

United States Senate
WASHINGTON, DC 20510

January 10, 2023

VIA ELECTRONIC TRANSMISSION

Hon. Lina Khan
Chair
Federal Trade Commission

Dear Chair Khan,

I am conducting oversight of the Intergovernmental Personnel Act (IPA) Mobility Program, which allows federal agencies to arrange for non-federal employees, including certain private sector employees, to serve temporary assignments as part of the federal workforce while they continue to be paid by non-federal sources.¹ Recent press reports raise potential conflicts of interest concerns regarding IPA assignees whose salaries are paid by the Federation of American Scientists (FAS), a non-profit with ties to former Google CEO Eric Schmidt.² According to reports, the Federal Trade Commission (FTC) has had one or more FAS fellows under the Biden administration.³ In order to inform my oversight of the IPA, I am writing to request records relating to FTC's communications with the FAS, as well as details relating to IPA assignees at FTC whose salaries are funded in whole or in part by the FAS.

According to *Politico*, Eric Schmidt and his company, Schmidt Futures, are indirectly involved in funding the salaries of IPA assignees via contributions to an FAS initiative called the Day One Project.⁴ As an LLC, Schmidt Futures is reportedly prevented from directly funding positions under the IPA.⁵ Through the Day One Project, the FAS has reportedly placed and funded fellows in science and technology-related positions throughout the Biden administration.⁶

¹ 5 USC § 3371-3376; 5 CFR Part 334; Office of Personnel Management, "Intergovernmental Personnel Act", <https://www.opm.gov/policy-data-oversight/hiring-information/intergovernment-personnel-act/#url=Provisions>.

² Alex Thompson, "Ex-Google boss helps fund dozens of jobs in Biden's administration" *Politico* (December 22, 2022), <https://www.politico.com/news/2022/12/22/eric-schmidt-joe-biden-administration-00074160>; According to reports, Schmidt campaigned for Barack Obama in 2008 and was photographed at Hillary Clinton election night party in 2016 wearing a "staff" badge. See Alex Thompson, "A Google billionaire's fingerprints are all over Biden's science office" *Politico* (March 28, 2022), <https://www.politico.com/news/2022/03/28/google-billionaire-joe-biden-science-office-00020712>.

³ Alex Thompson, "Ex-Google boss helps fund dozens of jobs in Biden's administration" *Politico* (December 22, 2022), <https://www.politico.com/news/2022/12/22/eric-schmidt-joe-biden-administration-00074160>; Alex Thompson, "A Google billionaire's fingerprints are all over Biden's science office" *Politico* (March 28, 2022), <https://www.politico.com/news/2022/03/28/google-billionaire-joe-biden-science-office-00020712>.

⁴ Alex Thompson, "Ex-Google boss helps fund dozens of jobs in Biden's administration" *Politico* (December 22, 2022), <https://www.politico.com/news/2022/12/22/eric-schmidt-joe-biden-administration-00074160>

⁵ *Id.*

⁶ *Id.*

While Schmidt Futures is reportedly one of twenty plus financial backers of the Day One Project, *Politico* reports that “[w]ithin the White House, officials have sometimes viewed FAS and Schmidt Futures interchangeably, as the dual vehicles for the funding of jobs.”⁷ For example, in an internal August 2021 White House e-mail reported on by *Politico*, Elaine Ho, the White House Office of Science and Technology Policy’s (OSTP) then-deputy chief of staff for workforce, wrote that the Department of Energy (DOE) had “secured Schmidt Futures as a funding source for Marc [Aidinoff],” a former advisor to Joe Biden.⁸ The e-mail reportedly stated that Aidinoff would join OSTP as an FAS “Day One” fellow, and Ho specifically noted that she had “already reached out to [OSTP’s] contact at FAS/Day One.”⁹ After serving six weeks under an FAS fellowship, Aidinoff reportedly became OSTP’s acting chief of staff and his FAS fellowship ended.¹⁰ It is unclear why the DOE was reportedly involved in securing funding for Aidinoff’s FAS fellowship. At an annual Arizona State University and Global Silicon Valley summit, an FAS-funded fellow from the Department of Education was reportedly listed as a “Schmidt Impact Fellow Federation of American Scientists.”¹¹ In total, working through the FAS, Schmidt has reportedly helped “to fund the salaries of more than two dozen officials in the Biden administration.”¹²

