THE CURRENT IMPLEMENTATION OF THE INDEPENDENT COUNSEL ACT VOLUME 1

HEARINGS

BEFORE THE

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTH CONGRESS

FIRST SESSION

DECEMBER 9 AND 10, 1997

Serial No. 105–89

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THE CURRENT IMPLEMENTATION OF THE INDEPENDENT COUNSEL ACT

VOLUME 1

December 9, 1997, hearing

VOLUME 2

December 10, 1997, hearing, and depositions from the December 9 and 10, 1997, hearings

THE CURRENT IMPLEMENTATION OF THE INDEPENDENT COUNSEL ACT
VOLUME 1

TUESDAY, DECEMBER 9, 1997

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,
Washington, DC.

The committee met, pursuant to notice, at 9:30 a.m., in room 2154, Rayburn House Office Building, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Gilman, Morella, Shays, Cox, Ros-Lehtinen, Horn, Mica, Davis of Virginia, McIntosh, Shadegg, LaTourette, Pappas, Snowbarger, Barr, Miller, Lantos, Kanjorski, Sanders, Maloney, Barrett, Norton, Fattah, Cummings, Kucinich, Blagojevich, Tierney, Turner, and Allen.

Staff present: Kevin Binger, staff director; Richard Bennett, chief counsel; Barbara Comstock, chief investigative counsel; Judith McCoy, chief clerk; Teresa Austin, assistant clerk/calendar clerk; William Moschella, deputy counsel and parliamentarian; Will Dwyer, director of communications; Ashley Williams, deputy director of communications; Dudley Hodgson, chief investigator; Dave Bossie, oversight coordinator; Robert Rohrbaugh, James C. Wilson, Uttam Dhillon, and Tim Griffin, senior investigative counsels; Kristi Remington, Charli Coon, Bill Hanka, and Jennifer Safavian, investigative counsels; Phil Larsen, investigative consultant; Jim Schumann, Jason Foster, and Miki White, investigators; Robin Butler, office manager; Carolyn Pritts, David Jones, and John Mastranadi, investigative staff assistants; Phil Schiliro, minority staff director; Phil Barnett, minority chief counsel; Kenneth Ballen, minority chief investigative counsel; Agnieszka Fryszman, Kristin Amerling, Christopher Lu, Andrew McLaughlin, Michael Raphael, David Sadkin, and Michael Yang, minority counsels; Ellen Rayner, minority chief clerk; Becky Claster, Jean Gosa, and Andrew Su, minority staff assistants; and Sheridan Pauker, minority research assistant.

Mr. BURTON. Good morning. A quorum being present, the Committee on Government Reform and Oversight will come to order.

Before Mr. Lantos and I deliver our opening statements, we will dispose of some procedural matters first. I ask unanimous consent that all Members' and witnesses' statements be included in the record. Without objection, so ordered.

I ask unanimous consent that all exhibits, articles and extraneous and tabular material referred to during this hearing be included in the record. Without objection, so ordered.

I ask unanimous consent that the depositions of Holli Weymouth, David Mercer, B.J. Thornberry, Thomas F. McLarty, Bruce Lindsey, Douglas Buford and the interrogatories of Wayne Reaud, C.W. Conn, John Moores and Eli Broad be made part of the record and delivered to the FBI, the Department of Justice and the appropriate independent counsel so that they may pursue evidence the committee has gathered.

Mr. LANTOS. Mr. Chairman, reserving the right to object, I would like to ask why we are singling out these particular depositions. It has been the position of the Democratic side of this committee that all depositions be made available and public. We have nothing to hide. It is our judgment that selecting specific depositions restricts the opportunity for the American people and for all who are engaged in this investigation to have full access to all the materials which are available.

I would like to suggest respectfully that you amend your unanimous consent request to encompass all depositions.

Mr. BURTON. Mr. Lantos, the reason we have picked these specific depositions is because we have questions that are relevant to these people and their depositions. If the minority has questions that they would like to ask regarding other people's depositions, we would entertain those as well.

Mr. LANTOS. That is not my point, Mr. Chairman, so let me restate my point.

Mr. BURTON. I understand your point. You don't need to restate it.

Mr. LANTOS. Well, if you will allow me to make——

Mr. BURTON. You have made your point.

Do you object, Mr. Lantos?

Mr. LANTOS. I will not be muffled. I wish to make a statement and I do not want you to cut it off.

Mr. BURTON. Do you have a point of order you would like to raise?

Mr. LANTOS. Yes, I do.

Mr. BURTON. State your point of order.

Mr. LANTOS. My point of order is that it is the judgment of this side that all depositions——

Mr. BURTON. The gentleman is not stating a point of order. If you have a point of order, state your point of order, Mr. Lantos.

Mr. LANTOS. My point of order is that selective release of depositions jeopardizes the fairness of these proceedings. I am calling for the release of all depositions.

Mr. BURTON. That is not a valid point of order. However, you have stated your position.

Do you object, Mr. Lantos?

Mr. LANTOS. I do.

Mr. BURTON. The gentleman objects. The question now comes on whether or not these—the clerk will report motion No. 2 at the desk.

The CLERK. Chairman Burton moves that the depositions of Holli Weymouth, David Mercer, B.J. Thornberry, Thomas F. McLarty,

Bruce Lindsey, and Douglas Buford and the interrogatories of Wayne Reaud, C.W. Conn, John Moores, and Eli Broad be made part of the record and delivered to the FBI, the Department of Justice, and the appropriate independent counsel so that they may pursue evidence the committee has gathered.

Mr. BURTON. The question now comes on the motion before the committee. All those in favor will signify by saying aye.

Those opposed will signify by saying no.

In the opinion of the Chair, the ayes have it.

Mr. LANTOS. Roll call.

