



June 6, 2019

**VIA ONLINE PORTAL**

Michael Toland, Ph.D.  
Departmental FOIA Officer  
Office of Privacy and Open Government  
U.S. Department of Commerce  
14th and Constitution Avenue NW  
Mail Stop 52010FB  
Washington, DC 20230  
Via FOIAOnline

**Re: Freedom of Information Act Request**

Dear Mr. Toland:

Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and Department of Commerce (Commerce) implementing regulations, 15 C.F.R. Part 4, American Oversight makes the following request for records.

In May 2017, the private equity firm Blackstone Group announced the creation of an investment fund for U.S. infrastructure projects, which would be funded in large part by the government of Saudi Arabia's Public Investment Fund (PIF).<sup>1</sup> The effort to raise funds stalled,<sup>2</sup> however, and faced further setbacks after the murder of U.S. resident journalist Jamal Khashoggi in October 2018.<sup>3</sup>

Blackstone Group has extensive ties to the Trump administration. Chief Executive Stephen Schwarzman is a prominent supporter and advisor of President Trump's,<sup>4</sup> and publicly released records indicate contact with senior officials at the Treasury and Commerce Departments—

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<sup>1</sup> Kate Kelly & Andrew Ross Sorkin, *Massive United States-Saudi Infrastructure Fund Struggles to Get Going*, N.Y. TIMES, Apr. 4, 2018, <https://www.nytimes.com/2018/04/04/business/blackstone-infrastructure-fund-saudi.html>.

<sup>2</sup> *Id.*

<sup>3</sup> Lionel Laurent, *Blackstone's Long-Term Saudi Vision Looks Blinkered*, BLOOMBERG OPINION, Oct. 22, 2018, [https://www.washingtonpost.com/business/blackstones-long-term-saudi-vision-looks-blinkered/2018/10/23/a36d5760-d603-11e8-8384-bcc5492fef49\\_story.html?utm\\_term=.3d09777de352](https://www.washingtonpost.com/business/blackstones-long-term-saudi-vision-looks-blinkered/2018/10/23/a36d5760-d603-11e8-8384-bcc5492fef49_story.html?utm_term=.3d09777de352).

<sup>4</sup> Michael Kranish, *Trump's China Whisperer: How Billionaire Stephen Schwarzman Has Sought to Keep the President Close to Beijing*, WASH. POST, Mar. 12, 2018, [https://www.washingtonpost.com/politics/trumps-china-whisperer-how-billionaire-stephen-schwarzman-has-sought-to-keep-the-president-close-to-beijing/2018/03/11/67e369a8-0c2f-11e8-95a5-c396801049ef\\_story.html?utm\\_term=.c8a326268c61](https://www.washingtonpost.com/politics/trumps-china-whisperer-how-billionaire-stephen-schwarzman-has-sought-to-keep-the-president-close-to-beijing/2018/03/11/67e369a8-0c2f-11e8-95a5-c396801049ef_story.html?utm_term=.c8a326268c61).



including on the topic of Blackstone Group's venture with PIF. For example, in September 2017 Commerce Secretary Wilbur Ross met with representatives of both Blackstone Group and the PIF at Blackstone's headquarters in New York.<sup>5</sup>

American Oversight seeks records to shed light on whether and to what extent U.S. fiscal policy is being shaped by outside groups, including foreign investors.

### Requested Records

American Oversight requests that Commerce produce the following within twenty business days:

All records reflecting the content of any meetings between Blackstone Group and any individuals in the Office of the Secretary, including any calendar entries, documents prepared in advance of the meeting, written communications about the meeting, agendas, lists of meeting attendees, handwritten or electronic notes taken during the meeting, minutes, summaries, or materials exchanged, including but not limited to during the meetings.

Responsive records should include, at a minimum, all records reflecting the content of the Secretary Ross's meeting with Blackstone Group and PIF on or about September 18, 2017, as documented on Ross' publicly released calendar.<sup>6</sup>

Please provide all responsive records from August 1, 2017, through the date the search is conducted.

