The investigation of EPA (U.S. Environmental Protection Agency) chief William Reilly for possible criminal conduct (RHWN #151) seems to have entered a phase of denial and coverup, just as happened with Watergate. There have been several new developments in the case. We believe it is now clear that three officials of Waste Management, Inc. lied to federal investigators about their attempts to reverse national environmental policy by lobbying Mr. Reilly, and lying in such circumstances is a felony. Yet EPA investigators continue to insist the case is closed. We believe it is time for a special prosecutor to open an independent investigation.

**Background**

EPA employees Hugh Kaufman and William Sanjour filed a formal complaint May 17, 1989, with EPA's Inspector General John Martin, asking for an investigation of charges that Reilly reversed important EPA policies in response to special pleadings by four top officials of Waste Management, Inc. (WMI), the nation's largest waste hauler. The alleged lobbying occurred at a private breakfast meeting March 16 arranged by Jay Hair, president of the National Wildlife Federation (NWF). Dean Buntrock, president of WMI, sits on the Board of Directors of NWF. Hair and Reilly are close friends, so Hair easily arranged the breakfast between Reilly and Buntrock. Buntrock showed up for breakfast with three of his top assistants bearing "briefing papers."

Figure 2 is a WASHINGTON POST story Jay Hair attached to a hand-written invitation to Reilly. Figure 1 is the invitation itself. Figure 2 clearly establishes the agenda for the breakfast meeting that occurred March 16: to discuss events surrounding South Carolina (SC) action in late February, 1989, to restrict waste imports into SC. What had caused South Carolina to act was an earlier move by North Carolina (NC) to restrict the quantities of wastes that could be dumped into NC's rivers and streams. The NC law was so strict that it prevented at least one large waste hauler (GSX) from building a facility on the Lumber River. South Carolina's governor then said states unwilling to build their own facilities could no longer dump in SC. The overriding issue is the right of states to assert control over the waste industry and interstate shipments of waste. State control of interstate waste shipments would spell serious trouble for Waste Management, Inc. and other waste haulers who have targeted the south and the midwest as national dumping grounds for the chemical industry.

The nut of the whole issue was EPA's initial hostile reaction to the state of North Carolina, which had passed a law in late 1987 severely restricting the quantities of chemical wastes that could be dumped into that state's rivers and streams—a clear, direct challenge to the power of the waste industry. Under the Reagan administration, EPA initially announced it would retaliate against NC by holding a public hearing as the first step in rescinding that state's privilege of administering its own hazardous waste regulatory program under RCRA, the federal Resource Conservation and Recovery Act; it was a bald attempt by EPA to force NC to revoke its law by threatening to take over NC's RCRA program, completely stripping NC of all control over the industry, essentially leaving the state defenseless. However, opposition developed quickly in Congress, and EPA backed off,
set up study committees, and hired consultants to evaluate the matter; finally EPA announced Dec. 23, 1988, it was officially

abandoning its effort to take away NC's RCRA regulatory authority. It was an important victory, shoring up a state's right to protect itself against chemical poisoners.

EPA considered the matter closed. However, the waste hauling industry couldn't let go, especially Waste Management, Inc., because EPA's North Carolina decision had stirred action in other states. Shortly after EPA abandoned its effort to punish North Carolina, South Carolina announced (in February, 1989), that it would forbid import of hazardous wastes from 32 states that refused to manage their own wastes. (See Figure 2.) After SC acted, Alabama legislators said they might follow suit. In March, 1989, the Alabama legislature was scheduled to consider a total ban on out-of-state dumping in Alabama. The largest hazardous waste dump in America is owned and operated by Waste Management, Inc. at Emelle, Alabama; the Emelle site accepts wastes from all over the country, WMI therefore needed EPA to reverse its North Carolina policy, to prevent a domino effect among renegade Southern states. WMI has literally billions of dollars at stake in this issue.

Three Waste Management officials have subsequently denied to investigators that they wanted EPA's policies changed. Dean Buntrock went so far as to tell an investigator that his company had no interest in even discussing these matters with EPA officials. Lying to a federal officer investigating a crime is, itself, a felony.

From the Citizens Clearinghouse for Hazardous Waste in Arlington, VA, we have obtained a copy of a "briefing paper" prepared by Waste Management, Inc., a copy of which was handed to Reilly by James Range, WMI's vice president for governmental affairs at the breakfast. It is a smoking gun.

[Continued next week.]