

# DEPARTMENT OF THE TREASURY WASHINGTON, D.C. 20220

March 9, 2017

### ACTION MEMORANDUM

TO:

DONALD F. MCGAHN

WHITE HOUSE COUNSEL

FROM:

Rochelle F. Granat

Assistant General Counsel for General Law, Ethics and Regulation and Designated Agency Ethics Official

SUBJECT:

Waiver of Ethics Pledge Paragraph 6 for Anthony Sayegh

## RECOMMENDATION

That you approve a waiver of paragraph 6 of the Ethics Pledge so that Anthony Sayegh, the Department of the Treasury's Assistant Secretary for Public Affairs, may participate in matters involving his former client, Fox News Channel.

Of Approve \_\_\_\_\_ Disapprove \_\_\_\_ Let's Discuss

### BACKGROUND

Executive Order 13770, "Ethics Commitments by Executive Branch Appointees," (EO) requires all Presidential appointees to sign an Ethics Pledge that, among other things, prohibits them from working on particular matters involving specific parties directly and substantially related to a former employer or client for a period of two years. Section 3 of the EO permits the President or his designee to grant a waiver of any restrictions contained in this pledge.

From 2013 until recently in 2017, Mr. Sayegh was a "contributor" for Fox News Channel. The President has appointed him as the Assistant Secretary for Public Affairs (Assistant Secretary). Pursuant to paragraph 6 of the Ethics Pledge, for two years from the date of his appointment he would not be able to participate in matters involving Fox News Channel. His ability to participate in such matters – essentially any matter in which Treasury would communicate with the major news networks - is integral to his position as Assistant Secretary for Public Affairs.

### **ANALYSIS**

The Assistant Secretary develops and implements communications strategy for the Department and advises officials within the Department and its bureaus how best to communicate issues and priorities of public interest. Fox News Channel is a 24-hour news network which delivers breaking news and political and business news. It has consistently been one of the top cable

news networks for the past decade with over one million viewers per day. It is in the interest of the Department and the public to inform the public on matters involving the operations and policies of the United States government. Fox News Channel is likely to report on most, if not all, major Departmental matters.

Mr. Sayegh has over two decades of strategy, communications and policy experience. He has worked for multiple news networks and on various political campaigns. The Assistant Secretary is the Department's most senior communications official and will be expected to handle communications for the Secretary on sensitive Departmental matters. It is essential that the Department have an effective, credible voice in these communications with the media to address the many important issues that arise in this forum. While Mr. Sayegh was only a Fox News Channel contributor, and not a full-time employee, and has no financial interest in Fox News Channel, his prior engagement with Fox News Channel triggers coverage under paragraph 6 of the Ethics Pledge.

There is no practical way to segregate the Assistant Secretary's duties to shield him from engagement in matters that involve one of the major media organizations and not require Mr. Sayegh to recuse from nearly all of his duties. The need for Mr. Sayegh to participate in matters that might involve Fox News Channel is core to his responsibilities as Assistant Secretary and outweighs any risk of an appearance of impartiality.

A waiver is therefore appropriate because: (1) it is in the Department's and public's interest; (2) it will be impossible for Mr. Sayegh to properly perform the duties of his position if he had to recuse from matters involving Fox News Channel; and (3) Mr. Sayegh's participation in matters involving Fox News Channel will have no impact on his financial interests.

## CONCLUSION

Based on the above analysis, a waiver of paragraph 6 of the Ethics Pledge so that Mr. Sayegh may participate in matters involving his former client, Fox News Channel, is appropriate.

<sup>&</sup>lt;sup>1</sup> "Fox News Channel Tops Cable in Total Day Viewers for Record Eight Consecutive Months," http://press.foxnews.com/2017/02/fox-news-channel-tops-cable-in-total-day-viewers-for-record-eight-consecutive-months/