

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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<https://oversight.house.gov>

April 8, 2025

Mr. John K. Guenther  
Acting General Counsel  
U.S. Department of Commerce  
1401 Constitution Avenue, NW  
Washington, DC 20230

Dear Mr. Guenther:

We write with significant concerns about Elon Musk's clear conflicts of interest at the Department of Commerce (Commerce). In an unprecedented arrangement, President Donald Trump has bestowed expansive and unlawful authority to Mr. Musk, an unelected billionaire. Mr. Musk is redirecting billions of taxpayer dollars to fund his own financial interests while slashing federal employees, programs, and services on which all Americans depend. Mr. Musk also remains in charge of a sprawling private sector business empire that continues to rely on billions of dollars in government funding and has been charged with managing his own conflicts of interest.<sup>1</sup> The Trump Administration has failed to make public Mr. Musk's financial disclosure filings, hiding the true extent of his conflicts from the public. We demand documents and information to bring such conflicts to light, as well as immediate action to address this corrupt arrangement that threatens accountable, democratic governance.

As of February 2025, Mr. Musk and his companies have received a combined total of at least \$38 billion in contracts, loans, subsidies, and tax credits from the federal government and state governments. In fact, Mr. Musk's businesses have been more reliant on government funds than many of his competitors.<sup>2</sup> Mr. Musk's businesses, which span various industries including the transportation, health, telecommunications, and defense sectors, are also subject to the regulatory jurisdiction of numerous federal agencies, including the Department of Justice and Department of Transportation, and several of his companies are presently under federal investigation for safety, labor, or other serious violations.<sup>3</sup>

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<sup>1</sup> *Is Elon Musk's Government Role Unconstitutional? What the Supreme Court Might Say*, ABC News (Feb. 17, 2025) (online at <https://abcnews.go.com/Politics/elon-musks-government-role-unconstitutional-supreme-court/story?id=118846052>); *White House Says Musk Will Police His Own Conflicts of Interest*, Bloomberg (Feb. 5, 2025) (online at [www.bloomberg.com/news/articles/2025-02-05/white-house-says-musk-will-police-his-own-conflicts-of-interest](https://www.bloomberg.com/news/articles/2025-02-05/white-house-says-musk-will-police-his-own-conflicts-of-interest)).

<sup>2</sup> *Elon Musk's Business Empire is Built on \$38 Billion in Government Funding*, The Washington Post (Feb. 26, 2025) (online at [www.washingtonpost.com/technology/interactive/2025/elon-musk-business-government-contracts-funding/](https://www.washingtonpost.com/technology/interactive/2025/elon-musk-business-government-contracts-funding/)).

<sup>3</sup> *U.S. Agencies Fund, and Fight With, Elon Musk. A Trump Presidency Could Give Him Power Over Them.*, The New York Times (Oct. 21, 2024) (online at [www.nytimes.com/2024/10/20/us/politics/elon-musk-](https://www.nytimes.com/2024/10/20/us/politics/elon-musk-)

Mr. Musk continues to profit from taxpayer dollars and now finds himself in charge of determining which federal contracts the government will keep and which will be cut—an arrangement that runs afoul of the law.<sup>4</sup> In an attempt to shield Mr. Musk from transparency and accountability, the Trump Administration has designated him as a Special Government Employee (SGE), a type of temporary executive hire that can only perform limited duties. Mr. Musk’s power at the Department of Government Efficiency (DOGE) is expansive, and President Trump has explicitly stated that DOGE is “headed by Elon Musk.”<sup>5</sup> Mr. Musk’s authority to make sweeping reforms—some of which have already been deemed illegal in court—is clearly consistent with the duties of an “officer of the U.S.” rather than an SGE.<sup>6</sup> Officers of the U.S. are high-level positions that wield significant authority, and, as such, require Senate approval, which Mr. Musk lacks.<sup>7</sup>

Mr. Musk is further circumventing federal ethics laws to avoid filing the public financial disclosures required of senior Administration officials.<sup>8</sup> Ethics laws prevent political appointees, including SGEs, from taking part in any matter that might impact their personal finances, per 18 U.S. Code § 208. The law, however, has not stopped Mr. Musk. On the contrary, Mr. Musk’s ability to enrich himself through DOGE is a textbook example of corruption at the taxpayers’ expense.

