

June 20, 2018

Mr. Ed McDonnell Department of the Interior's Designated Agency Ethics Official 1849 C Street, NW, MS 7346 Washington, DC 20240

Tel: 202-208-7960 Fax: 202-208-5515

Dear Mr. McDonnell,

Public Citizen respectfully requests that the Office of Ethics of the Department of the Interior determine whether the involvement of Interior Secretary Ryan Zinke and his immediate family in a multi-million dollar business project arranged and funded by the chairman of Halliburton constitutes one or more violations of the federal conflict of interest code, 18 U.S.C. §208.

Prior to becoming a government official, Ryan Zinke created the Great Northern Veterans Peace Park Foundation in 2007. The Foundation's stated mission is to provide a sledding park for children and a community open space that honors veterans and the railroad in Zinke's hometown of Whitefish, Montana. The Foundation's 2017 report to the State of Montana lists Ryan Zinke as founder and an officer of the charity, with his wife Lola Zinke as current president and their daughter Jennifer Detlefsen as treasurer of the Foundation. Ryan Zinke claims that he is no longer associated with the Foundation since becoming Interior Secretary.

The Great Northern Veterans Peace Park Foundation is playing a key role in a real-estate project led by David Lesar, chairman and former executive director of Halliburton, the largest American oil-services company. The real estate project is known as "95 Karrow," named for the avenue on which the land sits in Whitefish, which was launched in September 2017. Two days after the launching of the real estate project – which includes plans for a hotel, retail shops and a microbrewery long sought by Zinke himself – Zola Zinke, as president of the Foundation, signed an official letter of intent to allow the construction of a parking lot on the Foundation's land to be used for both Lesar's real-estate development project, the micro-brewery and visitors to the parkland owned by the Foundation. The developers of 95 Karrow specifically noted the parking lot as part of their proposal to the city.⁴

¹ https://www.guidestar.org/profile/26-0733320

² https://www.eenews.net/assets/2017/05/22/document_gw_03.pdf

³ Ben Lefebvre and Nick Juliano, "Zinke linked to real estate deal with Halliburton chairman," Politico (June 19, 2018), available at: https://www.politico.com/story/2018/06/19/ryan-zinke-halliburton-park-whitefish-montana-647731

⁴ Id.

Under 18 U.S.C. § 208, a federal employee is prohibited from participating personally and substantially in an official capacity in any particular matter "in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest…"

As the largest oil-services company in the United States, Halliburton is directly under the regulatory authority of the Interior Department. Halliburton routinely reports lobbying the Interior Department on matters ranging from energy policy to oil and gas exploration on its Lobbying Disclosure Act filings.⁵

The personal financial benefits to be accrued to the Zinke family and the Zinke Foundation are reported by *Politico* likely to be substantial. The value of properties owned by the Great Northern Veterans Peace Park Foundation are expected to rise exponentially with the commercial development proposed by 95 Karrow. Furthermore, the proposed microbrewery as part of the real-estate development project was a business first proposed and lobbied for by Ryan Zinke in 2012. Whitefish city planner, David Taylor, said that the 95 Karrow developers suggested that the microbrewery may be set aside for Ryan and Lola Zinke to own and operate. Finally, Ryan Zinke also owns private land on the other side of the proposed development project. *Politico* also reports that the Zinke-owned land next door would stand to increase substantially in value.⁶

The record of the direct involvement of the Zinke family and their Great Northern Veterans Peace Park Foundation in a major real-estate project run by the chairman of Halliburton, and the business deal's reported financial benefit to the Zinke family as well as to the Foundation, raises serious and numerous concerns of potential violations of the federal conflicts of interest code.

Accordingly, Public Citizen requests that the Department of Interior Ethics Office investigate whether these business relationships between the Zinke family, the Zinke Foundation and the chairman of Halliburton pose one or more violations of 18 U.S.C. §208.

Sincerely,

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⁵ *See*, for example, https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=19F5408D-8D1C-47FD-B144-05A7350616C4&filingTypeID=80

⁶ Lefebvre and Juliano, op.cit.