



U.S. Department of Justice

Criminal Division

Noel L. Hillman  
Principal Deputy Chief - Public Integrity Section

Washington, D.C. 20530

March 6, 2002

BY FEDERAL EXPRESS

**FOR PUBLIC  
RELEASE**

Mr. Hugh B. Kaufman  
Office of Solid Waste and Emergency Response  
U.S. Environmental Protection Agency  
360 Southeast Mall  
401 M Street SW  
Washington, DC 20460

Re: Conflict of Interest Allegations  
Concerning the EPA Administrator

Dear Mr. Kaufman:

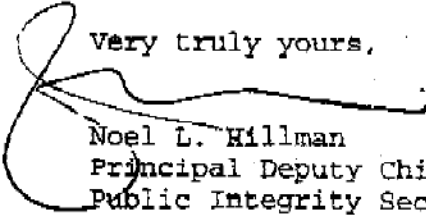
The U.S. Department of Justice, Criminal Division, Public Integrity Section, has been consulted by the EPA Office of Inspector General (EPA-OIG) concerning allegations you have made against Administrator Whitman involving a perceived conflict of interest. This office routinely investigates conflict of interest allegations against federal officials and, where appropriate, prosecutes such cases both criminally and civilly in conjunction with various Inspectors General, including EPA-OIG, and with the Federal Bureau of Investigation.

As you can well imagine, allegations of this kind can not be thoroughly investigated without the cooperation of all relevant witnesses. Based upon statements in the press attributed to you, you appear to be a potential witness in this matter. I request that you provide any and all documents, records, accounts, or other information in your possession regarding such allegations to Ms. Sophia Jones or Mr. Larry Valett, of the EPA-OIG Office of Investigations, (202) 260-1109, and schedule an interview with them no later than March 11, 2002.

If you are unwilling to provide this information to EPA-OIG, please be advised that this office serves as Counsel to the Integrity Committee of the President's Council on Integrity and Efficiency (PCIE) which is chaired by the FBI. This body provides a forum to address allegations where an Inspector General's office itself may have a real or perceived conflict.

0737 If you have any questions about the PCIE or any other questions or concerns. We look forward to your cooperation.

Very truly yours,



Noel L. Hillman  
Principal Deputy Chief  
Public Integrity Section

cc: Inspector General Nikki L. Tinsley



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

MAR 07 2002

MEMORANDUM

TO: Noel L. Hillman, Principal Deputy Chief  
Public Integrity Section  
Criminal Division  
U.S. Department of Justice

FROM: Hugh B. Kaufman *HBK*  
Office of Solid Waste and Emergency Response

SUBJECT: DOJ Criminal Investigation of Administrator Whitman's Conflict of Interest on the World Trade Center Hazardous Waste case, Shattuck/Citigroup Superfund case, Marjol Battery Case, and Dissolution of the EPA National Ombudsman Position.

**BACKGROUND**

I am in receipt of your March 6, 2002 memorandum to me from the Criminal Division of the U.S. Department of Justice re: your investigation of Administrator Christine Todd Whitman's conflict of interest in carrying out her official duties at the Environmental Protection Agency. I am ready, willing, and able to provide all information and documentation the Department of Justice would need to prosecute Mrs. Whitman under the laws of the United States for her illegal activities in this matter.

Because the EPA Office of Inspector General is an adverse party in a federal lawsuit being heard by federal Judge Richard W. Roberts where Mrs. Whitman's illegal activities are facts before the judge, at a minimum, I believe the Office of Inspector General has a perceived conflict of interest in interviewing witnesses on this case. Especially since one of the areas of Mrs. Whitman's conflict of interest (the Marjol Battery case) OIG was involved in potential obstruction of that investigation. Therefore, as I told you in my phone message this morning, I look forward to providing the Criminal Division of the Department of Justice and the FBI the information they need to prosecute Mrs. Whitman.



