



March 18, 2013

Governor Jerry Brown  
c/o State Capitol, Suite 1173  
Sacramento, CA 95814  
Fax: (916) 558-3160

Dear Governor Brown,

We write today to urge you to place immediately two officials at the Department of Toxic Substances Control (DTSC) on administrative leave and to launch your own investigation into allegations of conflict of interest at the department. On March 6, we wrote you about the fact that two DTSC officials—Chief Deputy Director Odette Madriago and Deputy Director for Brownfields Stewart Black—had invested six and seven figures into companies that the DTSC regulates or licenses, from refineries like Chevron and BP to major manufacturers like General Electric. We called on you to fire these officials.

The DTSC is riddled with internal conflicts and lacks transparency and accountability as we documented in our study *Golden Wasteland* (we sent you the study on February 21). We write today because this extends even to the DTSC's accountability for how it conducted its internal review. On March 7, a scant 24 hours after we pointed out conflicts of interest, the DTSC reported that their review was "almost" complete with no evidence that these officials broke the law and no mention of their unethical behavior.

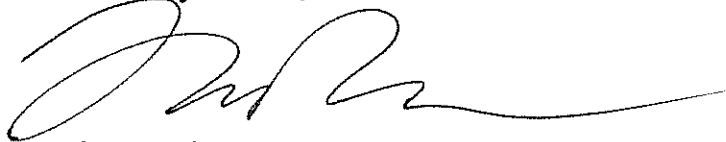
Ms. Charlotte Fadipe, chief of media relations, wrote us that the legal office "advised us not to release the names of anyone involved in the review." If the DTSC won't provide the names of the individuals who performed the review, or explain what it found, how can anyone consider it credible? This is why we have filed a Public Records Act request for the names of the investigators and what evidence was produced to prove that DTSC officials acted legally. The problem of accountability and transparency at this agency is so severe that it even extends to its review of claims of conflicts of interest. Unfortunately, this is in keeping with its lack of accountability to communities that are poisoned by serial toxic polluters every day.

Polluters like Chevron have long escaped accountability in this state. While Chevron and other corporations want reform of the California Environmental Quality Act, the fact is that no reform—if one is needed—will be legitimate when the Chief Deputy Director of the department owns significant amounts of Chevron stock and decides to abdicate the department's statutory authority in order not to regulate refineries in the wake of Chevron's toxic cloud that sent as many as 15,000 Richmond residents to the hospital.

Madriago has worked for the DTSC for more than 25 years and has wielded outsized power in the regulatory process. An outside review by your office of her role in decisions is critical to getting to the bottom of the problems at DTSC. The mere appearance of a conflict of interest is not acceptable and has broken the public's faith in this state regulatory agency. The specter of impropriety is enough for you to remove her from her job, but the actual influence she had over Chevron and other refineries and their toxic sites needs to be ascertained and presented to the public in a transparent and open process.

As governor, you cannot take on legislative reform that benefits Chevron and other polluters without dealing with the toxic cloud hanging over this department first. Odette Madriago and Stewart Black have spent many, many years at the DTSC and a careful review would have had to include written evidence that they recused themselves from dozens of regulatory matters before the DTSC—from the regulation of refineries to the cleanup of contaminated land, and lowering of fines for companies like Abbott, in which Odette Madriago invests. Your intervention is critical as it is clear that the DTSC cannot be trusted to regulate itself, let alone polluters.

Sincerely Yours,

A handwritten signature in black ink, appearing to read 'Liza Tucker', with a long horizontal flourish extending to the right.

Liza Tucker  
Consumer Watchdog