## U.S. HOUSE OF REPRESENTATIVES

## NATURAL RESOURCES COMMITTEE

CHAIRMAN DOC HASTINGS

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## Chairman Hastings Calls for President Obama to Appoint Permanent Inspector General for Dept. of the Interior

Committee Staff Report Highlights Mismanagement of IG under Mary Kendall's Administration

**WASHINGTON, D.C.** – House Natural Resources Committee Chairman Doc Hastings (WA-04) today wrote to President Obama requesting that he nominate a permanent Inspector General for the Department of the Interior. Since the Department's previous Inspector General Earl Devaney was appointed to a new position nearly four years ago, the Department's Office of Inspector General (IG) has been run by Deputy Inspector General Mary Kendall, serving in an acting capacity.

Committee staff also released a report today, entitled "Holding Interior Watchdog Accountable," that details mismanagement by Ms. Kendall while overseeing the IG. These include: not pursuing investigations involving political appointees or Administration priorities; informing senior Department officials of problems without conducting formal investigations and not issuing reports to Congress and the public; not adequately documenting the management of IG investigations and operations; serving in an appointed policy role in conflict with the IG's investigative duties; preventing an investigator from seeking information from a White House official; and providing inaccurate and misleading information to Congress.

The report also details how Ms. Kendall has openly expressed the desire to receive the nomination to become the permanent Inspector General while administering the IG's oversight role in a manner that was privately accommodating to senior Department officials and the Obama Administration compared to the IG's more assertive style in past Administrations.

<u>Click here</u> to read a copy of the letter.

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"There have been too many instances where the Department's IG office has been mismanaged by Deputy Inspector General Mary Kendall, serving as acting Inspector General, and IG Chief of Staff Stephen Hardgrove. For too long, their accommodation of the Department's leadership have compromised and undermined the professional work of the IG's career staff.

It is time to end the decline in trust that has resulted from their administration of the IG and provide the office with a clear leader empowered with the authority that flows from the permanence and independence of a Presidential nomination and Senate confirmation," wrote Chairman Hastings in the letter to President Obama. "I urge you to act without further delay to nominate a well-qualified, uncompromised individual to serve as a permanent Inspector General for the Department of the Interior."

The report examines a number of specific actions and decisions by Ms. Kendall and IG Chief of Staff Hardgrove, several of which <u>have not been publically discussed prior to the release of this Committee staff report</u>:

- **Not Actively Pursuing Ethics Investigations.** The IG on several occasions did not fully investigate allegations of misconduct by the Obama Administration in the same manner and thoroughness as previous Administrations and choose to handle problems informally without issuing public reports or informing Congress. Examples:
  - 1) IG Chief of Staff Hardgrove made a unilateral decision not to pursue a complaint filed with the IG's Office of Whistleblower Protection from a Bureau of Reclamation scientist who believed he was wrongfully terminated for questioning the scientific integrity of the Department's decision to remove the Klamath River dams;
  - 2) No ethics review or evaluations were conducted by the IG into Counselor to the Secretary Steve Black's romantic relationship with a renewable energy lobbyist to determine whether a violation of federal ethics and conflict of interest laws occurred with his work on renewable energy issues for the Department;
  - 3) The IG did not comprehensively investigate and publicly report on allegations that former **BOEMRE Director Michael Bromwich** may have interfered in the Joint Investigation Team's Deepwater Horizon investigation for political purposes.
- Renewable Energy Study. Despite the extensive work of a team of auditors, Ms. Kendall decided not to finalize a draft study of the Department's renewable energy program that had critical findings. The IG allowed political appointees at the Department to offer extensive edits, reviews and comments to the study; and Ms. Kendall made personal edits to the study that softened the report to the point that it caused dispute and disagreement among her own staff.
- **Drilling Moratorium Report Investigation**. The IG conducted an investigation into the editing of the Department of the Interior's Drilling Moratorium Report that made it to appear as though the six-month drilling moratorium in the Gulf of Mexico was supported by engineering experts when it was not. Emails from the IG's investigators detail how they were not able to obtain all DOI documents that may have been relevant to their investigation, and they were prevented from interviewing Secretary Salazar or White House staff involved in editing the report.

There have since been concerns over possible whistleblower retaliation. In addition, Ms. Kendall testified before Congress that she was not involved in the process of developing the Drilling Moratorium Report, yet served on Secretary Salazar's OCS Safety Oversight board. This conflicting policy role undermined her ability to be impartial in investigating a matter that she had direct knowledge of and involvement with. Ms. Kendall also testified that she had never read the Drilling Moratorium Report, but internal IG documents suggest otherwise.

## **Background**

Ms. Kendall is currently under <u>investigation</u> by the Integrity Committee of the Council of the Inspectors General on Integrity and Efficiency for potential conflict of interests and lack of independence related to the Drilling Moratorium Report and subsequent IG investigations.

A bipartisan group of Senators also recently <u>called</u> on President Obama to fill vacant Inspector General positions at six departments, including the Department of the Interior.

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