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**Public Employees for Environmental Responsibility**

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October 5, 2005

Senator James Inhofe  
Chairman  
Committee on Environment  
& Public Works

Senator James Jeffords  
Ranking Minority Member

**Re: Opposition to Nomination of George Gray to Serve as EPA Assistant Administrator for Research and Development**

Dear Senators:

On behalf of Public Employees for Environmental Responsibility, I am writing to notify you of our opposition to the nomination of George M. Gray to serve as the Environmental Protection Agency Assistant Administrator for Research and Development.

The principal basis for opposition is the concern that Mr. Gray's track record suggests that, if confirmed, he will work to convert EPA's research program into an arm of corporate R & D. The majority of funding for the Center for Risk Analysis that he now heads comes from corporate sources. Much of that corporate support comes in the form of unrestricted grants. The balance is earmarked by corporate underwriters for very specific research tasks.

In his written answers to questions submitted by the Committee, Mr. Gray indicates that he intends to continue and perhaps expand corporate solicitation of research funds.

Our concern is that such corporate joint ventures may already be distorting the direction of the research priorities within EPA. According to agency documents obtained by PEER under the Freedom of Information Act, during the Bush administration the EPA dramatically increased its reliance on corporate joint ventures in its research program. Agency scientists report to us that this trend is already causing EPA to divert funds from basic public health and environmental research toward applied research to address regulatory concerns of corporate sponsors.

As a result of the growing use of “cooperative research and development agreements” (or CRADAs) with individual corporations or industry associations, the American Chemistry Council (ACC) is now EPA’s leading research partner.

A classic example of recent EPA/corporate joint ventures is the 2004 agreement reached with the ACC to fund the now-canceled CHEERS experiment in which parents would have received payments and gifts in return for spraying pesticides and other chemicals in the rooms primarily occupied by their infant children. The CHEERS agreement between EPA and ACC was premised on EPA’s promise to the industry giant that dangerous chemicals of ACC’s choice would be added to the study’s scope.

PEER believes that Mr. Gray will, in essence, put EPA’s research program on the market, continuing his professional pattern of soliciting funds from any source. Perpetuating this trend will not only lead to more industry funded EPA scientific research, but potential corporate partners will also be well-positioned to influence research priorities, as epitomized by CHEERS.

Mr. Gray’s orientation and limited administrative experience will aggravate a disturbing drift that is already afflicting EPA’s research arm. Two recent reports detail the consequences of growing corporate involvement in the Office of Research and Development:

- In a draft report this April, EPA’s Science Advisory Board warned that the agency is no longer funding a credible public health research program. For example, EPA is falling behind on emerging issues such as intercontinental pollution transport and nanotechnology; and
- A Government Accountability Office study also released in April concluded that EPA lacks safeguards to “evaluate or manage potential conflicts of interest” in corporate research agreements.

At the same time that the research program is adrift, there is a growing disconnect between scientists and managers within EPA’s Office of Research and Development, according to internal agency surveys. Lack of trust, communication and shared vision is beginning to threaten the nation’s largest scientific organization dedicated to studying human health and the environment.

ORD, the EPA branch that Mr. Gray would oversee if confirmed, consists of three national laboratories, four national centers, and two offices located in 14 facilities around the country employing approximately 2,000 scientists. Internal surveys were taken in 1999, 2001 and 2003 to gauge “organizational climate.” The latest survey, with a 66% response rate, reflects increasing doubts about the “competence” and trustworthiness of ORD leadership. In the 2003 survey –

- Scientists’ trust in leadership declines markedly at each step higher up in the chain-of-command, with 38% of staff scientists reporting distrust of laboratory

managers versus only 23% who expressed trust;

- Less than one in three respondents (30%) felt that lab managers “address challenging situations competently;” and
- Barely half (56%) were optimistic about ORD’s future.

In essays accompanying the survey, EPA scientists maintain that corporations are influencing the agency’s research agenda through financial inducements. As one EPA scientist wrote, “Many of us in the labs feel like we work for contracts.”

Mr. Gray approaches this deteriorating situation with virtually no administrative experience and no background in the complex organization that he hopes to head. In answers to written committee questions, he confessed no knowledge of the agency’s own internal surveys nor did he imply that he was the least bit interested in reviewing these results.

In the past months, EPA has been plagued by reports of political suppression of scientific results on issues ranging from global warming to asbestos to mercury regulation. ORD has even gone so far as to launch a public relations campaign, entitled “Science for You,” to mask problems, which is funded with research dollars. This campaign is currently under investigation by EPA’s Inspector General, yet Mr. Gray indicated in his written answers to committee questions that he had not heard of the multi-million dollar contract that triggered the investigation.

As what was one of the top public health research program slides toward dysfunction, nothing about the background, attitude or philosophy of Mr. Gray suggests that he is even remotely the right person for this job.

For these reasons, we respectfully suggest that the Committee reject the nomination of Mr. Gray.

Sincerely,



Jeff Ruch  
Executive Director

Cc. Members of Senate Committee on Environment & Public Works