Mr. BURTON. The gentleman from California has asked for a roll call. A roll call will be granted. The clerk will call the roll.

The CLERK. Mr. Burton.

Mr. BURTON. Aye.

The CLERK. Mr. Burton votes aye.

Mr. Gilman.

Mr. GILMAN. Aye.

The CLERK. Mr. Gilman votes aye.

Mr. Hastert.

[No response.]

The CLERK. Mrs. Morella.

[No response.]

The CLERK. Mr. Shays.

[No response.]

The CLERK. Mr. Schiff.

[No response.]

The CLERK. Mr. Cox.

Mr. COX. Aye.

The CLERK. Mr. Cox votes aye.

Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Aye.

The CLERK. Ms. Ros-Lehtinen votes aye.

Mr. McHugh.

[No response.]

The CLERK. Mr. Horn.

Mr. HORN. Aye.

The CLERK. Mr. Horn votes aye.

Mr. Mica.

Mr. MICA. Aye.

The CLERK. Mr. Mica votes aye.

Mr. Davis of Virginia.

Mr. DAVIS OF VIRGINIA. Aye.

The CLERK. Mr. Davis of Virginia votes aye.

Mr. McIntosh.

[No response.]

The CLERK. Mr. Souder.

[No response.]

The CLERK. Mr. Scarborough.

[No response.]

The CLERK. Mr. Shadegg.

Mr. SHADEGG. Aye.

The CLERK. Mr. Shadegg votes aye.

Mr. LaTourette.

Mr. LATOURETTE. Aye.

The CLERK. Mr. LaTourette votes aye.
Mr. Sanford.
[No response.]
The CLERK. Mr. Sununu.
[No response.]
The CLERK. Mr. Sessions.
[No response.]
The CLERK. Mr. Pappas.
[No response.]
The CLERK. Mr. Snowbarger.
Mr. SNOWBARGER. Aye.
The CLERK. Mr. Snowbarger votes aye.
Mr. Barr.
Mr. BARR. Aye.
The CLERK. Mr. Barr votes aye.
Mr. Miller.
[No response.]
The CLERK. Mr. Waxman.
[No response.]
The CLERK. Mr. Lantos.
Mr. LANTOS. No.
The CLERK. Mr. Lantos votes no.
Mr. Wise.
[No response.]
The CLERK. Mr. Owens.
[No response.]
The CLERK. Mr. Towns.
[No response.]
The CLERK. Mr. Kanjorski.
Mr. KANJORSKI. No.
The CLERK. Mr. Kanjorski votes no.
Mr. Condit.
[No response.]
The CLERK. Mr. Sanders.
Mr. SANDERS. No.
The CLERK. Mr. Sanders votes no.
Mrs. Maloney.
Mrs. MALONEY. No.
The CLERK. Mrs. Maloney votes no.
Mr. Barrett.
Mr. BARRETT. No.
The CLERK. Mr. Barrett votes no.
Ms. Norton.
Ms. NORTON. No.
The CLERK. Ms. Norton votes no.
Mr. Fattah.
Mr. FATTAH. Present.
The CLERK. Mr. Fattah votes present.
Mr. Cummings.
[No response.]
The CLERK. Mr. Kucinich.
Mr. KUCINICH. No.
The CLERK. Mr. Kucinich votes no.
Mr. Blagojevich.

[No response.]
The CLERK. Mr. Davis of Illinois.
[No response.]
The CLERK. Mr. Tierney.
Mr. TIERNEY. Aye.
The CLERK. Mr. Tierney votes aye.
Mr. Turner.
Mr. TURNER. Aye.
The CLERK. Mr. Turner votes aye.
Mr. Allen.
Mr. ALLEN. Aye.
The CLERK. Mr. Allen votes aye.
Mr. Ford.
[No response.]
The CLERK. Mr. Hastert.
[No response.]
The CLERK. Mrs. Morella.
[No response.]
The CLERK. Mr. Shays.
[No response.]
The CLERK. Mr. Schiff.
[No response.]
The CLERK. Mr. McHugh.
[No response.]
The CLERK. Mr. McIntosh.
[No response.]
The CLERK. Mr. Souder.
[No response.]
The CLERK. Mr. Scarborough.
[No response.]
The CLERK. Mr. Sanford.
[No response.]
The CLERK. Mr. Sununu.
[No response.]
The CLERK. Mr. Sessions.
[No response.]
The CLERK. Mr. Pappas.
[No response.]
The CLERK. Mr. Miller.
[No response.]
The CLERK. Mr. Waxman.
[No response.]
The CLERK. Mr. Wise.
[No response.]
The CLERK. Mr. Owens.
[No response.]
The CLERK. Mr. Towns.
[No response.]
The CLERK. Mr. Condit.
[No response.]
The CLERK. Mr. Cummings.
[No response.]
The CLERK. Mr. Blagojevich.
[No response.]

The CLERK. Mr. Davis of Illinois.
[No response.]
The CLERK. Mr. Ford.
[No response.]
Mr. BURTON. The Clerk will report the tally.
Mr. FATTAH. Mr. Chairman, how am I recorded?
The CLERK. Mr. Fattah is recorded as present.
Mr. FATTAH. I would like to be recorded in favor.
Mr. BURTON. The Clerk will report the tally.
The CLERK. Mr. Chairman, there are 15 ayes, 7 nos.
Mr. BURTON. The motion carries.

[Note.—The depositions of Holli B. Weymouth, David Mercer, Betty Jane Thornberry, Thomas Franklin McLarty III, Bruce R. Lindsey, C. Douglas Buford, Jr., Mickey Kantor, and John R. Phillips can be found in Volume 2 of this hearing, dated December 10, 1997, on p. 301.]

[The interrogatories of Wayne Reaud, C.W. Conn, Jr., John Moores and Eli Broad follow:]

INTERROGATORY TO MR. WAYNE READUD

1. What documents did you review before responding to this interrogatory?

ANSWER: None.

