

J. STEVEN GRILES, U.S. Department of the Interior

J. Steven Griles served as Deputy Secretary for the Department of the Interior (“DOI”) from July 2001 until January 2005. After resigning from DOI, he joined a lobby firm headed by Andrew Lundquist, a top energy advisor for Vice-President Cheney.¹

Federal prosecutors have informed Mr. Griles that he is a target in the government’s ongoing corruption probe of Jack Abramoff’s lobbying activities.² In January 2006, Mr. Abramoff pleaded guilty to defrauding several of his tribal clients, among other legal charges.³ The government is reportedly investigating Mr. Griles for lying to Congress and honest-services fraud,⁴ specifically whether Mr. Griles made false statements to the Senate Indian Affairs Committee in 2005, and what ties he had to Mr. Abramoff and Italia Federici.⁵

Emails released in 2005 show Mr. Griles had numerous contacts with Mr. Abramoff and his close associate Italia Federici, head of the Council of Republicans for Environmental Advocacy.⁶ In March 2001, just seven days before he became deputy secretary of the Interior Department, Mr. Griles met with Mr. Abramoff. An email Ms. Federici sent to Mr. Abramoff stated, “I ended up sharing a cab with Steve. He really enjoyed meeting you and was grateful for the strategic advice on BIA and Insular Affairs. You definitely made another friend.”⁷

While at DOI, Mr. Griles generally was not involved in tribal issues. Nevertheless, as Michael Rossetti, former General Counsel for the Interior Department, testified during congressional hearings, “he [Mr. Rossetti] was alarmed that Mr. Griles all of a sudden had an

¹ Matthew Daly, Nethercutt Joins Firm Led by Ex-Cheney Energy Advisor, *Associated Press*, January 31, 2005. (Exhibit 1)

² John Heilprin, Energy Lobbyist a Target in Ethics Probe, *Associated Press*, January 10, 2007. (Exhibit 2)

³ See generally U.S. v. Abramoff, Crim. No. 06-001, Plea Agreement (D.D.C. Jan. 3, 2006). (Exhibit 3)

⁴ Jason McLure, Lobbying Firm Cuts Ties To Name Partner Under Investigation in Abramoff Probe, *Legal Times*, January 18, 2007. (Exhibit 4)

⁵ Susan Schmidt, Ex-Interior Deputy a Target in Abramoff Probe, *The Washington Post*, January 10, 2007. (Exhibit 5)

⁶ Senate Committee on Indian Affairs, Oversight Hearing on Tribal Lobbying Matters Part 2, 109th Congress, 1st Session, 94-96, 98, 101, 103 (Nov. 2, 2005) [hereinafter “Hearing on Tribal Lobbying”]. (Exhibit 6)

⁷ Email message from Italia Federici to Jack Abramoff (March 1, 2001). (Exhibit 7)

inexplicable desire” to intervene on issues affecting Mr. Abramoff’s tribal clients.⁸ Mr. Griles admitted during his 2005 congressional testimony that Mr. Abramoff had offered him a job at Greenberg Traurig, the lobby shop run by Mr. Abramoff.⁹ A former Greenberg Traurig employee testified that Mr. Abramoff described Mr. Griles as “his guy.”¹⁰

Mr. Griles has denied to Senate investigators that he ever assisted Mr. Abramoff’s clients.¹¹ The same investigators found “marked inconsistency between Griles’ and Rossetti’s testimony on the narrow issue of whether Griles tried to insinuate himself in decision-making processes affecting any of Abramoff’s Tribal clients.”¹²

Following reports that Mr. Griles was a target in the government’s corruption probe, the lobbying firm Lundquist, Nethercutt & Griles severed all ties with Mr. Griles.¹³

While at DOI, Mr. Griles was a controversial figure and was criticized by DOI’s Inspector General, along with the entire ethics process at the agency, for maintaining ties to companies that were his former lobbying clients.¹⁴ During his confirmation hearing to be deputy secretary of DOI, Mr. Griles pledged to recuse himself from any matters that could affect his former lobbying firm or any of the companies that he had represented.¹⁵ Within weeks of his Senate confirmation, however, Mr. Griles began meeting with former clients on regulatory matters important to them. For example, Mr. Griles attended at least 16 meetings with administration or industry officials to discuss air pollution issues.¹⁶ These included a meeting with Electric Power Research Institute, an industry group represented by National Environmental

⁸ Hearing on Tribal Lobbying, p. 105.

⁹ *Id.*, p. 104.

¹⁰ Senate Committee on Indian Affairs, ‘Gimme Five’-Investigation of Tribal Lobbying Matters, 109th Congress, 2nd Session, p. 240 (Sept. 5, 2006) [hereinafter “Gimme Five Hearing”]. (Exhibit 8)

¹¹ Letter from Barry M. Hartman, Kirkpatrick & Lockhart Nicholson Graham LLP, to John McCain (Jan. 3, 2006). (Exhibit 9)

¹² Gimme Five Hearing, p. 244.

¹³ McClure, *Legal Times*, Jan. 18, 2007

¹⁴ *See generally* U.S. Department of the Interior, Office of Inspector General, J. Steven Griles Report of Investigation, PI-SI-02-0053-I. (Exhibit 10); Schmidt, *The Washington Post*, Jan. 10, 2007.

¹⁵ Eric Pianin, Official’s Lobbying Ties Decried; Interior’s Griles Defends Meetings as Social, Informational, *The Washington Post*, September 25, 2002. (Exhibit 11)

¹⁶ *Id.*

Strategies, his former lobbying firm, and a meeting with 12 utility executives for the Edison Electrical Institute, all former clients of Mr. Griles.¹⁷ Among other topics, the participants discussed rules to reduce the number of government suits brought against older coal-fired power plants for violations of the Clean Air Act; the rules were subsequently changed to reduce the number of such suits.¹⁸ Mr. Griles also played a key role in decisions related to coal bed methane development in Wyoming's Powder River Basin, wetland permit rule changes affecting coal mining, and oil and gas leasing on the Outer Continental Shelf, all of which benefitted his former employers and clients, including National Environmental Strategies.¹⁹

In addition, Mr. Griles maintained a financial link to National Environmental Strategies. As a condition of his Senate confirmation, Mr. Griles sold his interest in the firm.²⁰ Under the terms of the sales agreement, Mr. Griles continued to receive annual payments of \$284,000 from his former firm for four years while receiving his government salary.²¹

¹⁷ Id.

¹⁸ Id.

¹⁹ Pianin, *The Washington Post*, Sept. 25, 2002.

²⁰ Id.

²¹ Id.