## **WORLD TRADE CENTER HAZARDOUS WASTE CASE**

Mrs. Whitman provided false information to the public on government letterhead related to the public health and environmental risks posed by the World Trade Center attack and subsequent collapse of the World Trade Center Towers of September 11, 2001. Specifically, Mrs. Whitman gave a false clean bill of health for indoor and outdoor air pollution created by the World Trade Center attack. We have on the record testimony that insurance companies (including Travelers Insurance) saved millions of dollars by relying on Mrs. Whitman's false statements in sending residents of Lower Manhattan back into unsafe conditions. Based on Mrs. Whitman's financial disclosure statements, Mrs. Whitman and her husband derive substantial financial revenue annually from their financial relationship with Citigroup, the parent company of Travelers Insurance. Mrs. Whitman did not recuse herself from the World Trade Center Hazardous Waste case.

## **SHATTUCK/CITIGROUP SUPERFUND CASE**

During Mrs. Whitman's tenure as Administrator, individuals under her control signed a Consent Decree with Shattuck/Citigroup that would save Citigroup tens of millions of dollars of liability. Mrs. Whitman has not recused herself from this case, and according to an email message, was briefed and had colloquies with subordinates on this case after the Denver Post reported her financial conflict of interest. Based on Mrs. Whitman's financial disclosure statements, Mrs. Whitman and her husband derive substantial financial revenue annually from their financial relationship with Citigroup, the responsible party at the Shattuck/Citigroup site.

## **MARJOL BATTERY CASE**

Citigroup is partners in a \$1.5 billion business venture with Gould Electronics, the party responsible for cleanup of the Marjol Battery site. Mrs. Whitman has not recused herself from this case. Individuals under Mrs. Whitman's control have lobbied for (including school children and the local bishop) a remedy that would save Gould Electronics tens of millions of dollars. Based on Mrs. Whitman's financial disclosure statements, Mrs. Whitman and her husband derive substantial financial revenue annually from their financial relationship with Citigroup, the business partner of the responsible party at the Marjol Battery site.

## **DISSOLUTION OF EPA NATIONAL OMBUDSMAN POSITION**

Mrs. Whitman is attempting to illegally dissolve the EPA National Ombudsman position during the pendency of his investigations of the aforementioned cases. Mrs. Whitman's and/or the EPA Office of Inspector General's conflict of interest have been documented on these cases. If Mrs. Whitman successfully dissolves the National Ombudsman position, Citigroup could save hundreds of millions of dollars. Based on Mrs. Whitman's financial disclosure statements, Mrs. Whitman and her husband derive substantial financial revenue annually from their financial relationship with Citigroup. Mrs. Whitman and the Inspector General of EPA have not recused themselves from decisions and activities related to the dissolution of the National Ombudsman position at EPA.

## **FEDERAL COURT CASE BEFORE JUDGE RICHARD W. ROBERTS**

The facts described above are part of civil litigation being adjudicated before Federal Judge Richard W. Roberts. In view of these facts, Judge Roberts has issued a Temporary Restraining Order (TRO) to stop Mrs. Whitman from dissolving the National Ombudsman position.

## **CONCLUSION**

Based on the above discussion, I am ready willing and able to meet with agents of the Federal Bureau of Investigation, the Department of Justice Criminal Division, and/or the U.S. Attorney for the District of Columbia to provide information necessary to investigate and prosecute EPA Administrator Christine Todd Whitman for violation of the laws of the United States with regard to these matters. Please leave a message at my phone number 202-260-6763 so that we can set up meetings at our earliest convenience.

cc: Congressional Service List National Ombudsman Cases  
Judge Richard W. Roberts  
EPA Administrator Christine Todd Whitman  
EPA Inspector General Nikki L. Tinsley  
EPA Deputy Inspector General Gary L. Johnson  
EPA Deputy Administrator Linda Fisher  
Assistant Attorney General DOJ Robert D. McCallum, Jr.  
United States Attorney Roscoe C. Howard, Jr.  
Attorney, DOJ Susan K. Rudy  
Attorney, DOJ David M. Glass  
Attorney, DOJ W. Scott Simpson  
Attorney, DOJ Marcia Tiersky, III  
EPA Assistant Administrator OSWER Marianne Lamont Horinko  
EPA Principal Deputy Administrator OSWER Michael Shapiro  
EPA National Ombudsman Robert Martin  
EPA OIG Agent Sophia Jones  
EPA OIG Agent Larry Valett  
Attorney Thomas Mack  
Attorney Ann Richardson