2. Did you speak to anyone, other than your attorney, about being questioned by any investigative body regarding Campaign Finance and more specifically Webster Hubbell? If so, please describe the substance of the conversations and with whom you spoke.

ANSWER: I have spoken with various counsel about the questions posed in these interrogatories. I am sure that I have mentioned to my law partners and my wife, and various friend and acquaintances that I was being questioned. I have not had any detailed discussions about my answers to these questions with anyone other than lawyers. My counsel and I have talked to several attorneys for the House Committee on Government Reform and Oversight.

3. Please describe how you first came to know Webster Hubbell and characterize your relationship.

ANSWER: Some time in early 1994, I received a call from Truman Arnold, a friend of mine. He told me that Mr. Hubbell was leaving the Department of Justice (DOJ) and recommended that my law firm hire Mr. Hubbell. Subsequently, I had several conversations and meetings with Mr. Hubbell. My law firm was interested in opening a Washington, D.C. office and Mr. Hubbell expressed interest in managing such an office. I met with Mr. Hubbell on several occasions in Washington and on approximately July 28, 1994, I wrote him a check for $18,000 as a retainer. When I became aware of Mr. Hubbell's legal problems, the project was dropped.

I would characterize my relationship with Mr. Hubbell as a business relationship. We were not close social or personal friends.

4. How often did you see Hubbell in 1994? (Lunch, dinners, social, business, etc.)

   4a. What was the purpose of these meetings?
   4b. Please describe the substance of these conversations.
   4c. When were these meetings?

ANSWER: To the best of my current recollection, I met with Mr. Hubbell on four or five occasions in Washington, D.C., during 1994. I cannot recall precise dates or places, although

I do recall at least one luncheon and one dinner. I'm sure we discussed social matters and our families, as well as current political events, although I have no specific recollection of these subjects. We also discussed Mr. Hubbell's desire to be retained by my law firm.

I have a specific recollection of meeting Mr. Hubbell in his office on July 28, 1994, and discussing a retainer arrangement. I saw him again that evening at a dinner party held at Truman Arnold's residence.

5. How often did you speak with Mr. Hubbell on the telephone, and what was the substance of your conversations?

ANSWER: I do not know precisely how many times I spoke to Mr. Hubbell on the telephone. I would estimate that we tried to reach each other at least 10-15 times during 1994. As indicated above, we talked about a possible retainer relationship. After July 28, 1994, I talked to him about legal issues such as tort legislation as well as his personal plans for the future. After I heard in December of 1994 that Mr. Hubbell was pleading guilty to a crime involving his former law firm, I discontinued my plans for opening a Washington, D.C. law firm.

6. Please describe when and how you first became aware of Mr. Hubbell's legal problems.

ANSWER: I was generally aware that Mr. Hubbell had left DOJ because of a disagreement with his former law firm. I recall asking him about his potential legal problems sometime in the spring and/or summer of 1994. Mr. Arnold was present and others may have been as well. I asked him directly if he had any criminal problems. Mr. Hubbell said that he had no criminal problems and the matter with his law firm was a dispute over responsibility for paying costs associated with litigation during the time he was practicing law in Arkansas. I took him at his word and accepted his explanation. To the best of my recollection, it was in very late November or very early December, 1994, that I learned that Mr. Hubbell was about to be criminally charged. I do not recall him ever telling me he anticipated being charged with a crime.

7. Please describe all of your visits, conversations, and contacts with any employee or agent of the White House regarding Webster Hubbell.

ANSWER: I have never spoken to President Clinton or Mrs. Clinton about Webster Hubbell and his problems. I have spoken to other White House personnel about Mr. Hubbell. I have no specific recollection of these conversations, but I do generally recall asking Marcia Scott whether she had any record of correspondence with Mr. Hubbell and my law firm. She told me

that she had none. I believe this conversation occurred after I received a subpoena duces tecum for documents relating to Mr. Hubbell.

8. Please describe any conversation you had with anyone regarding Webster Hubbell's resignation.

ANSWER: I presume this refers to Mr. Hubbell's resignation from DOJ. I did not know him prior to the resignation. When Mr. Arnold called me, he told me that Mr. Hubbell either had resigned or was going to resign and needed employment. As I discussed above, I expressly asked Mr. Hubbell about his problems and he told me it was a cost dispute with his law firm. Since my name has appeared in the press in regards to the Hubbell matter, I have talked to many friends and acquaintances about Mr. Hubbell and his problems.

9. Please describe your awareness of any attempts to settle Mr. Hubbell's billing dispute with the Rose Law Firm.

ANSWER: I only know what Mr. Hubbell told me. I have a vague recollection of Mr. Hubbell discussing with me an attempt on his part to resolve the matter with his law firm. As I recall, at the time of this conversation he believed he was close to settling the dispute with them.

10. Were you aware in March 1994 that there were news reports that "the Rose law firm raised serious questions about possible improprieties in Hubbell's client billings and expense reports that may have resulted in hundreds of thousands of dollars in losses for the firm and excessive bills to some of its clients." (Washington Post 3/15/94)

ANSWER: I do not subscribe to the Washington Post; and I was not aware, in March 1994, of the details set forth in the question. My principal knowledge came from my conversations with Mr. Hubbell and Mr. Arnold as described above.

11. Were you aware that all 28 partners of the Rose firm agreed to send a complaint to the Arkansas Supreme Court on Hubbell?

ANSWER: No.

12. Please describe any conversations you had with any member of the Rose Law firm about Mr. Hubbell in 1994-5.

ANSWER: None that I recall.

13. Please describe your knowledge of any efforts to help Hubbell gain consulting contracts and/or employment from any source.

