

Congress of the United States

Washington, DC 20510

April 23, 2018

The Honorable Trey Gowdy
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

We write to update you on some troubling developments regarding Environmental Protection Agency (EPA) Administrator Scott Pruitt's security spending and personnel decisions and to provide you documents we have obtained that shed further light on these matters.

Last week, the Government Accountability Office (GAO) concluded that the expenditure of \$43,000 to construct a soundproof phone booth in the Administrator's office violated both Section 710 of the Financial Services and General Government Appropriations Act of 2017 and the Antideficiency Act. Administrator Pruitt informed members of Congress that he needed a "secure phone line" in his office in order to communicate with the White House.¹

EPA claimed to GAO that the phone booth "not only enables the Administrator to make and receive phone calls to discuss sensitive information, but it also enables him to use this area to make and receive classified telephone calls (up to the top secret level) for the purpose of conducting agency business."²

Documents provided to us from within EPA indicate that as of March 2017, the Administrator's office was not cleared for classified communications. The phone booth, which was installed months later, appears to be a "privacy booth"³ installed by a vendor that describes itself as a "manufacturer and distributor of acoustical products" whose mission is "to solve sound and noise control problems to improve every environment of your life."⁴

Even if the phone booth itself is authorized to receive top secret communications, that would mean classified information is being received in an otherwise not-secured location, preventing the Administrator from discussing it with any other cleared person. EPA already has two Sensitive Compartmented Information Facilities (known as "SCIFs") in its Washington D.C. headquarters, which do not suffer from this infirmity. While GAO drew "no conclusions regarding whether the installation of the privacy booth was the only, or the best, way for EPA to

¹ *EPA Chief Sweeps Office for Bugs, Installs High-Tech Locks*, USA Today (Dec. 19, 2017) (online at www.usatoday.com/story/news/politics/2017/12/19/epa-chief-sweeps-office-bugs-installs-high-tech-locks/965315001/).

² Letter from Government Accountability Office to Senator Tom Carper et al. (Apr. 16, 2018) (online at www.gao.gov/assets/700/691272.pdf).

³ USASpending.gov, *Acoustical Solutions, LLC EP17H000248* (effective date Aug. 30, 2017) (online at www.usaspending.gov/#/award/14262726).

⁴ *About Us*, Acoustical Solutions (online at <https://acousticalsolutions.com/about-us/>).

provide a secure telephone line for the Administrator,”⁵ we believe that to be an important topic for further investigation by Congress.

In addition, we are providing unclassified but non-public documents that also cast doubt on EPA’s spending on enhanced security measures and the process used for obtaining them. Senators Carper and Whitehouse have previously written to EPA with concerns that Pasquale “Nino” Perrotta, the Acting Special Agent in Charge of Administrator Pruitt’s security detail, improperly directed a contract to his business partner Edwin Steinmetz.⁶

- In an email dated February 27, 2017, a senior official in the Facilities Management and Services Division of the Office of Administration and Resources Management (OARM) wrote that “the Administrator made a request through his personal security detail...who reached out to OARM for support in doing a ‘sweep’ of the Administrator’s office.” The official wrote that “the National Security Council provides a number of regulations regarding TSCMs for the Federal Government and its employees.”⁷ That same day, Mr. Perrotta responded, writing, “Please wait on any further movement on this thanks! The front office will advise shortly.”
- On or about March 3, 2017, an electronic sweep of Administrator Pruitt’s office was conducted under a contract awarded to Edwin Steinmetz, who is a partner with Mr. Perrotta in the Sequoia Security Group. We have been informed that this contract may have been paid for through the use of an EPA credit card without first obtaining the required pre-approval. The non-public documents we are providing today include Mr. Steinmetz’s March 3, 2017, “Technical Surveillance Countermeasures Privacy Protection Audit.” His report found that “no covert surveillance devices were present.”
- EPA’s Office of Homeland Security provided a copy of the Steinmetz report to a senior TSCM technical expert in the federal intelligence community (outside EPA). Based in part on information received from that expert, EPA’s Office of Homeland Security concluded in late April 2017 that the sweep was “very basic and cursory” and “did not employ the equipment, proper certification, or necessary processes to be approved by the USG for certifying a USG facility or space for classified information systems or classified discussion.”
- EPA Office of Homeland Security officials transmitted its report to seven EPA officials, including John Reeder, Reginald Allen, John Martin, and Mario Caraballo. Each of these named individuals reportedly has been reassigned or otherwise retaliated against for questioning Administrator Pruitt’s spending or security measures.⁸

