

# United States Senate

WASHINGTON, DC 20510

November 9, 2018

David Maggi  
Designated Agency Ethics Official  
Department of Commerce  
Room 5876  
14<sup>th</sup> Street & Constitution Avenue, NW  
Washington, DC 20230

Dear Mr. Maggi,

We write to request information regarding recent reports that Secretary of Commerce Wilbur Ross violated federal ethics laws by meeting with executives from the Chevron Corporation (Chevron), the Boeing Company (Boeing), and The Greenbrier Companies (Greenbrier) in early 2017.<sup>1</sup>

Secretary Ross's recently released calendar reveals that he met with Boeing, Chevron, and Greenbrier executives in early 2017 while maintaining financial interests in the companies at the time of the meetings. Secretary Ross met with John Watson, the then-CEO of Chevron, on March 22, 2017, to discuss "Chevron's perspectives on global oil and gas developments and to discuss tax reform and trade."<sup>2</sup> On March 30, 2017, Secretary Ross met with Dennis Muilenburg, the CEO of Boeing.<sup>3</sup> Though the Secretary's calendar does not provide details on the content of the meeting, a Boeing representative later stated that the meeting involved discussions of "policy matters impacting our business."<sup>4</sup> Secretary Ross had a meeting scheduled on or about May 16, 2017, with the Executive Board of the Rail Security Alliance—a group that, based on initial correspondence regarding the meeting, included William Furman, the President and CEO of Greenbrier.<sup>5</sup> And on May 18, 2017, Secretary Ross had lunch with William Furman at the White House Mess.<sup>6</sup>

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<sup>1</sup> Forbes, Wilbur Ross Scheduled Meetings with Chevron, Boeing Despite Conflicts of Interest, Dan Alexander, October 25, 2018, <https://www.forbes.com/sites/danalexander/2018/10/25/wilbur-ross-scheduled-meetings-with-chevron-boeing-despite-conflicts-of-interest/#46c208af4d0e>.

<sup>2</sup> Secretary Wilbur Ross's calendar, 1/20/2017-12/31/2017, <https://www.documentcloud.org/documents/5001734-COMM-17-0501-Ross-Cal.html#document/p1651/a461389>.

<sup>3</sup> *Id.*

<sup>4</sup> Forbes, Wilbur Ross Scheduled Meetings with Chevron, Boeing Despite Conflicts of Interest, Dan Alexander, October 25, 2018, <https://www.forbes.com/sites/danalexander/2018/10/25/wilbur-ross-scheduled-meetings-with-chevron-boeing-despite-conflicts-of-interest/#46c208af4d0e>.

<sup>5</sup> Secretary Wilbur Ross's calendar, 1/20/2017-12/31/2017, <https://www.documentcloud.org/documents/5001734-COMM-17-0501-Ross-Cal.html#document/p1651/a461389>.

<sup>6</sup> Secretary Wilbur Ross's calendar, 1/20/2017-12/31/2017, <https://www.documentcloud.org/documents/5001734-COMM-17-0501-Ross-Cal.html#document/p1651/a461389>; Forbes, New Reports Uncover (Even More) Ethical Issues for Wilbur Ross, Dan Alexander, August 13, 2018, <https://www.forbes.com/sites/danalexander/2018/08/13/new-report-uncovers-even-more-ethical-issues-for-wilbur-ross/#68beb63a3a0c>.

The federal conflict of interest law, 18 U.S.C. § 208, states that executive branch officers and officials—including Cabinet secretaries—may not participate “personally and substantially” through “decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise” in any “particular matter” in which they, a family member, or a business partner has a financial interest.<sup>7</sup> Covered officials may take actions that would otherwise place them in violation of 18 U.S.C. § 208 if they receive a written waiver from their agency’s Designated Agency Ethics Official (DAEO).

On December 19, 2016, Secretary Ross—who was then a nominee for the position of Commerce Secretary—filed a public financial disclosure report with the Office of Government Ethics (OGE) revealing financial interests in both Chevron and Boeing. According to the filing, Secretary Ross’s spouse, Hilary Geary Ross, held a financial stake in Boeing worth a minimum of \$250,000.<sup>8</sup> In addition, Secretary Ross listed a series of “other assets and income” that included three additional Boeing investments worth a minimum of \$100,000, \$250,000, and over \$1,000,000, respectively, and an investment in Chevron worth a minimum of \$250,000.<sup>9</sup> On January 15, 2017, then-nominee Ross committed to divesting his Boeing and Chevron assets within 90 days of his confirmation.<sup>10</sup> According to an OGE filing, Secretary Ross divested his Boeing investments on May 1, 2017, one month after his meeting with the Boeing CEO.<sup>11</sup> He divested his Chevron investments in a series of transactions on May 15<sup>th</sup>, 16<sup>th</sup>, and 17<sup>th</sup>, approximately two months after his meeting with the Chevron CEO.<sup>12</sup>

