



June 4, 2019

**VIA ELECTRONIC MAIL**

Kathy Ray  
U.S. Department of Transportation  
1200 New Jersey Avenue SE  
W94-122  
Washington, DC 20590  
[ost.foia@dot.gov](mailto:ost.foia@dot.gov)

**Re: Freedom of Information Act Request**

Dear Ms. Ray:

Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and your agency's implementing regulations, 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—including on the topic of Blackstone Group's venture with PIF. For example, in September 2017

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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).



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. transportation policy is being shaped by outside groups, including foreign investors.

### **Requested Records**

American Oversight requests that the Department of Transportation (DOT) produce the following within twenty business days:

All email communications (including email messages, email attachments, calendar entries, or calendar invitations) between (1) political appointees\* in the immediate office of the Secretary or in the immediate office of the White House Liaison and (2) the following organizations and individuals:

- i. Blackstone Group, or anyone with an email address ending in @blackstone.com or @blackstonesradvisors.com
- ii. Stephen “Steve” Schwarzman
- iii. Hamilton James
- iv. Jonathan Gray
- v. Sean Klimczak
- vi. Wayne Berman
- vii. Lisa Lyttle
- viii. Eli Miller\* \*
- ix. Public Investment Fund (PIF), or anyone with an email address ending in @pif.gov.sa
- x. Yasir Al-Rumayyan (including any alternate spellings or hyphenations)
- xi. Saad Al-Jarboa (including any alternate spellings or hyphenations)
- xii. Afnan Al-Osaimi (including any alternate spellings or hyphenations)
- xiii. Peter G. Peterson Foundation or anyone with an email address ending in @pgpf.org
- xiv. Michael Peterson
- xv. Peter Peterson
- xvi. Brian Bartlett

\*“Political appointee” should be understood as any person who is a Presidential Appointee with Senate Confirmation (PAS), a Presidential Appointee (PA), a Non-career SES, any Schedule C employees, or any persons hired under Temporary Non-career SES Appointments, Limited Term SES Appointments, or Temporary Transitional Schedule C.

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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>.

\*\*Eli Miller served as Secretary Mnuchin’s Chief of Staff until April 2019 when he became a Managing Director at the Blackstone Group, according to press reporting and his LinkedIn page.<sup>6</sup> To be clear, we are requesting all email communications between specified Department custodians and Miller *following* his departure from the Department of the Treasury in April 2019.

Please provide all responsive records from January 20, 2017, through the date the search is conducted.

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.**

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>

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<sup>6</sup> Heather Perlberg & Saleha Mohsin, *Mnuchin’s Chief of Staff Eli Miller Plans to Join Blackstone*, BLOOMBERG (April 9, 2019, 2:38 PM), <https://www.bloomberg.com/news/articles/2019-04-09/mnuchin-s-chief-of-staff-eli-miller-plans-to-join-blackstone>; Eli Miller, LINKEDIN, <https://www.linkedin.com/in/eli-miller-78b44bb3> (last visited May 16, 2019).

<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)).

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 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

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<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).

<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)).

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 you undertake your search or incur search or duplication costs. By working together at the outset, American Oversight hopes to 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 your agency's implementing regulations, 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 public understanding of those operations. Moreover, the request is primarily and fundamentally for non-commercial purposes.

American Oversight requests a waiver of fees because disclosure of the requested information is in the public interest because it is likely to contribute significantly to public understanding of activities and operations of the government. The disclosure of the information sought under this request will document and 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. The requested records have the potential to shed significant light on these matters of public concern, including by showing the substance and extent of DOT's leadership's communications with these external interests. And, as described below, American Oversight has the intention and ability to disseminate the records it receives to a broad audience.

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

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>15</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>16</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>17</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>18</sup>

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 your agency 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

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<sup>15</sup> American Oversight currently has approximately 12,200 page likes on Facebook and 54,300 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>16</sup> *DOJ Records Relating to Solicitor General Noel Francisco's Recusal*, AMERICAN OVERSIGHT, <https://www.americanoversight.org/document/doj-civil-division-response-noel-francisco-compliance>.

<sup>17</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>18</sup> *Audit the Wall*, AMERICAN OVERSIGHT, <https://www.americanoversight.org/investigation/audit-the-wall>.

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