ANSWER: I was aware in the spring and summer of 1994 that Mr. Arnold was attempting to help Mr. Hubbell find work. I knew that other acquaintances of mine, including C.W. Conn, Bernard Rapaport and John Moores, were all discussing hiring Mr. Hubbell and ultimately did so.

14. Please describe your understanding of other consulting contracts Mr. Hubbell had when he was employed by Reaud, Morgan & Quinn.

ANSWER: I believe that Mr. Conn, Mr. Rapaport, Mr. Moores, and Mr. Arnold retained Mr. Hubbell's services. To the best of my recollection at the time that Reaud, Morgan & Quinn retained Mr. Hubbell it was our belief that Mr. Arnold, Mr. Rapaport, Mr. Moores, Mr. Conn as well as Reaud, Morgan & Quinn were the only clients of Mr. Hubbell's new law practice.

15. What did you hire Mr. Hubbell to do for Reaud Morgan & Quinn?

ANSWER: He was principally retained to advise the law firm about the feasibility of establishing a Washington, D.C. law office. I also believed that he could be effective in attracting clients to the law firm. I also believed that he could provide valuable advice about legal and policy issues, including tort legislation which was of interest to the law firm.

16. Please describe how you came to retain Mr. Hubbell.

ANSWER: As indicated above, I had several meetings and phone conversations with him prior to retaining him. On July 28, 1994, I did retain him. The circumstances which lead to this are discussed in more detail above.

17. Please describe the work Mr. Hubbell accomplished for Reaud, Morgan & Quinn.

ANSWER: Mr. Hubbell was available for legal advice and consultation to the law firm of Reaud, Morgan & Quinn. Numerous subjects were discussed, including the prospects of establishing a Washington law office, tort legislation, etc..

18. Please describe how Mr. Hubbell was paid, how you arrived at the figure, where you wrote the check to Mr. Hubbell, if anyone else, to your knowledge wrote him a check on July 28, 1994, and how the payroll at Reaud, Morgan & Quinn works for attorneys or consultants on retainer.

ANSWER: Mr. Hubbell was paid $18,000 with a law firm check dated July 28, 1994. The $18,000 figure was requested by Mr. Hubbell and it was for a six months retainer. Mr. Hubbell was issued an IRS Form 1099 for $18,000. Consultants and experts are not treated as law firm employees and are routinely treated as 1099 independent contractors rather than employees on the law firm's payroll. I am aware that Mr. Conn, Mr. Rapaport, Mr. Arnold and Mr. Moores also retained Mr. Hubbell for $18,000 although I do not know when they did so. I believe, but am not certain, that I gave Mr. Hubbell the check at his office on the afternoon of July 28, 1994.

19. Please describe the events of July 28, 1994, please describe the luncheon, the events and conversations surrounding the lunch, the purpose of the luncheon, dinner that evening and any other conversations that you had about Mr. Hubbell on that day.

ANSWER: I believe I recall a luncheon at the Williard Hotel followed by a meeting at Mr. Hubbell's law office, and then later that night, a dinner party at Truman Arnold's house in Washington, D.C. If my recollection is correct, it was the afternoon meeting at Mr. Hubbell's office where I agreed to retain his services. There were numerous conversations throughout the day and evening with Mr. Hubbell, but I cannot specifically recall those conversations.

20. Please describe the context of Mr. Rapaport's saying "Only among thieves is everything quiet," and who heard the story, and how the story arose at the July 28, 1994 dinner.

ANSWER: I have no recollection of such a discussion.

21. Please describe the process for hiring consultants at Reaud Morgan & Quinn.

ANSWER: The law firm frequently hires consultants to advise on matters within their particular expertise or knowledge. In the case of Mr. Hubbell, I made the decision to retain him after discussions with my partners.

22. How often does Reaud, Morgan & Quinn hire consultants?

ANSWER: The law firm frequently hires consultants. I don't have a precise number, but specialized expertise is critical to the law firm's practice.

23. By the time Mr. Hubbell's relationship with Reaud Morgan & Quinn had ended what work if any had he accomplished?

ANSWER: He had been available for advice and consultation, as indicated above. No office was established in Washington, however.

24. Does the firm have any documents or work product produced by Mr. Hubbell?

ANSWER: None that I have been able to locate.

25. Who did Mr. Hubbell correspond with at the Company? Who would he report to?

ANSWER: Wayne Reaud was his principal contact. He may have also contacted Mr. Reaud's secretary and the law firm's bookkeeper about his 1099.

26. Please describe any conversation you had with Mr. Hubbell regarding any financial concerns he raised.

ANSWER: Mr. Hubbell told me that he needed work for living expenses and to educate his children.

27. Please describe your awareness of Mr. Hubbell receiving $100,000 from a Lippo Group affiliate in June 1994.

ANSWER: I was not aware of such a payment until I read or heard about it in press accounts after our relationship was ended. He never discussed it with me.

28. Please describe all knowledge you have regarding any contact Mr. Hubbell made regarding his guilty plea.

ANSWER: Mr. Hubbell never told me he was planning to plead guilty and never advised me of his criminal problems. I was extremely disappointed in Mr. Hubbell when I learned the truth about his situation.

29. Did you ever pay any of Mr. Hubbell's legal expenses?

ANSWER: No, not knowingly. I paid Mr. Hubbell the $18,000 described above. I do not know if he used it to pay legal expenses.

30. Did Mr. Hubbell ever make any requests for additional work or consulting arrangements? If so, please describe.

ANSWER: I have a general recollection that Mr. Hubbell wanted to renew the consulting relationship after six months. However, I do not recall the timing of such a request.

31. Do you have any problem with Hubbell discussing the work he did for you? Would you have any problem with him fully disclosing any documents that may have related to the work he did for Reaud, Morgan & Quinn?