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<sup>7</sup> 18 U.S.C. § 208. Per 5 C.F.R. 2640.103, the term “particular matter” refers to issues focused on “the interests of specific persons, or a discrete and identifiable class of persons.” It “may include matters which do not involve formal parties and may extend to legislation or policy making that is narrowly focused on the interests of a discrete and identifiable class of persons.”

<sup>8</sup> Public Financial Disclosure Report (OGE Form 278e) of Wilbur L. Ross, Secretary of the Department of Commerce, December 19, 2016, pg. 35, [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/88642A2CA81AA6C2852580AB00618C8C/\\$FILE/Ross%20Wilbur%20L.%20Final%20278.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/88642A2CA81AA6C2852580AB00618C8C/$FILE/Ross%20Wilbur%20L.%20Final%20278.pdf).

<sup>9</sup> Public Financial Disclosure Report (OGE Form 278e) of Wilbur L. Ross, Secretary of the Department of Commerce, December 19, 2016, pg. 35-43, [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/88642A2CA81AA6C2852580AB00618C8C/\\$FILE/Ross%20Wilbur%20L.%20Final%20278.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/88642A2CA81AA6C2852580AB00618C8C/$FILE/Ross%20Wilbur%20L.%20Final%20278.pdf).

<sup>10</sup> Letter from Wilbur Ross to David Maggi, January 15, 2017, [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/C4D33DB26307189E852580C8002C7A72/\\$FILE/Ross.%20Wilbur%20L.%20finalAmendedEA.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/C4D33DB26307189E852580C8002C7A72/$FILE/Ross.%20Wilbur%20L.%20finalAmendedEA.pdf).

<sup>11</sup> Public Financial Disclosure Report: Periodic Transaction Report (OGE Form 278-T) of Wilbur L. Ross, Secretary of the Department of Commerce, May 16, 2017, [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/30BA6448D5FB45978525812D0026F7F5/\\$FILE/Wilbur-L-Ross-05.19.2017-278T.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/30BA6448D5FB45978525812D0026F7F5/$FILE/Wilbur-L-Ross-05.19.2017-278T.pdf).

<sup>12</sup> Public Financial Disclosure Report: Periodic Transaction Report (OGE Form 278-T) of Wilbur L. Ross, Secretary of the Department of Commerce, May 23, 2017, [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/1E5213DD0708E5898525812B0026F872/\\$FILE/Wilbur-L-Ross-05.23.2017-278T.pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/1E5213DD0708E5898525812B0026F872/$FILE/Wilbur-L-Ross-05.23.2017-278T.pdf); Public Financial Disclosure Report: Periodic Transaction Report (OGE Form 278-T) of Wilbur L. Ross, Secretary of the Department of Commerce, May 23, 2017, [https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/A2B1B7B55C19C8178525812D0026F7F3/\\$FILE/Wilbur-L-Ross-05.23.2017-278T\(2\).pdf](https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/A2B1B7B55C19C8178525812D0026F7F3/$FILE/Wilbur-L-Ross-05.23.2017-278T(2).pdf).

Secretary Ross failed to disclose his financial interests in Greenbrier in his initial public financial disclosure report.<sup>13</sup> Over the course of 2017, the Secretary sold Greenbrier stock in three separate transactions. Until December 14, 2017—months after Secretary Ross’s meetings with Greenbrier CEO—the Secretary held an investment in Greenbrier worth a minimum of \$250,000.<sup>14</sup>

Secretary Ross’s decisions to meet with senior Chevron, Boeing, and Greenbrier officials while maintaining his investments in those companies raises questions about his compliance with federal conflict of interest criminal statutes, including 18 U.S.C. § 208. Federal officials who engage in conduct that constitutes a violation of federal conflicts of interest law may be subject to civil or criminal penalties outlined in 18 U.S.C. § 216, which may include civil fines, imprisonment, or both. As the DAEO at the Department of Commerce, it is your responsibility to provide advice, issue waivers, and otherwise ensure compliance with federal ethics law at the Department.<sup>15</sup> To help us better understand Secretary Ross’s adherence to federal conflict of interest law, I request that you provide me with answers to the following no later than November 23, 2018:

