

January 15, 2019

Sonya White
Designated Agency Ethics Official
Consumer Financial Protection Bureau
1700 G St. NW, Washington DC 20552

Mark Paoletta
General Counsel and Designated Agency Ethics Official
Office of Management and Budget, Executive Office of the President
725 17th St. NW, Washington DC 20503

Dear Ms. White and Mr. Paoletta:

I am writing to request information about Director Mulvaney's reported job negotiations with the University of South Carolina, and to make sure that he is following important ethics laws intended to prevent conflicts of interest and protect American taxpayers.

On January 7, the *New York Times* reported that Mick Mulvaney "initiated a discussion with a senior official" at the University of South Carolina (USC) about the possibility of becoming the school's next president.¹ Reports indicate that Mr. Mulvaney entered into these discussions while he still held two jobs in the federal government: Director of the Office of Management and Budget (OMB) and Interim Director of the Consumer Financial Protection Bureau (CFPB).² And despite continuing to lead OMB and recently taking over as Acting White House Chief of Staff, reports suggest that Mr. Mulvaney is "still interested in the presidency" at USC.³

Under the Stop Trading On Congressional Knowledge Act (STOCK), Mr. Mulvaney "may not directly negotiate or have any agreement of future employment" with an outside entity unless he discloses the negotiations with the relevant agency's ethics office.⁴ Furthermore, the law requires Mr. Mulvaney to recuse himself "whenever there is a conflict of interest, or appearance of a conflict of interest," and to notify the agency ethics office of that recusal.⁵

The STOCK Act was passed to prevent conflicts of interest that would allow senior government officials to enrich themselves, their past employers, or any future employers at the expense of American taxpayers. In particular, the provisions above are designed to stop officials from using their positions to benefit potential employers in order to increase the likelihood of obtaining post-government employment.

¹ New York Times, "Mick Mulvaney has Two Jobs. He Has Been Discussing Another." Maggie Haberman and Jonathan Martin, Jan. 7, 2019, <https://www.nytimes.com/2019/01/07/us/politics/mulvaney-south-carolina-chief-staff.html>).

² *Id.*

³ *Id.*

⁴ STOCK Act, 2.2038, Sec. 17(a), <https://www.congress.gov/bill/112th-congress/senate-bill/2038>.

⁵ *Id.* at Sec. 17(b).

The STOCK Act is particularly important in regard to any discussions that Mr. Mulvaney may be having about a job at the University of South Carolina. OMB, which is part of the Executive Office of the President (EOP), is responsible for producing the President's budget. The University of South Carolina is receiving nearly \$200 million in federal grants and contracts in Fiscal Year 2018-2019.⁶ The EOP is "overseen" by the White House Chief of Staff.⁷ Mr. Mulvaney's second job until early December was as Acting Director of the CFPB, which monitors financial products and credit card marketing agreements issued in conjunction with universities and alumni associations – including the University of South Carolina Alumni Association.⁸

Mr. Mulvaney is one of the top officials in the Trump Administration. His compliance with the STOCK Act is crucial to protecting American taxpayers and maintaining public confidence in the integrity of the federal government. To address questions about his compliance, I ask that you answer the following questions:

1. Has Mr. Mulvaney disclosed any negotiations with the University of South Carolina?
 - a. If so, did he follow all requirements of the STOCK Act in disclosing these negotiations?
 - b. If not, are you aware of any negotiations that Mr. Mulvaney has had with the University of South Carolina? Please provide all relevant details.
2. What, if any, additional laws or regulations governs interactions between employees of your agency and potential future employers?
3. Has Mr. Mulvaney recused himself from any and all matters involving the University of South Carolina or its affiliated entities? If not, have you approached Mr. Mulvaney about recusing himself from such matters?
4. Please list all matters under the agency's jurisdiction involving the University of South Carolina or its affiliated entities.

I look forward to your answers, and would appreciate a response no later than January 29, 2019.

Sincerely,



Elizabeth Warren
United States Senator

⁶ University of South Carolina, "Budget Document: Fiscal Year 2018-2019," 2018, pp. 12, https://sc.edu/about/offices_and_divisions/budget/documents/fy2019botdoclegacy.pdf.

⁷ The White House, "The Administration." <https://www.whitehouse.gov/the-trump-administration/>.

⁸ CPPB, "Student banking and college credit card marketing agreements," <https://www.consumerfinance.gov/data-research/student-banking/>; CFPB, "College credit card marketing agreements and data," <https://www.consumerfinance.gov/data-research/student-banking/marketing-agreements-and-data/>.