

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

November 19, 2025

Ms. Heather Gottry
Director
Departmental Ethics Office
U.S. Department of the Interior
1849 C Street N.W.
Washington, D.C. 20240

Dear Ms. Gottry:

We write to you regarding the apparent absence of legally required public financial disclosure records for Karen Budd-Falen, who assumed the role of Associate Deputy Secretary of the Department of the Interior (DOI) in March 2025. As of October 2025, documents reviewed by the Committee indicate that the DOI Ethics Office has no record of any public financial disclosure filing for Ms. Budd-Falen since her reentry to the federal government, despite a clear obligation to disclose her financial interests under federal law and applicable federal ethics requirements. This is well beyond any reasonable filing window. Whether this failure reflects intentional non-filing by Ms. Budd-Falen or the Department's refusal to produce public records, the public's right to know her financial interests are being denied. Financial disclosure laws exist to preserve the integrity of agency decision-making, prevent conflicts of interest, and ensure that agency officials put the American people first. The DOI falls under the Committee's jurisdiction, and we have an iron-clad responsibility to investigate this matter.

There is no reason to believe Ms. Budd-Falen is unaware of her obligations. She was first appointed on November 5, 2018, to the senior executive service (SES) position of DOI Deputy Solicitor for Fish, Wildlife, and Parks.¹ Under 5 C.F.R. § 2634.202, SES officials are considered "public filers" and must file a public financial disclosure within 30 days of assuming office unless they served in a covered position in the preceding 30 days.² Ms. Budd-Falen did not hold such a position before her 2018 appointment and, therefore, was required to file as a new entrant. Indeed, on November 27, 2018, she filed an OGE Form 278e, a standard form used to disclose the financial interests of covered executive branch officials.³ After leaving federal service on January 20, 2021, Ms. Budd-Falen returned to private employment at Budd-Falen Law Offices, LLC, in Cheyenne, Wyoming.⁴

¹ Scott Streater & Michael Doyle, *Controversial lawyer named to key fish and wildlife post*, POLITICO E&E NEWS (Oct. 15, 2018), <https://www.eenews.net/articles/controversial-lawyer-named-to-key-fish-and-wildlife-post>.

² 5 C.F.R. § 2634.202(c) (defining the term 'public filer' to include "Each office or employee in the executive branch ... whose position is classified above GS-15 of the General Schedule").

³ U.S. OFF. OF GOV'T ETHICS, *Public Financial Disclosure Report (OGE Form 278e) of Karen-Budd Falen* (Nov. 27, 2018) (on file with the Committee).

⁴ See Karen Budd-Falen, Senior Partner, THE FALEN LAW OFFICES L.L.C., <https://www.buddfalen.com/karen-budd-falen> (last visited Oct. 22, 2025). Notably, Ms. Budd-Falen's biography page on the Falen Law Offices website was locked since the Committee last reviewed the page. An archived version of the page reviewed by the Committee is still available. See Karen Budd-Falen, Senior Partner, WAYBACK MACHINE, <https://web.archive.org/web/20250715040925/https://www.buddfalen.com/karen-budd-falen> (last visited Nov. 17, 2025).

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In March 2025, Ms. Budd-Falen reentered federal government service as Associate Deputy Secretary,⁵ an SES position requiring public disclosure of her financial interests.⁶ Because she had been out of covered service for more than 30 days, she was once again required to file a public financial disclosure by April 2025 as a new entrant. Extenuating circumstances can sometimes cause delays in the submission of a filing, which is why 5 C.F.R. § 2634.201(g) allows up to two extensions of 45 days each. However, even in the event that she was granted the maximum allowable extension, Ms. Budd-Falen would have been required to file no later than July 2025.⁷ On October 2, 2025, the DOI Ethics Office received an official request to produce the latest OGE Form 278e for Ms. Budd-Falen, as well as other public financial disclosure records. On October 6, 2025, the DOI Ethics Office responded to this request and said they “do not have records responsive to [the] request.”⁸

All available evidence indicates that so far Ms. Budd-Falen and the Trump Interior Department have failed to produce public financial disclosure records to which the American people are entitled. Either Ms. Budd-Falen’s records exist and the Department “must make [them] available” within 30 days of receipt as required by law,⁹ or the records do not exist several months after the deadline, in which case we are compelled to question whether Ms. Budd-Falen has declined to file. Ms. Budd-Falen owes to the American people an immediate and public disclosure of her financial interests.

