

now because funds had been transferred from other areas in order to staff the Houston port. Moreover, he stated, since its designation, the port was no longer collecting certain fees that would typically be used to help operate the port. According to the FWS law enforcement official, in order to warrant the designation of a port, it should have a broad array of commercial imports coming in, which he claimed Houston did not have.

In addition to his concerns about the port designation of Houston, the FWS law enforcement official disclosed that David Smith shot and killed a bison while attending an SCI meeting during the weekend of December 3, 2004, at the ranch of an SCI official. He advised that Smith did not pay to attend the hunt and that he was given the bison as a gift, which, the FWS law enforcement official suggested, violates ethical guidelines for someone in Smith's position. He stated he could not recall who had specifically told him about this, but there had been other FWS people in attendance at the ranch, including FWS law enforcement personnel. He provided the names of individuals he believed to have attended the December 2004 meeting at the ranch, as well as names of individuals who might have information concerning Smith's relationship with SCI. The individuals he named included David Smith, a supervisory FWS law enforcement official, and another FWS law enforcement official.

Designation of the Port of Houston

When initially interviewed by the OIG, Kevin Adams, Chief, Office of Law Enforcement, FWS, stated that there were three ports considered for designation at the same time – Houston, Memphis, and Louisville; the ports were designated on January 5, 2005. Adams stated that FWS had “educated” Congress as to the importance of designating both Memphis and Louisville due to the large volume and value of the trade that passed through both ports. As for Houston, Adams said he had personally compiled information in order to determine the impact of designating Houston as a port of entry. Adams explained that he thought Houston should be designated because it had a large volume of noncommercial trophies coming through that port, and it would benefit FWS to utilize the staff that was already in place in Houston to examine the import of these trophies in furtherance of the mission of FWS. Also, Adams said it was an opportunity for FWS to be more responsive to the business community, when commercial shipments came in through the port. Adams advised that, given the amount of trophies that come through Houston, it would be more efficient to designate Houston in an attempt to funnel trophies to that single port as opposed to having them come into the country from various ports where FWS would not have suitable oversight.

Adams stated that the process for designating Houston was no different than previous port designations. Initially, the proposed rule, which details the specific port to be designated, was written and published in the Federal Register. Adams provided agents with this document and copies of approximately 40 letters sent to FWS, all in support of this proposal. *Agent's note: The majority of the letters appear to be the same form letter sent in by different people. Most of the letters appear to be from individuals within the hunting and gaming community, including the taxidermist friend of David Smith.* Adams said he was not aware of any letters sent to FWS that opposed the Houston designation. Since the proposal was not contested, Adams said FWS went through with the process. He said David Smith ultimately signed off on Memphis, Louisville, and Houston, designating each as a port.

When asked why FWS did not approach Congress for support with Houston, as they had with Memphis and Louisville, Adams advised it was because unlike Memphis and Louisville, Houston was already staffed with the appropriate amount of people to run the port and, therefore, they did not need any monetary assistance from Congress. Furthermore, Adams advised that the designation of Houston