Schmidt’s reportedly close involvement in funding the salaries of Biden administration IPA assignees in science and technology-related positions raises conflicts of interest concerns because Schmidt reportedly has extensive investments in technology companies.¹³ The list of companies in which Schmidt is invested reportedly includes: Google; defense contractor Rebellion Defense, which focuses on artificial intelligence (AI); Abacus.AI, which bills itself as “the world’s first AI-assisted data science and end-to-end MLOps [Machine Learning Operations] platform”; and Sandbox AQ, a company reportedly combining “AI + Quantum tech to solve hard problems impacting society.”¹⁴

According to Office of Personnel Management (OPM) guidance, “[t]he goal of the Intergovernmental Personnel Act mobility program is to facilitate the movement of employees, for short periods of time, when this movement serves a sound public purpose.”¹⁵ A “sound public purpose” does not include serving the interests of corporations or their shareholders. OPM guidance further states that federal agencies who bring on assignees under the IPA are

⁷ *Id.*

⁸ *Id.*; Alex Thompson, “A Google billionaire’s fingerprints are all over Biden’s science office” *Politico* (March 28, 2022), <https://www.politico.com/news/2022/03/28/google-billionaire-joe-biden-science-office-00020712>.

⁹ Alex Thompson, “A Google billionaire’s fingerprints are all over Biden’s science office” *Politico* (March 28, 2022), <https://www.politico.com/news/2022/03/28/google-billionaire-joe-biden-science-office-00020712>.

¹⁰ *Id.*

¹¹ Alex Thompson, “Ex-Google boss helps fund dozens of jobs in Biden’s administration” *Politico* (December 22, 2022), <https://www.politico.com/news/2022/12/22/eric-schmidt-joe-biden-administration-00074160>.

¹² *Id.*

¹³ *Id.*; Alex Thompson, “A Google billionaire’s fingerprints are all over Biden’s science office” *Politico* (March 28, 2022), <https://www.politico.com/news/2022/03/28/google-billionaire-joe-biden-science-office-00020712>.

¹⁴ *Id.*; Abacus.AI, “AI-Assisted Data Science and MLOps At Scale”, <https://abacus.ai/>.

¹⁵ Office of Personnel Management, “Intergovernmental Personnel Act”, <https://www.opm.gov/policy-data-oversight/hiring-information/intergovernment-personnel-act/#url=Provisions>.

responsible for developing detailed agreements which include the goals of each assignment, the relative benefits to each organization involved, the applicability of federal conflicts of interest laws, and decisions relating to employee salary and supervision, among other factors.¹⁶

Full public transparency is critical to ensuring that the roles, responsibilities, and funding arrangements for IPA assignees at FTC whose salaries are funded by the FAS do not present potential or actual conflicts of interest.

Accordingly, in the interest of public transparency and in order for Congress to perform an independent and objective review of the Biden administration's use of the IPA, please provide the following no later than January 24, 2023.

1. A comprehensive list of all assignees, to include their title, position and job duties, working at FTC under the IPA during the Biden administration.
2. A comprehensive list of all assignees, to include their title, position and job duties, working at FTC under the IPA during the Biden administration whose salaries have been funded in whole or in part by the FAS.
3. With respect to questions one and two, all records relating to the OPM-required development of detailed agreements between the assignee and FTC relating to the goals of each assignment, the relative benefits to FTC, the applicability of federal conflicts of interest laws, and decisions relating to employee salary and supervision.¹⁷
4. All records referencing the FAS, the Day One Project, Eric Schmidt, Schmidt Futures and/or Future Action Network.
5. All communications between and among FTC, the FAS, the Day One Project, Schmidt Futures, and the Future Action Network, its agents, and/or its representatives.
6. A detailed description of the process FTC follows when interviewing, evaluating, and onboarding applicants for positions under the IPA, including all steps FTC takes to document, evaluate, and address potential and actual conflicts of interest.

¹⁶ *Id.*

¹⁷ "Records" include any written, recorded, or graphic material of any kind, including letters, memoranda, reports, notes, electronic data (emails, email attachments, and any other electronically-created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether or not they resulted in final documents).

Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in blue ink that reads "Chuck Grassley". The signature is written in a cursive, flowing style.

Charles E. Grassley
U.S. Senator