

United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510-6250

May 14, 2026

VIA EMAIL

Ms. Karen Budd-Falen
Associate Deputy Secretary
U.S. Department of the Interior
1849 C Street NW
Washington, DC 20240

Dear Ms. Budd-Falen:

I write to request that you fully and promptly disclose any benefit you or your family may have received as a result of your involvement in regulatory decisions made by the U.S. Department of the Interior (“Interior Department”). Recent reporting and your own comments indicate that you directly participate in grazing policy decisions that benefit your family’s multi-million-dollar ranch interests, potentially violating conflict-of-interest law.¹ Additionally, you previously failed to disclose your husband’s \$3.5 million sale of water rights to a lithium mine whose viability depended on an Interior Department permit.² Your apparent involvement in shaping Interior Department policies that benefit your family interests and your failure to fully comply with financial disclosure requirements raise questions about your ability to impartially serve in the third-highest ranking position at the Interior Department.

The Interior Department’s Bureau of Land Management (“BLM”) works to “sustain the health, diversity, and productivity of public lands for the use and enjoyment of present and future generations.”³ The BLM accomplishes this mission, in part, by balancing the demands on 155 million acres of federal public lands by development of energy and agriculture resources, recreation, and environmental conservation.⁴ The BLM administers livestock grazing on federal public lands as prescribed by law, which includes managing “nearly 18,000 permits and leases held by ranchers who graze their livestock, mostly cattle and sheep.”⁵ As you explained earlier this year, these grazing permits are critical to many ranchers, “if you don’t have those federal land

¹ Jake Spring, *Trump official says she’s involved in policy changes that benefit her family’s ranches*, video shows, WASH. POST (May 9, 2026), <https://www.washingtonpost.com/climate-environment/2026/05/09/karen-budd-falen-grazing-policies-ethics-probe/>.

² Lisa Friedman, *The Trump Administration Approved a Big Lithium Mine. A Top Official’s Husband Profited.*, N.Y. TIMES (Jan. 3, 2026), <https://www.nytimes.com/2026/01/03/climate/lithium-mine-interior-karen-budd-falen-water-contract.html>.

³ Bureau of Land Management, <https://www.blm.gov/> (last visited May 14, 2026).

⁴ *Id.*; Livestock Grazing on Public Lands, <https://www.blm.gov/programs/natural-resources/rangelands-and-grazing/livestock-grazing>.

⁵ *Id.*

permits, you don't have a ranch."⁶ According to your financial disclosure forms, you or your husband "own at least five cattle or ranch operations in Nevada and Wyoming. . .each valued at more than \$1 million."⁷

Your recent public comments indicate that you knowingly participate in livestock grazing policy decisions that benefit your family's expansive ranching interests. In public comments on December 16, 2025, you stated that because you are "a rancher. . .the thing that was probably closest to my heart was grazing regulations."⁸ You went on to explain how you have worked to expand grazing by introducing new categorical exclusions to environmental review processes that directly benefit lands like "places in northern Nevada where my father-in-law's place is."⁹ You failed to mention that, since the death of your father-in-law, the same land is controlled by and benefits your husband.¹⁰ The citation of your own family's ranching operation as one example of the type of ranch that stands to benefit from your policy decisions troublingly suggests that you are aware that your work will directly and predictably benefit your own family, a prospect explicitly forbidden by conflict of interest restrictions applicable to federal employees.¹¹ No reasonable ethics waiver, considering all of the facts, could legitimately exempt you from the law's requirement that you put the public interest ahead of your own.¹²

Your failure to observe the important ethical requirements applicable to a senior position of public trust appears to be part of a longstanding pattern. During your service in the Interior Department under the first Trump Administration, you failed to disclose your husband's sale of water rights to the largest lithium mine in the country for \$3.5 million.¹³ Notably, the sale was contingent on Lithium Nevada Corp.'s ability to obtain a permit from the Interior Department, where you served as deputy solicitor for wildlife from 2018 to 2021.¹⁴

You and all federal officials are required by law to discharge your official duties in the best interest of the American public—not personal financial interests. Pursuant to S. Res. 94, 119th

⁶ Rachel Gabel, *Rollins: Lawfare ends with this administration*, THE FENCE POST (Feb. 13, 2026), <https://www.thefencepost.com/news/rollins-lawfare-ends-with-this-administration/>.