1. Did Secretary Ross inform Department of Commerce ethics officials in advance of his plans to meet with the CEOs of Boeing, Chevron, and Greenbrier?
2. Did Department of Commerce ethics officials make any ethics determinations regarding Secretary Ross’s participation in meetings with the CEOs of Boeing, Chevron, and Greenbrier, or provide Secretary Ross with any advance advice or guidance regarding the legality of his participation in those meetings or otherwise relating to his financial interest in Boeing, Chevron, or Greenbrier? If so, please provide copies of any determinations, ethics guidance, or ethics advice regarding Secretary Ross’s participation in these meetings or dealings with these corporations, or, if the determinations, guidance, or advice was communicated orally and not otherwise documented, a description of any determinations, guidance, or advice communicated to Secretary Ross or his staff.
3. Did you or other ethics officials at the Department of Commerce provide Secretary Ross with authorizations or ethics waivers regarding his participation in meetings with the CEOs of Boeing, Chevron, and Greenbrier, or otherwise relating to his potential dealings with Boeing, Chevron, or Greenbrier? If so, please provide copies of those authorizations or waivers. If not, please describe why the Department does not believe authorizations or waivers were necessary or warranted.
4. Have you or other Department of Commerce ethics officials made any referrals regarding Secretary’s Ross’s participation in meetings with the CEOs of Boeing, Chevron, and

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<sup>13</sup> Washington Post, Commerce secretary faces scrutiny for investments, not selling certain holdings, Steven Mufson, August 17, 2018, [https://www.washingtonpost.com/business/economy/commerce-secretary-faces-scrutiny-for-investments-not-selling-certain-holdings/2018/08/15/fcd3a802-95b4-11e8-a679-b09212fb69c2\\_story.html?utm\\_term=.c8fca71caaa0](https://www.washingtonpost.com/business/economy/commerce-secretary-faces-scrutiny-for-investments-not-selling-certain-holdings/2018/08/15/fcd3a802-95b4-11e8-a679-b09212fb69c2_story.html?utm_term=.c8fca71caaa0).

<sup>14</sup> Public Financial Disclosure Report: Periodic Transaction Report (OGE Form 278-T) of Wilbur L. Ross, Secretary of the Department of Commerce, December 21, 2017, <https://extapps2.oge.gov/201/Presiden.nsf/PAS+Index/F65307D0E7C6CA00852582B0006DEA10/%24FILE/Wilbur-L-Ross-12.21.17-278T.pdf>.

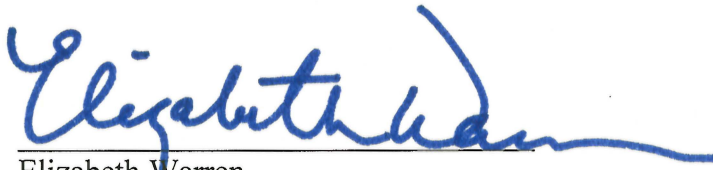
<sup>15</sup> 5 C.F.R. 2638.104

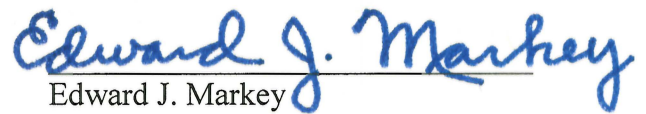
Greenbrier for further investigation to the Department of Commerce's Inspector General?  
If so, please provide a copy of those referrals.


5. Have you or other Department of Commerce ethics officials had any follow-up correspondence with the Office of the Secretary regarding Boeing, Chevron, and Greenbrier after the meetings with Boeing, Chevron, and Greenbrier occurred? If so, please provide copies of the correspondence.
6. Did you or other ethics officials at the Department of Commerce provide Secretary Ross with authorizations or ethics waivers regarding his participation in matters that might affect or appear to affect his financial interests in any corporate entities other than Boeing, Chevron, and Greenbrier? If so, please provide a copy of any authorizations or ethics waivers provided to Secretary Ross to participate in matters where he otherwise might have had an actual or apparent conflict of interest.


Please do not hesitate to reach out to Susannah Savage of Senator Warren's staff, Joseph Wender of Senator Markey's staff, Thomas Story of Senator Blumenthal's staff, or Bakari Middleton of Senator Booker's staff with any questions or concerns.

Sincerely,

  
Elizabeth Warren  
United States Senator

  
Edward J. Markey  
United States Senator

  
Richard Blumenthal  
United States Senator

  
Cory A. Booker  
United States Senator

CC:  
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