As a Trump appointee who has previously filed a financial disclosure, Ms. Budd-Falen should be well aware of her obligation to file. Assuming Ms. Budd-Falen knowingly and willfully failed to file, Ms. Budd-Falen must be referred to the Department of Justice, which could result in fines up to \$75,540.¹⁰ In addition to her personal legal liability, Ms. Budd-Falen’s delinquency also now exposes agency actions she worked on to litigation, and possibly invalidation.¹¹ For example, according to private documents reviewed by the

⁵ Michael Doyle, ‘Cowboy attorney’ said to be saddling up for a return to DC, POLITICO E&E NEWS (Mar. 5, 2025), <https://www.eenews.net/articles/cowboy-attorney-said-to-be-saddling-up-for-a-return-to-dc>.

⁶ U.S. GEN. ACCT. OFF., B-290233, *Appointment of Department of the Interior Associate Deputy Secretary*, at 1 (Oct. 22, 2002) (“The position of DOI Associate Deputy Secretary … is classified as a Senior Executive Service ‘general’ position”), www.gao.gov/assets/b-290233.pdf.

⁷ 5 C.F.R. § 2634.201(g) (providing that an ethics official may, for good cause shown, grant up to two 45-day extensions, for a maximum of 90 days).

⁸ Email from Departmental Ethics Off., Dep’t of the Interior (Oct. 6, 2025) (on file with the Committee).

⁹ 5 C.F.R. § 2634.603(c) (providing that “Each agency will, within 30 days after any public report is received by the agency, permit inspection of the report by, or furnish a copy of the report to, any person who makes written application as provided by agency procedure….”).

¹⁰ 5 C.F.R. § 2634.701; *see* 5 U.S. Code § 13106.

¹¹ Even in the absence of a criminal finding under 18 U.S.C. § 208, an Administrative Procedure Act claim may persist. For example, a court may invalidate an agency decision either if it finds that an agency’s actions were based on an official’s undisclosed, improper, or self-serving interests rather than the merits, or if it finds that the official’s failure to follow legally required ethics rules was a prejudicial procedural error that compromised the integrity of the process. *See Motor Vehicle Mfrs. Assn. of United States v. State Farm Mut. Automobile Ins. Co.*, 463, U.S. 29, 43 (1983) (standing the proposition that a court must vacate an agency’s decision under the arbitrary and capricious standard if the agency “relied on factors which Congress had not intended it to consider”); *see also Ass’n of Nat’l Advertisers v. FTC*, 627 F.2d 1151, 1170, 1174 (D.C. Cir. 1980) (noting that parties “have a right to … an impartial decision maker” and agency officials engaged in rulemaking may be disqualified “when there has been a clear and

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Committee, it appears that Ms. Budd-Falen has worked on sweeping revisions to new and modified Resource Management Plans to expand livestock grazing and oil and gas drilling, rewriting longstanding grazing rules which have protected federal lands for over a quarter-century, and reducing the amount of public lands that would qualify to be protected as Areas of Critical Environmental Concern.¹² In addition to advancing rollbacks of regulations involving wild horses and burros, the National Environmental Policy Act, the Endangered Species Act, and the National Historic Preservation Act, Ms. Budd-Falen's involvement appears to have also extended to a restructuring of DOI's appeals process by packing its review boards with extractive industry representatives and revising the "substantial compliance" standard of review for the Office of Hearings and Appeals.¹³