At Commerce, where Mr. Musk’s companies have received significant financial benefits and have the potential to receive vast amounts of new business, his defiance of recusal laws and control of Commerce’s operations directly benefits his businesses. The known conflicts of interest presented by this arrangement, which are illegal and must be addressed immediately, include:

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federal-agencies-contracts.html).

<sup>4</sup> *Elon Musk’s Business Empire is Built on \$38 Billion in Government Funding*, The Washington Post (Feb. 26, 2025) (online at [www.washingtonpost.com/technology/interactive/2025/elon-musk-business-government-contracts-funding/](https://www.washingtonpost.com/technology/interactive/2025/elon-musk-business-government-contracts-funding/)); *As Musk Works to Slash Federal Spending, His Own Firms Have Received Billions in Government Contracts*, ABC News (Feb. 10, 2025) (online at <https://abcnews.go.com/US/musk-works-slash-federal-spending-firms-received-billions/story?id=118589121>).

<sup>5</sup> The White House, *Remarks by President Trump in Joint Address to Congress* (Mar. 4, 2025) (online at [www.whitehouse.gov/remarks/2025/03/remarks-by-president-trump-in-joint-address-to-congress/](https://www.whitehouse.gov/remarks/2025/03/remarks-by-president-trump-in-joint-address-to-congress/)).

<sup>6</sup> *Is Elon Musk’s Government Role Unconstitutional? What the Supreme Court Might Say*, ABC News (Feb. 17, 2025) (online at <https://abcnews.go.com/Politics/elon-musks-government-role-unconstitutional-supreme-court/story?id=118846052>); *Tracking the Lawsuits Against Trump’s Agenda*, The New York Times (Mar. 8, 2025) (online at [www.nytimes.com/interactive/2025/us/trump-administration-lawsuits.html](https://www.nytimes.com/interactive/2025/us/trump-administration-lawsuits.html)).

<sup>7</sup> *Is Elon Musk’s Government Role Unconstitutional? What the Supreme Court Might Say*, ABC News (Feb. 17, 2025) (online at <https://abcnews.go.com/Politics/elon-musks-government-role-unconstitutional-supreme-court/story?id=118846052>).

<sup>8</sup> *Musk’s Starlink Gets FAA Contract, Raising New Conflict of Interest Concerns*, CNN (Feb. 25, 2025) (online at <https://www.cnn.com/2025/02/25/business/musk-faa-starlink-contract/index.html>).

### **Financial Benefits to Musk's Companies from the Department of Commerce**

- Commerce has reportedly changed the rules of a \$42.5 billion grant program to benefit Starlink, a unit of Mr. Musk's SpaceX.<sup>9</sup> The Broadband Equity, Access and Deployment (BEAD) program is meant to expand internet access around the country and particularly in rural areas. Starlink, which was previously expected to get roughly \$4 billion under this program, could receive as much as \$20 billion under the rewritten rules.<sup>10</sup> The director of the BEAD program left Commerce shortly after the changes were reported, warning colleagues that "Stranding all or part of rural America with worse internet so that we can make the world's richest man even richer is yet another in a long line of betrayals by Washington." In an apparent reference to Starlink, he urged Commerce officials to "NOT change [the BEAD program] to benefit technology that delivers slower speeds at higher costs to the household paying the bill."<sup>11</sup>
- Mr. Musk can expect to benefit from Commerce Secretary Howard Lutnick's unlawful encouragement of Fox News viewers to "buy Tesla" stock. "I think, if you want to learn something on this show tonight, buy Tesla," Lutnick told viewers. "It's unbelievable that this guy's stock is this cheap. It'll never be this cheap again."<sup>12</sup>
- Mr. Musk's space exploration company, SpaceX, has benefited from at least \$3.6 million in total taxpayer-funded benefits from Commerce since 2003.<sup>13</sup> For example, SpaceX has received \$1.9 million in federal contracts from the Department in the past decade.<sup>14</sup>

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<sup>9</sup> *Elon Musk's Starlink Could Soon Tap Into \$42 Billion Federal Program*, CNN (Mar. 6, 2025) (online at [www.cnn.com/2025/03/06/business/musks-starlink-federal-program/index.html](https://www.cnn.com/2025/03/06/business/musks-starlink-federal-program/index.html)).

