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News Release

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Secretary of the Interior Dirk Kempthorne Initiates Action Following Receipt of Inspector General Reports

WASHINGTON – Secretary of the Interior Dirk Kempthorne today initiated action following yesterday’s receipt of Inspector General reports on Minerals Management Service (MMS) Royalty In Kind (RIK) program employees.

Following his call for “swift action,” Secretary Kempthorne this afternoon issued a memorandum to Assistant Secretary for Land and Minerals Management C. Stephen Allred and MMS Director Randall Luthi outlining his expectations. In the memorandum, Secretary Kempthorne wrote:

“Now that we have received this report and have the information to proceed further, we will take swift action to restore the public trust. Working with Department of the Interior (DOI) legal counsel, the MMS today will begin taking appropriate disciplinary actions... I received today the memo from the MMS Director detailing ... further corrective actions. I concur with these proposed actions and expect immediate implementation.”

Also today, Secretary Kempthorne received a memorandum from MMS Director Randall Luthi detailing the course of action that Luthi intends to take in response to the report. In the memorandum, Luthi wrote:

“I am taking appropriate immediate administrative action in accordance with applicable Federal requirements for competitive career civil service employees...I concur with your suggestion that we examine implementation of a random drug testing program. Consistent with your emphasis on ethical behavior, we have strengthened our comprehensive ethics training for all employees...”

Both memoranda are posted online at www.doi.gov.

Earlier today, Secretary Kempthorne issued the following statement in response to the reports:

“I am outraged by the immoral behavior, illegal activities, and appalling misconduct of several former and current long-serving career employees in the Minerals Management Service’s Royalty in Kind program. These individuals have eroded the trust the American citizens deserve to have in their public servants.

“During this investigation, as we awaited the Inspector General’s final reports, individuals were transferred out of the RIK program. Now that we have received this report and have the information to proceed further, we will take swift action to restore the public trust.



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“In the memo conveying the report, the Inspector General affirmed my frustration with the length of time it has taken to receive this investigative report. The Inspector General has acknowledged the assertive steps we took to replace the key leadership and staff in the affected components of MMS.

“I am heartened by the fact that in his report the Inspector General stated that ‘99.9 percent of DOI employees are hard-working, ethical and well-intentioned.’ I share that view. Unfortunately, as the Inspector General pointed out, the conduct of a few has cast a shadow on an entire agency. We must and we will eliminate any remaining negative elements in the Minerals Management Service.”

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