ANSWER: I will not waive any privilege that exists between Mr. Hubbell and I concerning our communications and his employment.

32. Please explain your knowledge of the work Webster Hubbell performed for Truman Arnold, John Moores, and C.W. Conn.

ANSWER: I recall generally that Mr. Hubbell was doing work with Mr. Moores on a matter having to do with air transportation and with Mr. Rapaport concerning insurance matters. I do not know the specifics of the work he performed.

33. Please describe all contact you had with Mr. Hubbell while he was in prison and the substance of such contact.

ANSWER: None that I can recall.

34. Please describe any conversation you had regarding employment possibilities for Mr. Hubbell after his release from prison.

ANSWER: None.

35. Please describe any fundraising calls that you may have received from the President, Vice President Gore or Mrs. Clinton.

ANSWER: I do not recall any specific calls from the President, the Vice President or Mrs. Clinton regarding fundraising.

36. Please describe any White House coffee you attended.

ANSWER: I have been to the White House. I am not sure what is meant by the words "White House coffee." However, to the best of my understanding, I did not attend such an event.

37. Were you asked to "support" the President or the DNC at any White House event? Which events? Please describe these conversations.

ANSWER: I have been a supporter of the President and the DNC, but I do not recall any requests for political support being made of me while I was at the White House.

38. What is your understanding of the purpose of the coffees?

ANSWER: I do not recall attending one, so I can't speak to their purpose.

39. Did you donate any money to the DNC around the time of the White House Coffee you attended?

ANSWER: See above. I do not recall attending a "White House Coffee."

40. Do you know someone by the name of Dr. Holly? If so, please describe your relationship, and any discussions you had with him regarding Webster Hubbell.

ANSWER: Dr. Holly is a Beaumont physician and a friend. We discussed the fact that the media had criticized me for hiring Webster Hubbell and I informed Dr. Holly that I did not know Mr. Hubbell had done anything wrong at the time he was retained. I also told him that Janet Reno had given Mr. Hubbell a glowing testimonial in the press when he left the Department of Justice. Some time later, Dr. Holly told me he had received a phone call from Rep. Dan Burton, who was trying to get him to say that Janet Reno had actually asked me to retain Mr. Hubbell. Dr. Holly knew that this was untrue and that I had not ever talked to Janet Reno about Mr. Hubbell.

Wayne Reaud

STATE OF TEXAS)
) SS.
COUNTY OF JEFFERSON)

The above and foregoing *Answers to Interrogatories to Mr. Wayne Reaud* was subscribed and sworn to before me this 25th day of November, 1997, by Wayne Reaud.

MAGGIE REYNOLDS
Notary Public, State of Texas
My Commission Expires
2/13/99

Maggie Reynolds
Notary Public

My Commission expires: February 13, 1999

C.W. CONN, JR.'S INTERROGATORY RESPONSES

NOW COMES **C.W. Conn, Jr.**, and makes the following Interrogatory Responses. These responses are made to the best of **C.W. Conn, Jr.'s** ability, and in the event any information becomes available which causes a need to amend or supplement these answers **C.W. Conn, Jr.** will do so.

1. What documents did you review before responding to this interrogatory?

ANSWER: See the attached eight (8) pages. These are the only documents in my possession with any regard to my relationship with Webster Hubbell.

2. Did you speak to anyone, other than your attorney, about being questioned by any investigative body regarding Campaign Finance and more specifically Webster Hubbell? If so, please describe the substance of the conversations and with whom you spoke.

ANSWER: No, I have not spoken with anyone other than my attorney regarding this investigation.

3. Please describe how you first came to know Webster Hubbell and characterize your relationship?

ANSWER: The only times I recall meeting Webster Hubbell was in the summer of 1994. I may have briefly visited with Mr. Hubbell at a party at Truman Arnold's residence. I also met with Mr. Hubbell at his office. The office meeting lasted a few hours. Mr. Arnold was also present at Mr. Hubbell's office. These meetings took place in July of 1994.

4. How often did you see Hubbell in 1994? (Lunch, dinners, social, business, etc.)

   4a. What was the purpose of these meetings?
   4b. What was the substance of these conversations?
   4c. When were these meetings?

ANSWER: See response to Interrogatory No. 3 above.

5. How often did you speak with Mr. Hubbell on the telephone, and what was the substance of your conversations?

ANSWER: I do not recall ever speaking to Mr. Hubbell on the telephone. On the occasions I called him, he was out. I was not in when and if he returned my telephone calls.

6. Please describe when and how you first became aware of Mr. Hubbell's legal problems.

ANSWER: The only knowledge I have of Mr. Hubbell's legal problems is what I get from the local television and newspapers.

7. Please describe all of your visits, conversations and contacts with any employee or agent of the White House or DNC regarding Webster Hubbell.

ANSWER: I had no visits with the White House or DNC concerning Webster Hubbell. I had no contacts at the White House or DNC concerning Mr. Hubbell. Webster Hubbell's name may have come up in passing conversation with an agent or employee of the White House, but I do not recall engaging in any discussion regarding his legal problems or legal fees.

8. Please describe any conversation you had with anyone regarding Webster Hubbell's resignation.

ANSWER: I cannot recall any such conversation with anyone and know of no reason for one to have taken place.

9. Please describe your awareness of any attempts to settle Mr. Hubbell's billing dispute with the Rose Law Firm?

ANSWER: I am not aware of any matters concerning Webster Hubbell's dispute with his law firm.

10. Were you aware in March 1994 that there were news reports that "the Rose firm raised serious questions about possible improprieties in Hubbell's client billings and expense reports that may have resulted in hundreds of thousands of dollars in losses for the firm and excessive bills to some of its clients." (Washington Post 3/15/94)

ANSWER: No, I was not.

11. Were you aware that all 28 partners of the Rose firm agreed to send a complaint to the Arkansas Supreme Court on Hubbell?