⁵ Letter from Government Accountability Office to Senator Tom Carper et al. at p. 6-7.

⁶ Letter from Senator Tom Carper and Senator Sheldon Whitehouse to EPA Administrator Scott Pruitt (Mar. 6, 2018) (online at <https://www.whitehouse.senate.gov/news/release/whitehouse-carper-raise-red-flags-about-epa-contract-with-business-partner-of-pruitts-security-chief>).

⁷ TSCM refers to “technical surveillance countermeasures,” the process of bug-sweeping or electronic countersurveillance.

⁸ *EPA Removes Staffer Whose Report Questioned Pruitt’s Security Needs: Report*, The Hill (Apr. 10, 2018) (online at <http://thehill.com/policy/energy-environment/382529-epa-removes-staffer-whose-report->

These new documents raise serious questions about EPA's security expenditures. They also raise questions about the role Mr. Perrotta played selecting Mr. Steinmetz for a security sweep, particularly after being advised by EPA officials that such sweeps are governed by National Security Council regulations.

In our view, the documents provided to us may constitute evidence of a "violation of law, rule, regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety."⁹ As such, any adverse personnel action against a person providing this information to Congress is prohibited under the Whistleblower Protection Act, and it is in our shared interest that these rights be protected.

Given the latest developments and these new documents, we believe these and related matters are ripe for additional document requests to EPA and that Administrator Pruitt should testify about all of these matters immediately. We thank you for your prompt attention and look forward to working with you.

Sincerely,



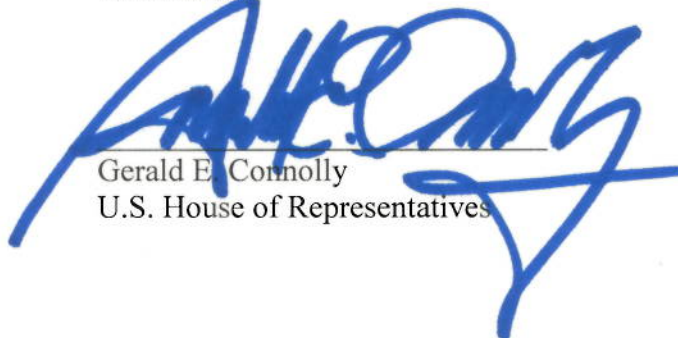
Thomas R. Carper
U.S. Senate



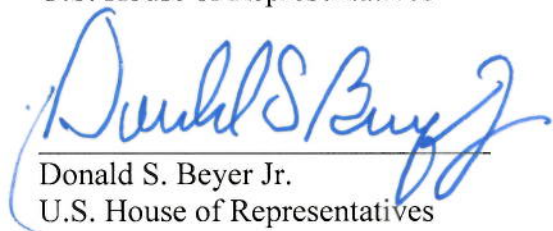
Sheldon Whitehouse
U.S. Senate



Elijah Cummings
U.S. House of Representatives



Gerald E. Connolly
U.S. House of Representatives



Donald S. Beyer Jr.
U.S. House of Representatives

cc: Chairman John Barrasso, Senate Committee on Environment and Public Works

questioned-pruitts-security-needs); *E.P.A. Officials Sidelined After Questioning Scott Pruitt*, New York Times (Apr. 5, 2018) (online at www.nytimes.com/2018/04/05/business/epa-officials-questioned-scott-pruitt.html).

⁹ 5 U.S.C. 2302(b)