In addition to the records requested above, American Oversight also requests records describing the processing of this request, including records sufficient to identify search terms used, locations and custodians searched, and any tracking sheets used to track the processing of this request. If your agency uses FOIA questionnaires or certifications completed by individual custodians or components to determine whether they possess responsive materials or to describe how they conducted searches, we also request any such records prepared in connection with the processing of this request.

American Oversight seeks all responsive records regardless of format, medium, or physical characteristics. In conducting your search, please understand the terms "record," "document," and "information" in their broadest sense, to include any written, typed, recorded, graphic, printed, or audio material of any kind. We seek records of any kind, including electronic records, audiotapes, videotapes, and photographs, as well as letters, emails, facsimiles, telephone messages, voice mail messages and transcripts, notes, or minutes of any meetings, telephone conversations or discussions. Our request includes any attachments to these records. **No category of material should be omitted from search, collection, and production.**

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<sup>5</sup> *Commerce Secretary Wilbur Ross' 2017 Calendars*, AMERICAN OVERSIGHT, Oct. 5, 2018, <https://www.americanoversight.org/document/commerce-secretary-wilbur-ross-2017-calendars>.

<sup>6</sup> *Commerce Secretary Wilbur Ross' 2017 Calendars*, AMERICAN OVERSIGHT (Oct. 5, 2018), <https://www.americanoversight.org/document/commerce-secretary-wilbur-ross-2017-calendars>.

Please search all records regarding agency business. **You may not exclude searches of files or emails in the personal custody of your officials, such as personal email accounts.** Records of official business conducted using unofficial systems or stored outside of official files are subject to the Federal Records Act and FOIA.<sup>7</sup> **It is not adequate to rely on policies and procedures that require officials to move such information to official systems within a certain period of time; American Oversight has a right to records contained in those files even if material has not yet been moved to official systems or if officials have, through negligence or willfulness, failed to meet their obligations.**<sup>8</sup>

In addition, please note that in conducting a “reasonable search” as required by law, you must employ the most up-to-date technologies and tools available, in addition to searches by individual custodians likely to have responsive information. Recent technology may have rendered your agency’s prior FOIA practices unreasonable. **In light of the government-wide requirements to manage information electronically by the end of 2016, it is no longer reasonable to rely exclusively on custodian-driven searches.**<sup>9</sup> Furthermore, agencies that have adopted the National Archives and Records Administration (NARA) Capstone program, or similar policies, now maintain emails in a form that is reasonably likely to be more complete than individual custodians’ files. For example, a custodian may have deleted a responsive email from his or her email program, but your agency’s archiving tools would capture that email under Capstone. Accordingly, American Oversight insists that your agency use the most up-to-date technologies to search for responsive information and take steps to ensure that the most complete repositories of information are searched. American Oversight is available to work with you to craft appropriate search terms. **However, custodian searches are still required; agencies may not have direct access to files stored in .PST files, outside of network drives, in paper format, or in personal email accounts.**

Under the FOIA Improvement Act of 2016, agencies must adopt a presumption of disclosure, withholding information “only if . . . disclosure would harm an interest protected by an exemption” or “disclosure is prohibited by law.”<sup>10</sup> If it is your position that any portion of the requested records

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<sup>7</sup> See *Competitive Enter. Inst. v. Office of Sci. & Tech. Policy*, 827 F.3d 145, 149–50 (D.C. Cir. 2016); cf. *Judicial Watch, Inc. v. Kerry*, 844 F.3d 952, 955–56 (D.C. Cir. 2016).

<sup>8</sup> See *Competitive Enter. Inst. v. Office of Sci. & Tech. Policy*, No. 14-cv-765, slip op. at 8 (D.D.C. Dec. 12, 2016) (“The Government argues that because the agency had a policy requiring [the official] to forward all of his emails from his [personal] account to his business email, the [personal] account only contains duplicate agency records at best. Therefore, the Government claims that any hypothetical deletion of the [personal account] emails would still leave a copy of those records intact in [the official’s] work email. However, policies are rarely followed to perfection by anyone. At this stage of the case, the Court cannot assume that each and every work related email in the [personal] account was duplicated in [the official’s] work email account.” (citations omitted)).