ANSWER: No, I was not.

12. Please describe any conversations you had with any member of the Rose Law Firm about Mr. Hubbell in 1994-5.

ANSWER: I do not know who the members of the Rose law firm are and I have no recollection of ever speaking to any member of the Rose law firm concerning Mr. Hubbell or anything else.

13. Please describe your knowledge of any efforts to help Hubbell gain consulting contracts and/or employment from any source.

ANSWER: I am not aware of any efforts to help Mr. Hubbell gain consulting contracts. In July, 1994, Truman Arnold suggested that if I had any reason to use a Washington attorney, Mr. Hubbell would be a good attorney to hire. This conversation took place in Washington in July, 1994.

14. Please describe your understanding of other consulting contracts Mr. Hubbell had when he was employed by you.

ANSWER: I am not aware of any consulting contracts that Mr. Hubbell had when he was employed by me. I was informed by Mr. Arnold that Mr. Hubbell was setting up a law practice and was looking for new clients.

15. What did you hire Mr. Hubbell to do for you or Conn's?

ANSWER: I hired Mr. Hubbell at the suggestion of Truman Arnold. Truman Arnold asked me if I had any business which would require a Washington attorney. I told Mr. Arnold that I was involved in a wireless cable business deal and while I presently did not need an attorney in Washington to do anything specific, I thought that the need could arise. Mr. Arnold suggested that if I gave Mr. Hubbell a retainer that he would be available for me. I do not recall if Mr. Arnold or Mr. Hubbell suggested the retainer fee. Since Mr.

Arnold had been a long-time friend, I trusted his advice and I retained Mr. Hubbell. This took place in July, 1994.

16. Please describe how you came to retain Mr. Hubbell.

ANSWER: **See response to Interrogatory No. 15.**

17. Please describe the work Mr. Hubbell accomplished for you.

ANSWER: **Mr. Hubbell did not accomplish anything for me because the problems that had arisen in the wireless cable business deal eventually worked themselves out without the necessity of legal services. I never requested that Mr. Hubbell perform any work for me in connection with the wireless cable deal, only that he remain on stand-by in the event I needed him.**

18. Please describe how Mr. Hubbell was paid, how you arrived at the figure, where you wrote the check to Mr. Hubbell, if anyone else to your knowledge wrote him a check on July 28, 1994, and how the payroll at Conn's works for consultants.

ANSWER: **I paid Mr. Hubbell $18,000.00. A copy of the check is attached. This check was written in Mr. Hubbell's office in July, 1994. It is my understanding that Mr. Wayne Reaud of Beaumont, Texas, also hired Mr. Hubbell in July, 1994; however, I do not know why Mr. Reaud hired him or what for. See also answer to Interrogatory No. 15. (I want to point out that Mr. Hubbell was hired by me personally, and not by my company, Conn's.)**

19. Please describe the events of July 28, 1994, please describe the luncheon, the events and conversations surrounding the lunch, the purpose of the luncheon, dinner that evening and any other conversation that you had about Mr. Hubbell on that day.

ANSWER: **Truman Arnold and I had been friends as a result of both of us serving on the Board of Regents at Lamar University in Beaumont, Texas. During my visit to Washington, I attended a party at Mr. Arnold's residence. I never discussed any business at the party. We had lunch that day and I recall Truman Arnold was present. I do not recall Webster Hubbell being present at lunch, but I do recall going to his office sometime that afternoon. That is when the event which I refer to in answer to Interrogatory No. 18 occurred.**

20. Please describe the process you use for hiring consultants.

ANSWER: From time to time my business hires real estate, insurance, or accounting consultants. The process is determined by the type of problem we are addressing.

21. How often do you hire consultants?

ANSWER: Over the past several years my business has had occasion to hire consultants 2 or 3 times a year.

22. By the time Mr. Hubbell's employment relationship with you had ended what work, if any, had he accomplished?

ANSWER: Mr. Hubbell never did anything for me.

23. Does the company have any documents or work produce produced by Mr. Hubbell?

ANSWER: Mr. Hubbell did not work for any company which I own. Every piece of paper which I have regarding Mr. Hubbell is attached to the answers to these interrogatories.

24. Who did Mr. Hubbell correspond with at the Company? Who would he report to?

ANSWER: If Mr. Hubbell would have been inclined to write a letter, it would have been to me and not to the Company.

25. Please describe any conversation you had with Mr. Hubbell regarding any financial concerns he raised.

ANSWER: I never had any conversations with Mr. Hubbell regarding his financial concerns. The only conversation I had concerning Mr. Hubbell's financial situation was with Truman Arnold. Mr. Arnold advised me that Mr. Hubbell had just left the Justice Department and was trying to set up a law practice. He stated Hubbell was not only a friend of his, but a good lawyer, and since I may have the occasion to use a Washington attorney I should go ahead and put Hubbell on retainer. This conversation took place in July of 1994 (see answer to Interrogatory No. 15).

26. Please describe your awareness of Mr. Hubbell receiving $100,000 from a Lippo Group affiliate in June 1994.

ANSWER: I was never aware of this fact.

27. Please describe all knowledge you have regarding any contact Mr. Hubbell made regarding his guilty plea.

ANSWER: None.

28. Did you ever pay any of Mr. Hubbell's legal expenses?

ANSWER: No.

29. Did Mr. Hubbell ever make any requests for additional work or consulting contracts? If so, please describe.

ANSWER: No.

30. Do you have any problem with Hubbell discussing the work he did for you? Would you have any problem with him fully discussing what he did for Conn's?

ANSWER: Mr. Hubbell did nothing for Conn's, so I do not know how he could discuss it. Insofar as any work he did for me, I don't have any problem with you discussing the circumstances under which I retained Mr. Hubbell with him.

