

For Immediate Release

Friday, June 19, 2009

Grassley seeks information about possible interference with work of Amtrak IG

WASHINGTON --- Senator Chuck Grassley has asked the Office of the Inspector General for Amtrak to follow through on the agreement made by the Inspector General who retired yesterday to provide information about interference by Amtrak in the oversight work of the Inspector General.

Grassley made his request in a letter sent to E. Bret Coulson, the Deputy Inspector General. Grassley said he is concerned about the way Amtrak leaders may have sought to tamp down efforts by the Inspector General to identify mismanagement.

“I’ve been told about interference that raises flags in a big way, including third parties being told to first send documents under subpoena by the Inspector General to Amtrak for review, and the Inspector General being chastised for communicating directly with congressional appropriations and authorizing committees,” Grassley said.

This month, Grassley has asked the White House for an explanation of the firing of the AmeriCorps Inspector General, after the Inspector General issued two reports of mismanagement and abusive spending by AmeriCorps grantees. Grassley has also asked the International Trade Commission to account for its termination of its Inspector General who had been repeatedly hired for six-month increments and been given outstanding performance reviews. In both cases, Grassley said the administration failed to comply with a law enacted last year requiring Congress to be notified 30 days in advance of the dismissal of an Inspector General and given the reasons for the firing. Then-Senator Barack Obama co-sponsored the legislation along with Grassley.

“Inspectors general are watchdogs over the federal bureaucracy, and the Inspector General Reform Act of 2008 is supposed to better safeguard their independence so they can do their jobs for taxpayers and program stakeholders,” Grassley said. “The President has said he wants more accountable government, and keeping good watchdogs on the job is fundamental to that goal. Inspectors general need to be strengthened, not undermined.”

This week, Grassley also has asked the Treasury Secretary to put an end to documented resistance from the Treasury Department to requests for information from the Special Inspector General for the Troubled Assets Relief Program. Senator Grassley was an advocate for creating a Special IG for TARP to try to hold the program accountable and co-sponsored legislation to strengthen the ability of the Special IG to conduct oversight after the TARP program changed its original mission. Earlier this year, Senator Grassley also battled the White House after it tried to subject requests of the Special IG to the red tape of the Paperwork Reduction Act.

“The grassroots is furious about the way TARP dollars have been used and what looks like a lack of accountability for this massive infusion of tax dollars,” Grassley said. “It’s added injury to hear about the Treasury Department slowing down the work of the watchdog who’s

supposed to track the money. One of the biggest lessons of the last year is that the public deserves more transparency and, in turn, accountability from New York and Washington.”

Grassley has long worked to empower inspectors general to conduct effective oversight of the federal bureaucracy and he has held inspectors general themselves accountable for meeting the requirements of the jobs.

The text of Grassley’s letter to the Amtrak Office of the Inspector General is below. The other letters, regarding the AmeriCorps, ITC and TARP inspectors general, are posted at <http://finance.senate.gov> and <http://grassley.senate.gov>.

June 18, 2009

E. Bret Coulson
Deputy Inspector General Management & Policy
Office of Inspector General
Amtrak
National Railroad Passenger Corporation
10 G Street, NE
Washington, DC 20525

Dear Mr. Coulson:

As a senior member of the United States Senate and as the Ranking Member of the Senate Committee on Finance (Committee), it is my duty under the Constitution to ensure that Inspectors General, which were created by Congress, are permitted to operate without political pressure or interference from their respective agencies. Inspectors General were designed for the express purpose of combating waste, fraud, and abuse and to be independent watchdogs ensuring that federal agencies were held accountable for their actions. I understand that Inspector General Fred Weiderhold, Jr. has retired today.

Based on contacts that my staff had with Mr. Weiderhold on two recent occasions (April 2, 2009 and June 4, 2009), I understand that the OIG has suffered from repeated and continuous interference from the agency. After the most recent discussion, it was agreed that the OIG would provide, among other things, a White Paper and specific examples of agency interference with OIG audits and/or investigations. To date, the OIG has not yet provided any documents. As you know, any interference such as that was described in these previous discussions is a direct violation of the Inspector General Act of 1978.

In light of Mr. Weiderhold’s unexpected retirement, please provide the previously requested documentation immediately. I am deeply troubled that these aforementioned meetings with my staff and discussions of the OIG’s independence concerns predated this personnel action with IG Weiderhold. Furthermore, I am even more concerned that there is a lack of accountability, based on the OIG’s reported lack of independence, for the \$1.3 billion in stimulus funds that Amtrak has received from American taxpayers.

Due to these recent events, I specifically request all materials at the IG's office be preserved immediately.

In addition to providing the requested documentation, please provide an immediate briefing to my staff on the level of proper oversight the OIG has over of the \$1.3 billion dollars of American taxpayer money, and what role the previously discussed independence issues with the agency played in the elimination of former IG Weiderhold.

Thank you in advance for your assistance and I would appreciate a response to this inquiry by June 19, 2009.

Sincerely,
Charles E. Grassley
Ranking Member of the
Committee on Finance

cc: The Honorable Thomas C. Carper
Chairman
Amtrak
National Railroad Passenger Corporation

Joseph H. Boardman
President and Chief Executive Officer
Amtrak
National Railroad Passenger Corporation