⁷ Spring, *supra* note 1 ("The couple's companies additionally hold allotments that allow them to graze cattle on about one-quarter-million acres of federal land overseen by the Interior Department's Bureau of Land Management.").

⁸ *Id.*; Senator Cynthia Lummis, *Happy Trails: Episode 3—A Conversation on Responsible Land Management with Karen Budd Falen*, DOI, YOUTUBE (Dec. 16, 2025), https://www.youtube.com/watch?v=Dq_bXwgTKxw.

⁹ Senator Cynthia Lummis, *supra* note 8.

¹⁰ Spring, *supra* note 1.

¹¹ See 18 U.S.C. § 208(a) (prohibiting a government employee from participating "personally and substantially" in any "proceeding, application. . .or other determination, contract, claim. . .or other particular matter in which, to his knowledge he, [or] his spouse. . .has a financial interest.").

¹² The "limited waiver" issued on March 11, 2026, by the Interior Department Office of the Solicitor falls short of the law's requirement to thoroughly assess and "determine" that "the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." *Id.* § 208(b)(1). Even if the waiver is accepted on its own terms, such a waiver must be "receive[d] in advance," so it does not apply retroactively to your work since joining the Interior Department on March 19, 2025. *Id.*

¹³ Friedman, *supra* note 2.

¹⁴ *Id.*

Congress, the Permanent Subcommittee on Investigations (“PSI”) is reviewing allegations of federal official conflicts of interest to assess whether and the extent to which laws and regulations governing honest services may require legislative reform. To assist PSI’s review, please respond in detail to the following requests by May 28, 2026.

1. Please list each Interior Department regulation or other policy decision in which you have participated since joining the Interior Department in March, 2025, that pertains to livestock grazing, categorical exclusions, or critical habitat designations. For each regulation or policy decision, specify whether your participation occurred before or after March 11, 2026, or both.
2. Please explain whether and the extent to which you, your spouse, or any family member has directly benefitted from any Interior Department regulation or policy in which you have participated.
3. Explain whether and the extent to which you have amended or sought to correct any prior financial disclosure, including any OGE Form 278e, to accurately represent your husband’s sale of water rights to Lithium Nevada Corp. If you have not amended or corrected any prior ethics disclosure, please explain why not.
4. For each of the following properties or entities, please list all federal permits, for grazing or otherwise, obtained from the Interior Department in each year between 2016 and 2026.
 - a. Karen Budd-Falen and Janet Beiermann Ranch (also known as Budd and Sons Ranch or D Budd Ranch), located in Big Piney, Wyoming;
 - b. Divide Ranch, LLC, located in Guernsey, Wyoming;
 - c. Home Ranch LLC, located in Orovada, Nevada;
 - d. UC Cattle Company, LLC (which operates the UC Ranch and also owns a parcel of land in Cheyenne, Wyoming that L-F Enterprises, LLC runs cattle on), located in McDermitt, Nevada;
 - e. L-F Enterprises, LLC, located in Cheyenne, Wyoming; and
 - f. the UC Land Company, LLC, located in Orovada and McDermitt, Nevada
5. For each of the properties or entities listed in request 4, please list any critical habitat designation that applied to any portion of the land owned or controlled by each property or entity for each year between 2016 and 2026.

Ms. Karen Budd-Falen
May 14, 2026
Page 4

Thank you for your attention to this important matter.

Sincerely,



Richard Blumenthal
Ranking Member
Permanent Subcommittee on Investigations

cc: The Honorable Ron Johnson
Chairman
Permanent Subcommittee on Investigations