California Public Employees for Environmental Responsibility P.O. Box 2368 Sacramento, CA 95812-2368 (530) 333-2545

May 28, 2003

Bill Lockyer California State Attorney General Department of Justice P.O. Box 944255 1300 I Street Sacramento, CA 94244-2550

RE: People v. The Pacific Lumber Company Humboldt County Case No. No. DR030070

Dear Mr. Lockyer:

We write on behalf of our 1,200 members in the State of California. We want to express our serious concern about your denial of support and assistance to the Humboldt County District Attorney in his action against the Pacific Lumber Company for fraud in relation to the approvals it obtained from the State of California in the "Headwaters Deal."

Public Employees for Environmental Responsibility is a national non-profit alliance of local, state and federal resource professionals—scientists, land managers, law enforcement officers—dedicated to upholding environmental laws and values.

We have received inquiries from many public employees, including law enforcement officers, regarding the failure to assist the Humboldt County District Attorney in the prosecution of the case against Pacific Lumber Company. We are troubled by this position, as the underlying facts appear to require effective and swift prosecution.

The Attorney General has a Constitutional duty to assist any district attorney in the discharge of the duties of that office, particularly when required by the public interest. (Cal. Constitution, Art. 5, § 13.) A district attorney such as Mr. Gallegos, who finds cause to bring suit against such a large and influential corporate interest as Pacific Lumber Company, is entitled to the resources and support that the California Department of Justice can provide. Certainly the public is entitled to know the truth of all the details that lead to the State of California providing two hundred forty-five million dollars (\$245,000,000.00) of taxpayer dollars to the Pacific Lumber Company. The public has a right to know if the transaction was fraudulent. The public has a right to the fair prosecution of the case, which requires your assistance.

We do not believe that your office has a conflict because of your representation of state agencies involved in the Headwaters purchase. Certainly your office represents conflicting interests through the representation of different state agencies. In such cases, you are able to carefully and properly maintain confidences and representation without conflict, as provided by state law.

You undoubtedly recall the now famous case of the Hillside Strangler, *People v. Buono*. In that case, John Van de Kamp, as District Attorney, failed to prosecute the case. The trial judge, Ronald M. George, refused to dismiss the case at the request of the District Attorney, and asked the Attorney General, George Deukmejian, to step in. Mr. Deukmejian successfully prosecuted the case, and ultimately became Governor. A killer would have walked free but for the courage of the trial judge and the Attorney General. In this situation, a travesty of justice will occur if the case against Pacific Lumber cannot be fully and fairly heard by the Court with the assistance of your office. Acting in your constitutional role to supervise and support a local district attorney would offer some assurance of that outcome. To decline, on the other hand, appears to place politics over the law.

We ask that you reconsider your position, and take steps now to assist the Humboldt County District Attorney in the prosecution of the fraud case against Pacific Lumber Company. This is especially true given the finding by Judge John Golden in the companion cases, *Environmental Protection Information Center and Sierra Club v. California Dept. of Forestry and Fire Protection, et al.*, Humboldt County Superior Court Case No. C 990445 and *United Steelworkers of America et al. v. California Department of Forestry and Fire Protection*, Humboldt County Superior Court Case No. C 990452.

Sincerely,

Karen Schambach California Director

cc: Paul Gallegos, Humboldt County District Attorney California District Attorneys' Association, Board of Directors Senator John Burton Senator Byron Sher Speaker Herb J. Wesson Jr. Assemblywoman Ellen M. Corbett Senator Sheila Kuehl Senator Bruce McPherson Secretary Mary Nichols, Resources Agency Governor Gray Davis