31. Please explain your knowledge of the work Webster Hubbell performed for Truman Arnold, John Moores, Wayne Reaud or any other employer.

ANSWER: I have no knowledge of the work which Mr. Hubbell performed for any of the individuals referred to in this question.

32. Please describe all contact you had with Mr. Hubbell while he was in prison and the substance of such contact.

ANSWER: None.

33. Please describe any conversation you had regarding employment possibilities for Mr. Hubbell after his release from prison.

ANSWER: None.

34. Please describe any fundraising calls that you may have received from the President, Vice President Gore, or Mrs. Clinton.

ANSWER: None.

35 Please describe any White House coffee you attended.

ANSWER: I do not recall attending a "White House coffee."

36. Were you asked to "support" the President or the DNC at any White House event? Which events? Please describe these conversations.

ANSWER: No one ever asked me to support the President or the DNC at any White House event.

37. What is your understanding of the purpose of the coffees?

ANSWER: The purpose of my attending political gatherings was to mingle with other contributors. Not only have I contributed to the Democratic party, I have also contributed to the Republican party. At these events the guest list was comprised mostly of donors. I just assumed the purpose of these events was for political donors to get to know each other.

38. Did you donate any money to the DNC around the time of the White House Coffee you attended?

ANSWER: I have donated to the DNC, but it was not because of any White House coffee.

39. Do you know a person by the name of Dr. Holly? If so, please describe your relationship, and any discussions you had with him regarding Webster Hubbell.

ANSWER: The only "Dr. Holly" I know is Dr. James L. Holly, a physician in Beaumont, Texas. I do not recall having any discussions with him concerning Webster Hubbell.

STATE OF TEXAS §

COUNTY OF JEFFERSON §

BEFORE ME, the undersigned authority, on this day personally appeared C.W. Conn, Jr., who, after being duly sworn upon his oath, deposed and stated that the above and foregoing Interrogatory Responses are true and correct to the best of his knowledge and ability.

C.W. CONN, JR.

SUBSCRIBED AND SWORN TO BEFORE ME by the said C.W. Conn, Jr. on this the 14th day of November, 1997, to certify which witness my hand and seal of office.

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

INTERROGATORY TO JOHN MOORES

1. What documents did you review before responding to this interrogatory?

   Answer: None

2. Did you speak to anyone, other than your attorney, about being questioned by any investigative body regarding Campaign Finance and, more specifically, Webster Hubbell? If so, please describe the substance of the conversations and with whom you spoke.

   Answer: I spoke to any number of people, including friends, employees and newspaper reporters about my subpoena and subsequent appearance in Little Rock before the Grand Jury. In every case that I can recall, I expressed my mystification about how simply hiring a lawyer could lead to a subpoena.

3. Please describe how you first came to know Webster Hubbell and characterize your relationship?

   Answer: I retained Hubbell after a recommendation from my neighbor, Truman Arnold.

4. How often did you see Hubbell in 1994? (Lunch, dinners, social, business, etc.)

   4a. What was the purpose of these meetings?
   4b. What was the substance of your conversations?
   4c. When were these meetings?

   Answer: I have never met Hubbell. My only communication with him was on the telephone.

5. How often did you speak with Mr. Hubbell on the telephone, and what was the substance of your conversations?

   Answer: I spoke with Hubbell perhaps several times on the telephone. I asked for his assistance with the FAA on obtaining the rights to operate an FBO at the Monterey Airport in Monterey, California. I may have had a subsequent short conversation with him inquiring about the status of a condominium project in Houston that may have been in receivership.

6. Please describe when and how you first became aware of Mr. Hubbell's legal problems.

Answer: I became aware of Hubbell's legal problems through the newspapers. I do not recall exactly when I read anything about his problems.

7. Please describe all of your visits, conversations and contacts with any employee or agent of the White House or DNC regarding Webster Hubbell.

Answer: None.

8. Please describe any conversation you had with anyone regarding Webster Hubbell's resignation.

Answer: None.

9. Please describe your awareness of any attempts to settle Mr. Hubbell's billing dispute with the Rose Law firm.

Answer: None.

10. Were you aware in March 1994 that there were news reports that "the Rose firm raised serious questions about possible improprieties in Hubell's client billings and expense reports that may have resulted in hundreds of thousands of dollars in losses for the firm and excessive bills to some of its clients." (Washington Post 3/15/94)

Answer: No.

11. Were you aware that all 28 partners of the Rose firm agreed to send a complaint to the Arkansas Supreme Court on Hubbell?

Answer: No.

12. Please describe any conversations you had with any member of the Rose Law firm about Mr. Hubbell in 1994-5.

Answer: None.

13. Please describe your knowledge of any efforts to help Hubbell gain consulting contracts and/or employment from any source.

Answer: None

14. Please describe your understanding of other consulting contracts Mr. Hubbell had when he was employed by you.

Answer: None.

15. What did you hire Mr. Hubbell to do for you?

Answer: See #5 above.

16. Please describe how you came to retain Mr. Hubbell.

Answer: In early 1994, I attempted to build a hanger and a jet fuel farm at the Monterey airport. It became obvious to me that the local political board that controls the airport intended to protect from competition the sole FBO operator that was permitted to sell jet fuel. I consulted with Arnold, who operated several FBO's. Arnold informed me that he had resolved a similar problem with the help of the FAA, who favored competition in the sale of jet fuel at airports. We briefly discussed several possible joint ventures at the Monterey airport, but did not agree on a relationship.

In the spring of 1994, I asked Arnold for further advice about dealing with the Monterey airport board, and he recommended retaining Hubbell to deal with the FAA.

17. Please describe the work Mr. Hubbell accomplished for you.

Answer: I do not know of any particular thing that he may have accomplished for me, because I lost interest in the project in the fall of 1994 when I decided to move my residence from Houston to San Diego, rather than to Monterey County.