Your office's immediate attention to Ms. Budd-Falen's missing records is even more urgent given the overlap between her previously disclosed financial interests and work she appears to have undertaken since her appointment potentially affecting her financial interests. During the first Trump Administration, Ms. Budd-Falen's public financial disclosure revealed a 33 percent ownership interest in KJM, LLC,¹⁴ a cattle ranch registered in Wyoming valued between \$1 and \$5 million, generating between \$15,001 and \$50,000 in income.¹⁵ Notably, before joining DOI in 2018 as Deputy Solicitor, she was considered for the position of Director of the Bureau of Land Management.¹⁶ At the time, White House ethics officials informed Ms. Budd-Falen that she would need to divest from her cattle ranch in Big Piney, Wyoming, because, in her own words, "it would be viewed as a potential conflict of interest if she made any decision, even general ones, that benefited ranchers."¹⁷

Given that Ms. Budd-Falen described divestment from her cattle ranch as "a ridiculous bridge too far" and chose to retain her ownership interest, it is concerning that Ms. Budd-Falen's reentry to the federal government seemingly includes work on such matters that, by her own admission, could pose a conflict of interest.¹⁸ Owning a cattle ranch does not inherently preclude Ms. Budd-Falen from public office, but it does require thorough public disclosure and adherence to recusal obligations—like any other business interest—to ensure that Ms. Budd-Falen discharges her official duties for the benefit of the American people, not her personal financial interest. However, if Ms. Budd-Falen chose to retain her ownership interest in KJM, LLC, while serving as Associate Deputy Secretary and failed to satisfy those disclosure

convincing showing that the agency member has an unalterably closed mind on matters critical to the disposition of the proceeding").

¹² Information on file with the Committee.

¹³ *Id.*

¹⁴ U.S. OFF. OF GOV'T ETHICS, *Public Financial Disclosure Report (OGE Form 278e) of Karen-Budd Falen*, at 7, 10 (Nov. 27, 2018) (on file with the Committee).

¹⁵ WYO. SEC'Y OF STATE, *Limited Liability Company Annual Report - KJM, LLC* (Nov. 22, 2024), <https://wyobiz.wyo.gov/business/FilingDetails.aspx?eFNum=042089070123204003018046122010184030128252072119>.

¹⁶ Scott Streater & Michael Doyle, *Controversial lawyer named to key fish and wildlife post*, POLITICO E&E NEWS (Oct. 15, 2018), <https://www.eenews.net/articles/controversial-lawyer-named-to-key-fish-and-wildlife-post>.

¹⁷ *Id.*

¹⁸ *Id.*

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and recusal obligations, it would suggest that she could be using her public office to benefit the same industry in which she holds a financial interest.¹⁹

Public records confirm that Ms. Budd-Falen's potential conflicts have appreciably grown since she last filed. According to court records, she represented the Wyoming Stock Growers Association and Wyoming Wool Growers Association as late as March 17, 2025.²⁰ News reports indicate that since Ms. Budd-Falen left the federal government in January 2020, she also represented the New Mexico Cattle Growers Associations and Montana Stockgrowers Association.²¹ Except for the New Mexico Cattle Growers Association, none of these clients were listed in Ms. Budd-Falen's 2018 public financial disclosure filing. Under federal ethics rules, Ms. Budd-Falen is generally prohibited from participating in "particular matters involving specific parties" when a person with whom she has a covered relationship, such as a former client, is or represents a party.²² Additionally, under the relevant criminal statute, Ms. Budd-Falen is generally prohibited from participating personally and substantially in any particular matter, without respect to parties,²³ in which she knows she or other covered individuals have a financial interest.²⁴ The penalty for willful violation of the criminal statute carries up to five years in prison and a \$50,000 fine.²⁵

It is unclear to the Committee how the DOI Ethics Office could possibly assess new covered relationships or conflicts, as required by law, without a public financial disclosure filing by Ms. Budd-Falen. The OGE Form 278e is a crucial document used by federal ethics offices to inform ethics guidance and recusal obligations for public filers, such as Ms. Budd-Falen.²⁶ We hope your office shares our concern that an individual, "who frequently represents ranching and farming groups, private landowners[,] and local

¹⁹ According to some public documents, it appears Ms. Budd-Falen may have retained her 33% ownership interest in KJM, LLC. *See Memorandum from Dan Keppen, Executive Director, Family Farm Alliance, to San Luis & Delta-Mendota Water Authority Directors* (April 7, 2025) (noting that "Ms. Budd-Falen grew up on a Wyoming ranch and still owns it").

https://www.sldmwa.org/OHTDocs/pdf_documents/Meetings/Board/Prepacket/AgendaItem18b_FFA_Update_April_2025.pdf.