<sup>9</sup> Presidential Memorandum—Managing Government Records, 76 Fed. Reg. 75,423 (Nov. 28, 2011), <https://obamawhitehouse.archives.gov/the-press-office/2011/11/28/presidential-memorandum-managing-government-records>; Office of Mgmt. & Budget, Exec. Office of the President, Memorandum for the Heads of Executive Departments & Independent Agencies, “Managing Government Records Directive,” M-12-18 (Aug. 24, 2012), <https://www.archives.gov/files/records-mgmt/m-12-18.pdf>.

<sup>10</sup> FOIA Improvement Act of 2016 § 2 (Pub. L. No. 114-185).

is exempt from disclosure, American Oversight requests that you provide an index of those documents as required under *Vaughn v. Rosen*, 484 F.2d 820 (D.C. Cir. 1973), *cert. denied*, 415 U.S. 977 (1974). As you are aware, a *Vaughn* index must describe each document claimed as exempt with sufficient specificity “to permit a reasoned judgment as to whether the material is actually exempt under FOIA.”<sup>11</sup> Moreover, the *Vaughn* index “must describe *each* document or portion thereof withheld, and for *each* withholding it must discuss the consequences of disclosing the sought-after information.”<sup>12</sup> Further, “the withholding agency must supply ‘a relatively detailed justification, specifically identifying the reasons why a particular exemption is relevant and correlating those claims with the particular part of a withheld document to which they apply.’”<sup>13</sup>

In the event some portions of the requested records are properly exempt from disclosure, please disclose any reasonably segregable non-exempt portions of the requested records. If it is your position that a document contains non-exempt segments, but that those non-exempt segments are so dispersed throughout the document as to make segregation impossible, please state what portion of the document is non-exempt, and how the material is dispersed throughout the document.<sup>14</sup> Claims of nonsegregability must be made with the same degree of detail as required for claims of exemptions in a *Vaughn* index. If a request is denied in whole, please state specifically that it is not reasonable to segregate portions of the record for release.

**You should institute a preservation hold on information responsive to this request.** American Oversight intends to pursue all legal avenues to enforce its right of access under FOIA, including litigation if necessary. Accordingly, you are on notice that litigation is reasonably foreseeable.

To ensure that this request is properly construed, that searches are conducted in an adequate but efficient manner, and that extraneous costs are not incurred, American Oversight welcomes an opportunity to discuss its request with you before your agency undertakes a search or incurs search or duplication costs. By working together at the outset, we can decrease the likelihood of costly and time-consuming litigation in the future.

Where possible, please provide responsive material in electronic format by email or in PDF or TIF format on a USB drive. Please send any responsive material being sent by mail to American Oversight, 1030 15th Street NW, Suite B255, Washington, DC 20005. If it will accelerate release of responsive records to American Oversight, please also provide responsive material on a rolling basis.

### **Fee Waiver Request**

In accordance with 5 U.S.C. § 552(a)(4)(A)(iii) and 15 C.F.R. § 4.11(l), American Oversight requests a waiver of fees associated with processing this request for records. The subject of this request concerns the operations of the federal government, and the disclosures will likely contribute to a better understanding of relevant government procedures by the general public in a

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<sup>11</sup> *Founding Church of Scientology v. Bell*, 603 F.2d 945, 949 (D.C. Cir. 1979).

<sup>12</sup> *King v. U.S. Dep’t of Justice*, 830 F.2d 210, 223–24 (D.C. Cir. 1987) (emphases in original).

<sup>13</sup> *Id.* at 224 (citing *Mead Data Central, Inc. v. U.S. Dep’t of the Air Force*, 566 F.2d 242, 251 (D.C. Cir. 1977)).

