



PUBLIC EMPLOYEES FOR ENVIRONMENTAL RESPONSIBILITY

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July 12, 2023

Chairperson Steve Owens
Board Member Sylvia Johnson.
Board Member Catherine Sandoval
U.S. Chemical Safety and Hazard Investigation Board (CSB)
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Washington, DC 20006

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Dear CSB Members:

As you are no doubt aware, the Office of Inspector General (IG) for the Environmental Protection Agency recently issued a report finding that the former CSB Chairperson received approximately \$100,000 in improper payments charged to your agency's budget during her short tenure. See *Report of Investigation: Katherine A. Lemos, Former Chairperson and Chief Executive Officer, U.S. Chemical Safety and Hazard Investigation Board* June 28, 2023 (Report No. 23-N-0020).

I am writing you on behalf of Public Employees for Environmental Responsibility (PEER) to urge that you take steps to recover these misspent funds. We are urging that you undertake this action for two reasons:

- 1) The amount of money wasted on Ms. Lemos' unauthorized travel, media training, and office redecorating is substantial for a small agency like the CSB with an outsized mission. These funds, if properly redirected, could finance investigator travel, a safety video, or other worthwhile mission-furthering activities,
- 2) Accountability requires that Ms. Lemos pay some penalty for her repeated and outrageous misconduct.

In the past, CSB has been assiduous in collecting improper payments to employees, such as recovering student loan payments made for employees who left the agency before the required length of service.

In one instance, CSB took legal action against an investigator who misused his CSB-issued travel card for personal expenses. See *Altamirano v. Chem. Safety & Hazard Investigation Bd.*, Civil Action No. 11-cv-01728-PAB-MJW. In those proceedings, then CSB-Chair John Bresland testified that "we make it a practice in the Chemical Safety Board to have a very low tolerance for any abuses of the travel regulations or the use of the government credit card." Under

questioning, Chairperson Bresland testified, "I would say it's close to a zero tolerance. It would depend, that there may be some circumstances where someone made a mistake."

However, Mr. Altamirano's misconduct pales compared to Ms. Lemos's in scope and nature. Mr. Altamirano had apparently charged approximately \$20,000 in personal expenses to the card over several years. Moreover, he was paying those personal expenses himself and had misused the travel card under its policies of use.

By contrast, Ms. Lemos repeatedly received personal benefits from improper travel and training disbursements. The flagrant disregard Ms. Lemos showed for the CSB's budget is illustrated in the many details recounted in the IG report, ranging from picking out the most expensive furniture to hotel stays at three times the government rate.

Moreover, she disregarded direct warnings from the General Services Administration that charging her travel expenses from her home in San Diego was not allowable. As one quite pointed message read –

“Bottom Line: If the agency has established the PDS [Permanent Duty Station], and the individual resides in a different location that is not the PDS, the agency can not pay TDY [Temporary Duty] expenses to travel to the PDS. This applies to "ALL" new appointees, employees, and political Secretaiy/appointees.” (Sic, emphasis in the original)

In addition, Ms. Lemos brushed aside the admonitions of a CSB ethics official that her trip to Norfolk, Virginia, to take part in an embarkation on a U.S. Navy aircraft carrier should not be at the CSB's expense:

“Frankly, on its face, this looks like a junket. It's heavy on the ‘fun’ aspect (taking a plane and landing on the flight deck; getting underway with the sailors, etc.) and virtually silent on the ‘educational’ aspect. I don't doubt that a lot can be learned about the [ship's] generators, propulsion systems, etc., and how those are safely managed at sea. Based on the facts and circumstances presented, however, the ship's operations are not sufficiently similar, or related to the civilian fixed facilities' industrial operations, to warrant the CSB paying for the proposed excursion.”

Ms. Lemos overruled the CSB ethics official, who, no doubt, experienced concern about the possibility of later professional retribution.

On May 11, 2021, my organization issued a press release about the impropriety of these expenses, pointedly entitled “Chemical Safety Board Chair's Spending Spree -- On Herself.” According to the IG report, Ms. Lemos dismissed our news releases as “half-truths,” but she took no apparent steps to ascertain whether any fraction of the matter had substance.

In short, Ms. Lemos' misuse of CSB funds was knowing, extravagant, and egregious. Recovery of these funds is more than warranted.

Finally, I want to draw your attention to the stress Ms. Lemos' conduct placed on several CSB staff. In some instances, raising the objections they did, required a profile in courage. We urge

you to review the transactions recounted in the IG report with an eye toward developing procedures to ensure that this type of misconduct cannot easily be repeated.

Thank you for your attention to this matter.

Respectfully,

Timothy Whitehouse
Executive Director