

United States Senate

WASHINGTON, DC 20510

April 24, 2018

Kevin Minoli
Principal Deputy General Counsel
Designated Agency Ethics Official
Environmental Protection Agency
1200 Pennsylvania Avenue NW, 2310A
Washington, D.C. 20460

Dear Mr. Minoli,

On March 6, 2018, we wrote to EPA Administrator Scott Pruitt requesting information about whether Pasquale “Nino” Perrotta, the Acting Special Agent in Charge of the Administrator’s personal security detail, had been properly cleared by EPA officials to be a “principal” in Sequoia Security Group, a security firm Mr. Perrotta claims he founded. We specifically asked for:

- All requests for approval of outside employment by Mr. Perrotta, including supporting documentation and any other information relevant to the requirements of 5 C.F.R. 6401.103.
- All approvals given by EPA for his outside employment, including any guidance about or limitations to those approvals in any form.
- All financial disclosures made by Mr. Perrotta during his employment at EPA. If Mr. Perrotta did not make financial disclosures for any period of his employment at EPA, please provide an explanation of those gaps.¹

While we have not yet received a response to our letter, EPA has been able to release the attached “Approval of Request for Outside Activity/Employment” in response to an article about Perrotta in the *New York Times*.² If this document is EPA’s basis for claiming that Mr. Perrotta has been cleared, under EPA regulations, to run a private security consulting firm while running the Administrator’s personal security detail, it is insufficient on its face for at least three reasons.

¹ Letter from Senator Tom Carper and Senator Sheldon Whitehouse to EPA Administrator Scott Pruitt (Mar. 6, 2018) (available at <https://www.whitehouse.senate.gov/news/release/whitehouse-carper-raise-red-flags-about-epa-contract-with-business-partner-of-pruitts-security-chief>).

² Kenneth P. Vogel, Eric Lipton, and Lisa Friedman, “At E.P.A., Pruitt’s ‘Sheriff’ Clashed With Critics of Spending,” *The New York Times*, Apr. 12, 2018 (available at <https://www.nytimes.com/2018/04/12/climate/epa-scott-pruitt-pasquale-perrotta.html>).

First, the approval states that it “is effective for a period of five (5) years.” That five-year limitation is required by 5 CFR 6401.103(d). Mr. Perrotta’s approval was issued on March 5, 2013, so it has expired.

Second, 5 CFR 6401.103(d) also states, “[i]f there is a change in the nature or scope of the duties or services performed or the nature of the employee’s business, the employee must submit a revised request for approval.” Mr. Perrotta’s duties at EPA have changed significantly since 2013. As *The New York Times* reported, and as we have confirmed through interviews with current and former EPA staff, Mr. Perrotta was named acting Special Agent in Charge just last year, and was elevated from a GS-13 to a GS-15 pay grade. The *Times* also reported that Mr. Perrotta “played a central role in approving Mr. Pruitt’s regular use of first-class flights,” “pushed for the construction of a \$43,000 surveillance-proof booth in Mr. Pruitt’s office in Washington,” and “pressed, unsuccessfully, for a bulletproof vehicle for Mr. Pruitt and a bulletproof desk for his security detail.” This reporting has also been confirmed by people with knowledge who have spoken with our staffs. Mr. Perrotta did not perform any of these functions for prior EPA administrators, so they plainly constitute a “change in the nature and scope of the duties or services” he performs.

Third, it appears that Mr. Perrotta has failed to keep EPA apprised of the nature and scope of his business. When he sought authorization for this outside employment in 2013, Mr. Perrotta represented to the agency that he expected to be “self-employed” “to provide consulting to 2-3 clients, for approximately 3-6 hours per week” related to cybersecurity and “denial of service insurance.” He did not mention that his self-employment would be establishing a firm, the Sequoia Security Group, that currently lists six officers and advisors. The firm offers a far broader range of services than originally disclosed, including investigation, executive protection, risk and crisis management, cyber security, corporate compliance, security vulnerability and threat assessments, and technical surveillance countermeasures.³ Not only does the nature and scope of Mr. Perrotta’s business appear to have changed since 2013, but he now does work for private clients that closely aligns with his work for EPA and it appears he directed some of that work to one of his business associates, Edwin Steinmetz.

Based on the facts we know, we seek to understand how your office has evaluated and monitored authorizations it provides under 5 CFR 6401.103 for Mr. Perrotta and perhaps others at EPA as well. So that we may better understand whether EPA is following its own policies and regulations, we request copies of all requests for and approvals or denials of outside employment processed by your office since January 21, 2009, along with supporting documentation. Our staffs would be pleased to work with your office to establish a procedure for reviewing these documents that does not improperly infringe upon the privacy rights of EPA employees.

³ <http://sequoiasecuritygroup.com/service.html>

We request the courtesy of a response no later than May 4, 2018. Should you have any questions, please do not hesitate to contact Michal Freedhoff (michal_freedhoff@epw.senate.gov) or Joe Gaeta (joe_gaeta@whitehouse.senate.gov).

Sincerely,

A handwritten signature in blue ink that reads "Tom Carper". The signature is written in a cursive style with a horizontal line underneath.

Thomas R. Carper
United States Senator

A handwritten signature in blue ink that reads "Sheldon Whitehouse". The signature is written in a cursive style with a horizontal line underneath.

Sheldon Whitehouse
United States Senator

cc: Troy Lyons, Associate Administrator, Office of Congressional and Intergovernmental Relations, Environmental Protection Agency