

United States Senate

WASHINGTON, DC 20510

August 10, 2018

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street N.W.
Washington, D.C. 20548

Dear Comptroller General Dodaro:

In the wake of a *ProPublica* investigation earlier this week revealing that a trio of President Trump's "Mar-a-Lago cronies are secretly shaping the Trump administration's veterans policies,"¹ we are writing to request an investigation of the involvement of these three individuals in any activities of the Department of Veterans Affairs (VA), and to understand whether unqualified, unaccountable private citizens with no official government role or responsibilities had or continue to have any undue influence over VA decisions.

According to *ProPublica*, three members of President Trump's Mar-a-Lago private club (Mr. Ike Perlmutter, Dr. Bruce Moskowitz, and Mr. Marc Sherman, otherwise known as the "troika" or the "Mar-a-Lago Crowd") have wielded disturbingly widespread influence over decision-making related to the VA, including personnel and programs. This trio has no military or government experience, and yet they reportedly convened regularly at President Trump's private club in Florida and remotely "bombarded VA officials with demands, many of them inapt or unhelpful." These unaccountable, unqualified influencers reportedly "acted like board members pounding a CEO to turn around a struggling company" when advising the VA, "view[ed] themselves as making the decisions" at the agency, and created a culture in which VA officials needed to "go down and kiss the ring" on taxpayer-funded visits as a matter of job security.²

There are numerous examples of what appear to be clear abuses of ethics and misuse of government resources for private gain. Mr. Perlmutter, the Chairman of Marvel Entertainment, LLC, included then-VA Secretary Shulkin at an event on the New York Stock Exchange that reportedly "turned into a promotional opportunity for Perlmutter's company." Dr. Moskowitz, "an internist and friend of Trump confidant Ike Perlmutter,"³ reportedly pushed his idea for Apple Inc. and the VA to create an application to help veterans locate medical services, and suggested that his own son – who had developed a similar app – serve as a technical advisor on

¹ <https://www.propublica.org/article/ike-perlmutter-bruce-moskowitz-marc-sherman-shadow-rulers-of-the-va>; https://www.propublica.org/article/democrats-vow-investigation-of-va-shadow-rulers-after-propublica-story?utm_campaign=sprout&utm_medium=social&utm_source=facebook&utm_content=1533779266.

² *Id.*

³ <https://www.politico.com/story/2018/04/30/trump-doctor-health-technology-508297>.

the project. The entire proposal reportedly “made Apple and VA officials uncomfortable,” and the momentum behind the project faded due to a lack of agency support.⁴

These accounts and others detailed in the *ProPublica* investigation, if true, paint a disturbing picture of corruption and cronyism that is not only antithetical to transparent, accountable, and ethical government, but will make it more difficult for the Secretary to lead the VA in a way that allows him to exercise his independent judgment. While senior government leaders can in many cases benefit from outside advice, advisors with no official government position like Messrs. Perlmutter, Moskowitz, and Sherman appear to be governed by the Federal Advisory Committee Act (FACA), which requires among other things that: (1) any outside advice provided must be objective and accessible to the public; (2) outside advisory groups must be utilized “solely for advisory functions” without managerial or decision-making authority; and (3) appropriate records must be kept and made available to the public.⁵ In its rulemaking, the General Services Administration (GSA) further assigned agency heads with the responsibility to “develop procedures to assure that the advice or recommendations of advisory committees will not be inappropriately influenced by ... any special interest.”⁶ Membership in President Trump’s private club, alone, is not sufficient to have an informed opinion on the best way to deliver care and benefits to our nation’s veterans. And membership in President Trump’s private club should not give any individual the right to exert influence on decisions made by the VA that impact the over nine million veterans under its care.

Mr. Perlmutter, Dr. Moskowitz, and Mr. Sherman have reportedly claimed to have “no direct influence over the [VA].”⁷ We write so that we can fully understand the extent of their past and present involvement in decisions related to the VA. Accordingly, we ask that you investigate this matter and address the following questions:

1. What role did Mr. Perlmutter, Dr. Moskowitz, or Mr. Sherman play in VA decision-making and activities, and do they currently have such a role?
2. Did these individuals have access to the Secretary or other important VA decision-makers, and if so, how did they obtain this access? What specific VA actions were influenced by these individuals’ communications with, and advice to, key VA officials?
3. To the extent that Mr. Perlmutter, Dr. Moskowitz, or Mr. Sherman had access to key VA officials and provided advice and information, were their actions and the actions by VA officials consistent with the Federal Advisory Committee Act (FACA)?
4. To the extent that Mr. Perlmutter, Dr. Moskowitz, or Mr. Sherman had access to key VA officials and provided advice and information, were their actions and the actions by VA officials consistent with relevant ethics rules and laws, including those designed to prevent

⁴ <https://www.propublica.org/article/ike-perlmutter-bruce-moskowitz-marc-sherman-shadow-rulers-of-the-va>; https://www.propublica.org/article/democrats-vow-investigation-of-va-shadow-rulers-after-propublica-story?utm_campaign=sprout&utm_medium=social&utm_source=facebook&utm_content=1533779266.

⁵ P.L. 92-463, the Federal Advisory Committee Act of 1972.


⁶ 41 CFR parts 101-6 and 102-3, Federal Advisory Committee Management; Final Rule.

⁷ <https://www.propublica.org/article/ike-perlmutter-bruce-moskowitz-marc-sherman-shadow-rulers-of-the-va>; https://www.propublica.org/article/democrats-vow-investigation-of-va-shadow-rulers-after-propublica-story?utm_campaign=sprout&utm_medium=social&utm_source=facebook&utm_content=1533779266.

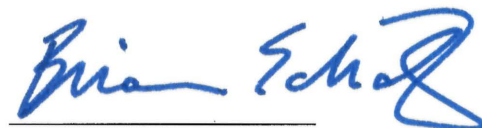
improper use of government resources? Did these individuals attempt to use their access to benefit themselves or their family members financially or otherwise?

Thank you for your attention to this matter, and we look forward to receiving answers to these questions.

Sincerely,



Elizabeth Warren
United States Senator



Brian Schatz
United States Senator
Ranking Member,
Subcommittee on Military
Construction, Veterans
Affairs, and Related Agencies