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## United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

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September 21, 2006

The Honorable Joshua B. Bolten  
Chief of Staff  
The White House  
1600 Pennsylvania Avenue  
Washington, D.C. 20500

Dear Mr. Bolten:

In May of this year, I was appalled by public statements made by HUD Secretary Alphonso Jackson that appeared to send a deliberate message to anyone doing business with HUD that they must openly support the President if they are to be successful competitors for HUD business. My dismay over these comments prompted me to request an investigation by the HUD Inspector General as to whether political interference has, in fact, played a role in the awarding of HUD contracts.

While waiting for the final report from the IG, my concerns about a pattern and practice of political favoritism within the Bush Administration grew. In fact, a recent report by the Inspector General at the Department of Interior seemed to confirm my concern. Specifically, the IG found that "simply stated, short of a crime, anything goes at the highest levels of the Department of Interior." More recently, Sunday's Washington Post included a nearly unbelievable account of favoritism in the awarding of key posts in the Coalition Provisional Authority in Iraq. Headlined, "Ties to GOP Trumped Know-How Among Staff Sent to Rebuild Iraq," the article detailed job after job that went to Republican operatives instead of "the best and brightest."

It was, therefore, with great interest that I read the report from the HUD IG when it arrived this week. While the Justice Department – which also looked at the reports – concluded that "no apparent criminal violation could be discerned based on evidence to date," the IG's report nonetheless includes some very disturbing findings.

They include sworn statements from HUD personnel saying that:

- Secretary Jackson issued verbal directives to his Assistant Secretaries and other senior staff to monitor the political affiliation of contract competitors and consider those affiliations in the awarding of those contracts;

- Secretary Jackson expressed his belief that a certain HUD contractor had strong political affiliations that were not supportive of the President, the Secretary did not want that contractor to receive any additional HUD contracts and that contractor's contract award was subjected to an unusual extent of delay and review as a result of the Secretary's stated biases;
- Secretary Jackson intervened on other occasions in the contracting process. According to a review of the IG, "reviews of political contributions indicated these contractors had Democratic political affiliations."

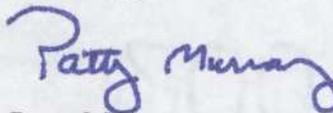
All of this was unearthed through dozens of interviews performed under oath by the Inspector General despite the fact that Secretary Jackson publicly denied any involvement with the procurement process.

I remain deeply concerned about Secretary Jackson's comments and directives to HUD senior staff. The IG's report confirms that rather than focusing on HUD's core missions of enhancing housing and economic development opportunities for our most vulnerable neighborhoods, the Secretary was more concerned with selectively injecting politics into the department's procurement process. This type of conduct is appalling at any level of government, but seeing it performed by a member of the president's cabinet who is responsible for administering and directing hundreds of millions of dollars of public money is inexcusable.

Furthermore, when coupled with recent reports about similar activity at the Department of Interior and within the Coalition Provisional Authority, these findings raise serious concerns about persistent political favoritism throughout the Administration. At a time of war, with resources stretched thin and our nation demanding the best from its public servants, I'm sure you'll agree that there is no place for this type of activity in the awarding of jobs or public dollars. Taxpayers deserve nothing less than integrity in this process and the assurance that federal dollars are being allocated effectively and wisely.

As a member of the Senate Appropriations Committee, it is my job to ensure that the integrity of the federal procurement process is not compromised by political favoritism or discrimination. I hope that the Administration shares these principles and I urge you to take the appropriate steps to address these concerns immediately.

Sincerely,



Patty Murray  
Ranking Member  
Subcommittee on Transportation, Treasury, the  
Judiciary, Housing and Urban Development,  
and Related Agencies