<sup>10</sup> *Commerce to Overhaul "Internet for All" Plan, Expanding Starlink Funding Prospects*, The Wall Street Journal (Mar. 4, 2025) (online at [www.wsj.com/politics/policy/commerce-to-overhaul-internet-for-all-plan-expanding-starlink-funding-prospects-74664efc](https://www.wsj.com/politics/policy/commerce-to-overhaul-internet-for-all-plan-expanding-starlink-funding-prospects-74664efc)).

<sup>11</sup> *Top Broadband Official Exits Commerce Department with Sharp Musk Warning*, Politico (Mar. 16, 2025) (online at [www.politico.com/news/2025/03/16/official-exits-commerce-department-musk-warning-00232278](https://www.politico.com/news/2025/03/16/official-exits-commerce-department-musk-warning-00232278)).

<sup>12</sup> *Tesla Falls After Commerce Secretary Recommends Buying Stock*, Axios (Mar. 21, 2025) (online at [www.axios.com/2025/03/20/tesla-musk-lutnick](https://www.axios.com/2025/03/20/tesla-musk-lutnick)).

<sup>13</sup> *Elon Musk's Business Empire is Built on \$38 Billion in Government Funding*, The Washington Post (Feb. 26, 2025) (online at [www.washingtonpost.com/technology/interactive/2025/elon-musk-business-government-contracts-funding/](https://www.washingtonpost.com/technology/interactive/2025/elon-musk-business-government-contracts-funding/)). For purposes of this document, references to SpaceX include subsidiaries such as Mr. Musk's satellite internet service, Starlink, and the reference to "taxpayer-funded benefits" may include contracts, loans, subsidies, and/or tax credits.

<sup>14</sup> *U.S. Agencies Fund, and Fight With, Elon Musk. A Trump Presidency Could Give Him Power Over Them.*, The New York Times (Oct. 21, 2024) (online at [www.nytimes.com/2024/10/20/us/politics/elon-musk-federal-agencies-contracts.html](https://www.nytimes.com/2024/10/20/us/politics/elon-musk-federal-agencies-contracts.html)).

### **DOGE/Musk Corruption and Dismantling of the Commerce Department**

- As of March 2025, Mr. Musk's DOGE operation had terminated approximately 2,000 employees of the National Oceanic and Atmospheric Administration (NOAA). Housed in the Department of Commerce, NOAA is responsible for weather forecasting; monitoring and warning about extreme weather events like hurricanes, floods, and tornadoes; providing navigation information to ships; observing changes in the climate and oceans; and monitoring the country's fisheries. A former NOAA official said of the cuts: "This is not government efficiency. It is the first steps toward eradication. There is no way to make these kinds of cuts without removing or strongly compromising mission capabilities."<sup>15</sup>
- Former NOAA employees are reportedly sounding the alarm that Mr. Musk's efforts to gut NOAA and other federal agencies may be a strategy to privatize space and satellite operations and steer new contracts to SpaceX and Starlink. There is also credible concern that Musk, through DOGE, has access to NOAA records containing the confidential business information of his competitors.<sup>16</sup>
- Michael Grimes, a Wall Street executive who has worked with Mr. Musk for many years and assisted Mr. Musk's \$44 billion purchase of Twitter, is now a senior adviser at Commerce. Grimes will reportedly lead a U.S. sovereign wealth fund that will be created by the Trump Administration and could direct billions of dollars to Mr. Musk's companies.<sup>17</sup>
- President Trump illegally fired Commerce's inspector general, the agency's independent watchdog responsible for conducting oversight of any potential waste, fraud, abuse, or corruption associated with Mr. Musk.<sup>18</sup>

In order to provide transparency to the public and ensure that Commerce is complying with federal ethics and other relevant laws with respect to Elon Musk, please provide the following information, documents, and answers to the following requests by April 22, 2025:

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<sup>15</sup> *Here Are All the Agencies That Elon Musk and DOGE Have Been Trying to Dismantle so Far*, ABC News (Feb. 27, 2025) (online at <https://abcnews.go.com/Politics/elon-musks-government-dismantling-fight-stop/story?id=118576033>); *NOAA to Potentially Cut More Than 1,000 Additional Employees*, CBS News (Mar. 10, 2025) (online at [www.cbsnews.com/news/noaa-potentially-cut-more-than-1000-additional-employees-doge/](https://www.cbsnews.com/news/noaa-potentially-cut-more-than-1000-additional-employees-doge/)); *The US Agency That Monitors Weather Will Cut Another 1,000 Jobs, AP Sources Say*, AP (Mar. 12, 2025) (online at <https://apnews.com/article/noaa-job-cuts-weather-forecasts-trump-doge-musk-7e35e9d5d757d8fc3f0f50b2bd71c87d>).

<sup>16</sup> *Doge Cuts Allow Musk to Cash In with SpaceX and Starlink Contracts, Ex-Workers Warn*, The Guardian (Mar. 25, 2025) (online at [www.theguardian.com/technology/2025/mar/25/doge-musk-spacex-starlink-contracts](https://www.theguardian.com/technology/2025/mar/25/doge-musk-spacex-starlink-contracts)).

<sup>17</sup> *Exclusive: Dealmaker Michael Grimes Expected to Lead New US Sovereign Wealth Fund, Sources Say*, Reuters (Mar. 5, 2025) (online at [www.reuters.com/markets/wealth/dealmaker-michael-grimes-expected-lead-new-us-sovereign-wealth-fund-sources-say-2025-03-05/](https://www.reuters.com/markets/wealth/dealmaker-michael-grimes-expected-lead-new-us-sovereign-wealth-fund-sources-say-2025-03-05/)).

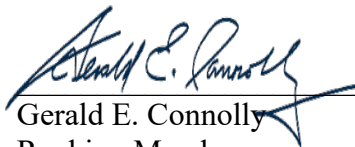
<sup>18</sup> *Fired Inspectors General Raise Alarms as Trump Administration Moves to Finalize Purge*, The New York Times (Jan. 27, 2025) (online at [www.nytimes.com/2025/01/27/us/politics/trump-inspectors-general-fired.html](https://www.nytimes.com/2025/01/27/us/politics/trump-inspectors-general-fired.html)).

1. A list of all matters under the agency's purview in which any of Mr. Musk's businesses<sup>19</sup> has any interest, stake, or engagement;
2. A detailed and complete list of all steps Commerce is taking to ensure compliance with all relevant conflicts of interest and ethics laws pertaining to Mr. Musk's businesses;
3. All documents and communications related to procurements under Commerce's jurisdiction in which any of Mr. Musk's businesses is a party;
4. A detailed and complete list of all actions Commerce is taking to ensure that Mr. Musk is not permitted access to information that would give Mr. Musk's businesses an advantage over competitors;
5. A detailed and complete list, including names, titles, and length of service with the federal government, of any Commerce federal employees or contractors terminated, placed on administrative leave, transferred, or in any way removed from their positions by, or on the recommendation or orders of, DOGE, an agency DOGE team, or Elon Musk who were involved in any investigation into any of Mr. Musk's businesses; and
6. A detailed and complete list of all exemptions that Commerce programs have received from President Trump's funding freezes.

The Committee on Oversight and Government Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. The Committee has legislative jurisdiction over the federal civil service, public information and records, and the reorganization of the executive branch.

The information requested in this letter will inform potential legislative reforms related to matters within the jurisdiction of the Committee. If you have any questions regarding this request, please contact Committee Democratic staff at (202) 225-5051. Thank you for your prompt attention to this matter.

Sincerely,

  
Gerald E. Connolly  
Ranking Member  
Jasmine Crockett  
Vice Ranking Member

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<sup>19</sup> For purposes of this document, "Mr. Musk's businesses" refers to businesses in which Mr. Musk is CEO or owner or otherwise has an ownership interest.

Mr. John K. Guenther

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cc: The Honorable James Comer, Chairman