

September 16, 2008 - Chairwoman Slaughter Demands Explanation From U.S. Attorney General Mukasey

FOR IMMEDIATE RELEASE

Tuesday, September 16, 2008

Chairwoman Slaughter Demands Explanation From U.S. Attorney General Mukasey: Why Did Justice Department Decline To Prosecute Corrupt Administration Officials?

Washington, DC - Chairwoman of the House Committee on Rules Louise M. Slaughter (D-NY-28) today requested a written explanation from U.S. Attorney General Michael Mukasey as to why the Department Justice declined to prosecute Lucy Denett and Gregory Smith.

Denett and Smith are both former Interior Department employees identified by a recently released Interior Department Inspector General's report as having had illicit and unethical relationships with energy company employees. The report is available on the Interior Department Inspector General's web site.

The full text of Chairwoman Slaughter's letter to Attorney General Mukasey is below:

Dear Attorney General Mukasey:

I am shocked to learn that the Department of Justice declined to prosecute Lucy Q. Denett, the former Associate Director of Minerals Revenue Management, Minerals Management Service (MMS) and Gregory W. Smith, former Program Director of the Royalty in Kind Program (RIK), Minerals Revenue Management (MRM), Minerals Management Service (MMS). Given the breadth and depth of evidence of gross misconduct revealed in the Department of Interior Office of Inspector General's reports released on September 10, 2008, I demand to know why the Department of Justice has chosen not to prosecute these individuals.

According to Inspector General Devaney's memorandum dated September 9, 2008 to Secretary Kempthorne, Ms. Denett egregiously violated the rules of the contracting process when she shared Key Qualification criteria with Jimmy Mayberry, a former MMS employee and recipient of the contracts two weeks before bid proposals were due. Ms. Denett also obstructed the contracting process when she had Mr. Mayberry prepare a justification for contract increase. In the course of these and other actions, Ms. Denett explicitly violated rules governing post-employment restrictions, conflicts of interest, and Federal Acquisition Regulations.

The Inspector General's September 10th reports also conclude that Mr. Smith earned \$30,000 from Geomatrix Consultants, Inc., for work in promoting this company among oil and gas companies with which he had a relationship. This work should have been prohibited. Mr. Smith also received over \$1,000 in gifts from the oil and gas industry, engaged in sexual relations and drug use with subordinates, and told other RIK employees to lie to Office of Inspector General investigators. This report also states, "In May 2008, DOJ advised that it was declining to prosecute Smith on various charges."

Moreover, a New York Times article published September 10, 2008 stated that one of your spokeswomen, Laura Sweeney, declined to explain why your department did not bring charges against Ms. Denett or Mr. Smith, citing departmental policy.

Public officials must not only be held to the highest ethical and professional standards, but like any other American citizen, must abide by the laws of the United States. Failure to prosecute Ms. Denett and Mr. Smith, without explaining the Department's reasoning, demonstrates to the American public that you are not interested in enforcing our laws but instead prefer to protect these individuals from public scrutiny and the administration of justice.

Therefore I respectfully request an explanation in writing by October 1, 2008 as to your decision not to prosecute Ms. Denett and Mr. Smith. Thank you for your prompt attention to this matter.

Sincerely,

Louise M. Slaughter

Member of Congress

###