<sup>14</sup> *Mead Data Central*, 566 F.2d at 261.

significant way.<sup>15</sup> Moreover, the request is primarily and fundamentally for non-commercial purposes.<sup>16</sup>

Disclosure of the requested information is in the public interest because it is “likely to contribute to public understanding” of “the operations or activities of the Federal government.”<sup>17</sup> The disclosure of the information sought under this request will reveal the operations of the federal government, including whether and to what extent U.S. fiscal and infrastructure policy is being shaped by outside groups, including the president’s supporters and foreign investors. This request will document the substance and extent of political appointees’ communications with these non-governmental interests. American Oversight is committed to transparency and makes the responses agencies provide to FOIA requests publicly available. And, as described in more detail below, American Oversight will disseminate the information to a reasonably broad audience of persons through its social media accounts and its website.

This request is primarily and fundamentally not for commercial purposes, but rather the primary interest is in public disclosure of responsive records. As a 501(c)(3) nonprofit, American Oversight does not have a commercial purpose and the release of the information requested is not in American Oversight’s financial interest. American Oversight’s mission is to promote transparency in government, to educate the public about government activities, and to ensure the accountability of government officials. American Oversight uses the information gathered, and its analysis of it, to educate the public through reports, press releases, or other media. American Oversight also makes materials it gathers available on its public website and promotes their availability on social media platforms, such as Facebook and Twitter.<sup>18</sup> American Oversight has demonstrated its commitment to the public disclosure of documents and creation of editorial content. For example, after receiving records regarding an ethics waiver received by a senior DOJ attorney,<sup>19</sup> American Oversight promptly posted the records to its website and published an analysis of what the records reflected about DOJ’s process for ethics waivers.<sup>20</sup> As another example, American Oversight has a project called “Audit the Wall,” where the organization is gathering and analyzing information and commenting on public releases of information related to the administration’s proposed construction of a barrier along the U.S.-Mexico border.<sup>21</sup>

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<sup>15</sup> 15 C.F.R. § 4.11(l)(1)(i).

<sup>16</sup> 15 C.F.R. § 4.11(l)(1)(ii).

<sup>17</sup> 15 C.F.R. § 4.11(l)(1)(i), (2)(i)-(iv).

<sup>18</sup> American Oversight currently has approximately 12,300 page likes on Facebook and 54,200 followers on Twitter. American Oversight, FACEBOOK, <https://www.facebook.com/weareoversight/> (last visited May 28, 2019); American Oversight (@weareoversight), TWITTER, <https://twitter.com/weareoversight> (last visited May 28, 2019).

<sup>19</sup> *DOJ Records Related to Solicitor General Noel Francisco’s Recusal*, AMERICAN OVERSIGHT, <https://www.americanoversight.org/document/doj-civil-division-response-noel-francisco-compliance>.

<sup>20</sup> *Francisco & the Travel Ban: What We Learned from the DOJ Documents*, AMERICAN OVERSIGHT, <https://www.americanoversight.org/francisco-the-travel-ban-what-we-learned-from-the-doj-documents>.

<sup>21</sup> *Audit the Wall*, AMERICAN OVERSIGHT, <https://www.americanoversight.org/investigation/audit-the-wall>.

Accordingly, American Oversight qualifies for a fee waiver.

**Conclusion**

We share a common mission to promote transparency in government. American Oversight looks forward to working with Commerce on this request. If you do not understand any part of this request, have any questions, or foresee any problems in fully releasing the requested records, please contact Dan McGrath at [foia@americanoversight.org](mailto:foia@americanoversight.org) or 202.897.4213. Also, if American Oversight's request for a fee waiver is not granted in full, please contact us immediately upon making such a determination.

Sincerely,

A handwritten signature in blue ink that reads "Austin R. Evers". The signature is fluid and cursive, with a long horizontal flourish extending to the left.

Austin R. Evers  
Executive Director  
American Oversight