²⁰ *See Mot. to Withdraw as Counsel of WSGA and WWGA, Iron Bar Holdings v. Cape*, No. 23-8034, ECF No. 121 (10th Cir. Mar. 17, 2025).

²¹ *Montana Ranchers, Officials Appeal Bison Grazing on U.S. Land*, AP (Aug. 29, 2022), <https://flatheadbeacon.com/2022/08/29/montana-ranchers-officials-appeal-bison-grazing-on-u-s-land>; Rachel Gabel, *Another round of USFS sniper operations proposed to remove cattle*, THE FENCE POST (Jan. 12, 2023), <https://www.thefencepost.com/news/another-round-of-usfs-sniper-operations-proposed-to-remove-cattle>.

²² 5 C.F.R. § 2635.502.

²³ The "particular matter" standard "covers a broader range of Government activities than 'particular matter involving specific parties.'" OFF. OF GOV'T ETHICS, *Informal Advisory Letter 6 x 29*, at 5 (Oct. 4, 2006). In addition to party matters, it covers particular matters of general applicability, such as policies or regulations applicable only to companies in a discrete industry, e.g., grazing policies affecting cattle ranchers. *Id.*, 8.

²⁴ 18 U.S.C. § 208. Covered individuals, other than Ms. Budd-Falen, include her "spouse, minor child, general partner, [or] organization in which [s]he is serving as officer, director, trustee, general partner or employee." 18 U.S.C. § 208(a).

²⁵ 18 U.S.C. § 216.

²⁶ *See generally* U.S. OFF. OF GOV'T ETHICS, *Public Financial Disclosure: A Reviewer's Reference* 2d ed., at 4-1, 4-2, 14-1 – 14-15 (2004), <https://www.govinfo.gov/content/pkg/GOV PUB-Y3 ET3-PURL-LPS57672/pdf/GOV PUB-Y3 ET3-PURL-LPS57672.pdf>.

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governments in land use matters,” appears to be working on these same matters for the DOI, yet no record of her public financial disclosure filing exists nearly a year after her appointment.

Pursuant to Rule X of the Rules of the House of Representatives, the Committee on Natural Resources has broad jurisdiction to conduct oversight of the Department of the Interior, and we are committed to ensuring that financial disclosure laws are thoroughly enforced. Accordingly, to assist with our oversight obligations, please provide the following documents and information as soon as possible but no later than 5:00 p.m. on December 4, 2025:

1. The complete set of Ms. Budd-Falen’s 2025 public financial disclosure records, including but not limited to:
 - a. OGE Form 278e;
 - b. All OGE Form 278-T records;
 - c. All certificates of divestiture under 5 C.F.R. § 2634.1001 (hereinafter “Certificates of Divestiture”); and
2. All documents and communications from March 1, 2025, to November 19, 2025, involving the DOI Ethics Office referring or relating to deadline extension requests, reviews, or decisions about any financial disclosure for Ms. Budd-Falen, including but not limited to any records maintained under 5 C.F.R. § 2634.201(g).
3. All documents and communications from March 1, 2025, to November 19, 2025, involving the DOI Ethics Office referring or relating to Ms. Budd-Falen, including OGE Form 278e, OGE Form 278-T, and Certificates of Divestiture.

Please contact the Natural Resources Committee Subcommittee on Oversight and Investigations minority staff at (202) 225-6065 with any questions about this request. I look forward to your prompt response to this important oversight request.

Sincerely,



Jared Huffman
Member of Congress
Ranking Member,
Committee on Natural Resources



Maxine Dexter
Member of Congress
Ranking Member,
Subcommittee on Oversight and
Investigations