

UNITED STATES OFFICE OF
GOVERNMENT ETHICS



March 31, 2017

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Wyden:

I am in receipt of your March 27, 2017, letter concerning remarks made by Treasury Secretary Steven Mnuchin about his film during an interview last week. I share your concern about those remarks.

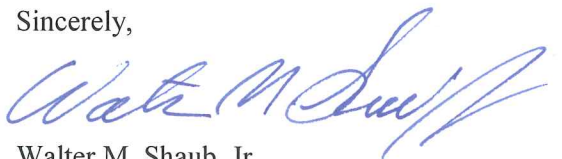
In a March 9, 2017, letter to the White House, which I shared with the Chairman and the Ranking Member of the House Committee on Oversight and Government Reform, I recommended that the White House revisit its decision to not take disciplinary action against another senior Presidential appointee for endorsing the product line of the President's daughter.¹ In my letter, I emphasized that, "When an employee's conduct violates 5 C.F.R. § 2635.702, disciplinary action serves to deter future misconduct." I also cautioned that, "Not taking disciplinary action against a senior official under such circumstances risks undermining the ethics program." This latest incident seems to prove my point.

Nevertheless, in this case, there is a meaningful distinction in the way Secretary Mnuchin has publicly acknowledged responsibility. This morning, he signed the enclosed letter conceding that he should not have made the remarks about his film. In addition, he pledges to exercise greater caution with respect to the Standards of Conduct in the future. He also indicates that, although he previously completed an ethics briefing with the Department's Designated Agency Ethics Official (DAEO), he will now complete another ethics briefing.

The primary purpose of disciplinary action is to deter future misconduct, both on the part of an individual employee and on the part of others. Secretary Mnuchin's enclosed letter appears to achieve that purpose. As Secretary Mnuchin notes in his letter, subsequent to making his remarks, he declined to answer a similar question in another interview. This change is a step in the right direction. I have asked the DAEO to notify me promptly when Secretary Mnuchin completes his remedial ethics briefing.

OGE intends to give Secretary Mnuchin the opportunity to make good on the pledge he makes in the enclosed letter. If he fails to keep his pledge, OGE will seek further action.

Sincerely,



Walter M. Shaub, Jr.
Director

¹ See Letter from Walter M. Shaub, Jr., Director, U.S. Office of Government Ethics, to Stefan C. Passantino, Deputy Counsel to the President and Designated Agency Ethics Official (Mar. 9, 2017), available at <https://www.oge.gov/web/OGE.nsf/Resources/Letter+to+HOCR+Chairman+and+Ranking+Member+9+Mar+2017>.



The Honorable Ron Wyden
Ranking Member
Senate Committee on Finance
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Enclosure

cc. The Honorable Orrin G. Hatch
 Chairman
 Committee on Finance
 United States Senate
 219 Dirksen Senate Office Building
 Washington, D.C. 20510

 The Honorable Jason E. Chaffetz
 Chairman
 Committee on Oversight and Government Reform
 United States House of Representatives
 2157 Rayburn House Office Building
 Washington, DC 20515

 The Honorable Elijah E. Cummings
 Ranking Member
 Committee on Oversight and Government Reform
 United States House of Representatives
 2471 Rayburn House Office Building
 Washington, DC 20515



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

March 31, 2017

The Honorable Walter M. Shaub, Jr.
Director
U.S. Office of Government Ethics
1201 New York Avenue, NW
Washington, DC 20005

Dear Mr. Shaub:

I am writing concerning the press reports related to the response I provided to a question posed to me at the end of a wide-ranging interview with Axios on Friday, March 24, 2017.

As a final question, the interviewer asked me specifically if I had any movie recommendations. Although I included a disclaimer indicating that it was not my intention to promote any product, I ended my response to that light-hearted question with words that could reasonably have been interpreted to encourage the questioner to see a film with which I was associated. I should not have made that statement. I want to assure you that I was aware of the rule against using public office to promote a particular product, as I specifically acknowledged in the interview, and in responding to the question posed by the interviewer, it was not my intention to make a product endorsement. When asked a similar question in a subsequent interview the next day, I refrained from providing a response and will act similarly in the future.

I take very seriously my ethical responsibilities as a Presidential appointee and the head of the Department of the Treasury. Indeed, in advance of my confirmation, I sought and received an initial ethics briefing from Treasury's Designated Agency Ethics Official (DAEO) and have met with her frequently since then, including shortly after my interview on Friday. I intend to schedule a follow-up briefing with the DAEO on the rules of conduct. I fully appreciate the core ethics principle that public office is a public trust and that no employee may use his office for his own or others' private gain.

I want to reassure you that I will exercise greater caution to avoid any suggestion that I do not take these important rules seriously. I will continue to work with the DAEO and her team to support the ethics program and promote an ethical culture within the Department of the Treasury.

Sincerely,

Steven T. Mnuchin