ONE HUNDRED TENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6143

Majority (202) 225-5051 Minority (202) 225-5074

January 22, 2007

The Honorable Robert M. Gates Secretary of Defense 1000 Defense Pentagon Washington, DC 20301

Dear Mr. Secretary:

The Committee on Oversight and Government Reform is conducting an investigation into various aspects of the work of government contractors in Iraq, including their role in Iraq reconstruction activities and troop support. As part of the investigation, the Committee plans to hold a hearing on Wednesday, February 7, 2007. One issue that will be examined at the hearing involves contracts with Blackwater USA and other firms providing security services in Iraq.

I have been seeking information from the Defense Department about these security contracts since November 2004.¹ As I explained in a letter that I sent with Rep. Chris Van Hollen to Secretary Rumsfeld on December 6, 2006, the information that I have received from the Department in response to my inquiries has been incomplete and apparently erroneous.²

On behalf of the Oversight Committee, I hereby renew my request for information relating to the Blackwater security contract that has been pending now for over two years. Please provide to the Committee the following documents:

(a) Cost accounting and reporting documents relating to amounts paid for security services under the LOGCAP contract in Kuwait and Iraq, regardless of how removed a LOGCAP subcontractor may have been from the prime contract, including documents showing (1) the specific amounts paid by the Defense Department, KBR, and each contractor or

¹ See Letter from Rep. Henry A. Waxman to Brigadier General Jerome Johnson, Commander, U.S. Army Field Support Command (Nov. 30, 2004).

² Letter from Rep. Henry A. Waxman and Rep. Chris Van Hollen to Defense Secretary Donald H. Rumsfeld (Dec. 7, 2006) (online at www.oversight.house.gov/Documents/20061207140147-13836.pdf).

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subcontractor involved, and (2) the charges for services, materials, overhead, profits, and all other components; and

(b) Copies of contracts, subcontracts, invoices, supporting documentation, payment records, and correspondence relating to Blackwater USA, Regency Hotel & Hospitality, ESS Support Services Worldwide (ESS)/The Compass Group, or Fluor Corporation, as well as any consent package for the KBR-ESS subcontract, and the invoices and supporting documentation submitted to the Defense Department by KBR for this work.

Given the longstanding nature of this request, the Committee asks that you provide these documents by **Monday**, **January 29**, **2007**. If you determine that you will be unable to make a complete production by this date, please contact Committee staff to discuss possible modifications to this schedule. An attachment to this letter provides additional information about how to respond to the Committee's request.

In addition to this document request, the Committee also requests briefings on the following topics:

- (1) the practice of tiering Iraq-related subcontracts and the Army's processes for ensuring adequate oversight of multiple subcontract tiers;
- (2) the work in Iraq performed by Blackwater; and
- (3) whether the Army intends to recover taxpayer funds paid to KBR and Blackwater for services prohibited under the LOGCAP contract.

Please contact David Rapallo or Jeff Baran with the Committee staff at (202) 225-5420 to schedule these briefings or to request further information regarding this request.

Sincerely,

Henry A. Waxman

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Chairman

Enclosure

cc: Tom Davis

Ranking Minority Member