudi Arabia. A long-time friend of the Bush family, Oberwetter is a lobbyist for Hunt Oil Co., an oil exploration and production company. During his nomination, US Senator Charles Schumer (D-NY) wrote a letter to the President asking him to withdraw Oberwetter's nomination because of Oberwetter's lack of diplomatic experience and long-standing ties to the oil industry. Oberwetter replaced Texas oil lawyer Robert Jordan, who had resigned in October 2003. [[Energy](#)

[Compass](#), 12/11/03, [Associated Press](#), 12/10/03]

Department of the Treasury:

William F. Sweetnam, Jr., Benefits Tax Counsel. Sweetnam was named Benefits Tax Counsel in July 2001, having joined the Department as an associate earlier that year. In his post, Sweetnam is a senior advisor on employee benefits and retirement issues, and as such, he is in charge of drafting regulations on pension benefits for the Administration – including the controversial rules for pension plans that would make it easier for companies to convert traditional pension plans to a less secure type of plan known as cash balance plans. Cash balance plans pose significant risks to older workers, those 40 and older, potentially cutting their pension benefits by up to fifty percent. Sweetnam has tight connections to the pension industry, having worked as a technical consultant at Towers Perrin, a pension benefits and compensation consulting firm, and as chief counsel in charge of taxes and ERISA at Sunoco. Last year, Sweetnam co-hosted a party at his house with a lobbyist for the American Society of Pension Actuaries, Brian Graff. The reception was for both industry lobbyists and law firms, including the American Council of Life Insurers and Wall Street's Securities Industry Association.

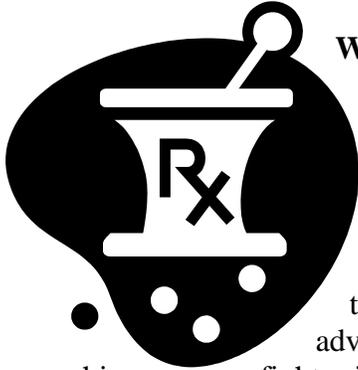


Sweetnam is also at the center of a controversy surrounding the leaking of a Treasury Department letter to Xerox, Corp., which was sent to Senate Finance Chairman Grassley (R-Iowa). The letter, written and initialed by Sweetnam but sent by his boss assistant secretary Pamela Olson, stated that the Treasury Department was “fundamentally reconsidering all aspects” of the IRS’ proposed cash balance rules. Xerox Corp included a copy of the letter in a motion it filed with an appellate court to help make its argument in a fight over benefits in a cash balance plan. The court, however, ruled against Xerox. Though Sweetnam denied leaking the letter, he did admit that he had met with at least one Xerox executive that year regarding cash balance plan regulations. [[Pensions and Investments](#), 9/15/03, [PO-481: "William F. Sweetnam, Jr Named Benefits Tax Counsel"](#), [Wall Street Journal](#), 9/10/03]

- At the Internal Revenue Service, many of the top jobs, which ordinarily go to career professionals, have been awarded to lobbyists and consultants. [Paul T. Shultz, III](#), for example, who like Sweetnam worked at Towers- Perrin, became

the director of employee plans and rulings and agreements in March 2000, and one year later, Thomas Terry, a former lobbyist from the Groom Law Group, became a senior technical adviser. Other former lobbyists at Treasury include: Mark Weinberger, assistant Treasury secretary for tax policy, who was once a lobbyist for the Cash Balance Coalition, and his successor, Pam Olson, who had been the chairwoman of the American Bar Association's Section of Taxation. [[PO-481: "William F. Sweetnam, Jr Named Benefits Tax Counsel"](#), Wall Street Journal, 9/10/03]

FOOD AND DRUG ADMINISTRATION:



W. Daniel E. Troy, Chief Counsel, FDA Office of the Chief Counsel.

Troy was the Bush Administration's first appointment to the FDA when he became its chief counsel and *de facto* Administrator, in the absence of an appointed Administrator, in August 2001. Before joining the Administration, Troy had made his name as a lawyer by going after the FDA's right to regulate industry. As an attorney, Troy won big for Brown and Williamson Tobacco Corp., when he successfully defended the tobacco industries' suit against the FDA's efforts to regulate tobacco advertising. In 1998, Troy scored another controversial victory when he won his fight with the FDA to allow drug companies to provide doctors with information on "off-label" uses of their drugs.

In a recent investigation, US News & World Report found that Troy held dozens of private meetings with drug manufacturers after he joined the Administration, and that he had kept no minutes or notes of the meetings, despite FDA policy to do otherwise. Troy's pro-industry bias became clear over the FDA's stalled investigation of Ephedra, a dietary supplement that has been linked to at least 100 deaths Troy also took the side of the citrus juice industry over consumers on new rules to rid fruit juice of contaminants like E. coli. A few months later, Troy sided with lobbyists from Fashion Wear Services, a company that makes decorative contact lenses, allowing the lenses to be regulated as cosmetics instead of medical devices. As soon as he made the decision, Troy came under fire from consumer safety advocates, because in 2001, a 15-year-old girl was almost blinded in one eye from inserting a tinted lens with no professional instruction. Four months after Troy's decision, the FDA reversed course and banned the import of the lenses citing public health concerns.

There has also been a falloff in overall FDA enforcement actions against drug companies under Troy's tenure, specifically for false advertising claims. Between January 1999 and December 2001, the FDA averaged roughly 90 enforcement letters a year to drug companies for misleading advertising. Last year, that number dropped to 30, following a change in FDA policy requiring all enforcement letters be approved by Troy's office. [[FDA Executive Council](#), Duluth News-Tribune, 1/29/04, Miami Herald, 11/16/03, Corporate Counsel, 10/03, US News & World Report, 3/24/03]

National Highway Safety and Transportation Association:



Jacqueline (Jackie) Glassman, Chief Counsel. Glassman was appointed as chief counsel to the National Highway Safety and Transportation Association (NHSTA) in 2002, after spending the previous seven years at the Office of General Counsel for the DaimlerChrysler Corporation, where she became senior counsel in 1997. Glassman had defended DaimlerChrysler in 1996 when the state of California charged the automaker with violating the states' lemon law by recycling defective cars to consumers. At NHSTA, Glassman has been criticized for denying consumers access to auto and tire safety information that manufacturers are required to disclose under the "early-warning" system required by Congress in the wake of the Ford-Firestone tire scandal. Public disclosure of the information sparked strong protests from automakers and tire manufacturers, including the Alliance of Automobile Manufacturers, an umbrella organization representing nine major automobile manufacturers, including DaimlerChrysler. Bowing to industry pressure, NHTSA, reportedly under Glassman's direction, opted to keep key safety information secret, despite the congressional mandate. [US News & World Report, 12/22/03, Public Roads, 5/1/02, National Law Journal, 4/29/02, Detroit Free Press, 3/2/02, [autoalliance](#)]