18. Please describe how Mr. Hubbell was paid, how you arrived at the figure of $18,000.

Answer: I asked Arnold if he knew what Hubbell would expect for a retainer. I am not entirely certain on this point, but I believe that Arnold mentioned that it was his understanding that $18,000 was his normal retainer. It is possible, however, that Hubbell mentioned that amount of retainer that he would require.

19. Please describe the events of July 28, 1994; please describe the luncheon, the events and conversations surrounding the lunch, the purpose of the luncheon, who was in attendance, the dinner that evening and any other conversation that you had about Mr. Hubbell on that day.

Answer: I was not at the luncheon.

20. Please describe the process you use for hiring consultants.

Answer: I rarely, if ever, hire consultants. In my capacity as chairman of different companies, I rely on the management for recommendations for any consultants that they choose to hire.

21. How often to you hire consultants?

Answer: See #20 above.

22. By the time Mr. Hubbell's employment relationship with you had ended, what work, if any, had he accomplished?

Answer: See #17 above.

23. Does the company have any documents or work product produced by Mr. Hubbell?

Answer: No.

24. Who did Mr. Hubbell correspond with when he worked for you? Who would he report to?

Answer: I am unaware of correspondence or communication, other than those previously mentioned in these Interrogatories.

25. Please describe any conversation you had with Mr. Hubbell regarding any financial concerns he raised.

Answer: None.

26. Please describe your awareness of Mr. Hubbell receiving $100,000 from a Lippo Group affiliate in June 1994.

Answer: None.

27. Please describe all knowledge you have regarding any contact Mr. Hubbell made regarding his guilty plea.

Answer: None.

28. Did you ever pay any of Mr. Hubbell's legal expenses?

Answer: No.

29. Did Mr. Hubbell ever make any requests for additional work or consulting contracts? If so, please describe.

Answer: No.

30. Do you have any problem with Hubbell discussing the work he did for you? Would you have any problem with him fully disclosing any documents that he may have in his possession regarding the work he did for you?

Answer: Yes. I am unaware of any documents (in Hubbell's possession or mine) relating to work he may have done for me, but, if any exist, I do not wish them disclosed to anyone without my review and permission.

31. Please explain your knowledge of the work Webster Hubbell performed for Truman Arnold, C.W. Conn Jr., Wayne Reaud or any other employer?

Answer: None.

32. Please describe all contact you had with Mr. Hubbell while he was in prison and the substance of such contact.

Answer: None.

33. Please describe any conversation you had regarding employment possibilities for Mr. Hubbell after his release from prison.

Answer: None.

34. Please describe any fundraising calls that you may have received from the President, Vice President Gore, or Mrs. Clinton.

Answer: None.

35. Please describe any White House coffee you attended.

Answer: I have never attended a White House coffee.

36. Were you asked to "support" the President or the DNC at any White House event? Which events? Please describe these conversations.

Answer: No.

37. What is your understanding of the purpose of the coffees?

Answer: None.

38. Did you donate any money to the DNC around the time of the White House Coffee you attended?

Answer: See # 35 above.

39. Do you know a person by the name of Dr. Holly? If so, please describe your relationship and any discussions you had with him regarding Webster Hubbell.

Answer: No.

Sworn to by:

John Moores
November 7, 1997

State of California)
County of San Diego) ss.

On November 7, 1997 before me, Catherine Clare Swormstedt, personally appeared John Moores, personally known to me.

WITNESS my hand and official seal.

MR. ELI BROAD'S ANSWER TO INTERROGATORIES

Eli Broad hereby responds to the interrogatories propounded to him by the Committee on Government Reform and Oversight, under penalty of perjury, as follows:

INTERROGATORY NO. 1:

What documents did you review before responding to this interrogatory?

RESPONSE TO INTERROGATORY NO. 1:

Declarant reviewed a summary of political contributions for the years 1995 and 1996, and declarant's attorneys reviewed the documents provided to Ms. Barbara Comstock on April 25, 199[illegible].

INTERROGATORY NO. 2:

Did you speak to anyone, other than your attorney, about being questioned by any investigative body regarding Campaign Finance and more specifically Webster Hubbell? If so, please describe the substance of the conversations and with whom you spoke.

RESPONSE TO INTERROGATORY NO. 2:

Susan Harris and Ron Olson, attorneys.

INTERROGATORY NO. 3:

Please describe how you first came to know Webster Hubbell and characterize your relationship?

RESPONSE TO INTERROGATORY NO. 3:

Declarant was first introduced to Webster Hubbell in or around August 1985 by Mickey Kantor, a lawyer representing SunAmerica, Inc. (then known as "Kaufman and Broad, Inc.").

Mr. Kantor and his firm, Manatt, Phelps, Rothenburg & Tunney, had been engaged by SunAmerica to represent it in connection with SunAmerica's bid for an Arkansas domiciled subsidiary of Baldwin-United, which had been taken over by the insurance commissioners in the States of Indiana and Arkansas and which was in rehabilitation. Mr. Kantor introduced the Rose Law Firm and Webster Hubbell to SunAmerica as potential candidates for local Arkansas counsel in the matter. Mr. Kantor arranged for me to meet with Mr. Hubbell and various other lawyers. Mr. Hubbell was the partner in charge of representing SunAmerica on behalf of the Rose Law Firm. Declarant met with Mr. Hubbell on numerous occasions in connection with that engagement which terminated in 1986. Between 1986 and 1994, Declarant's contact with Mr. Hubbell was limited to occasional conversations. Declarant cannot recall the frequency of such contacts.

INTERROGATORY NO. 4:

How often did you see Hubbell in 1994? (Lunch, dinners, social, business, etc.)

4a. What was the purpose of these meetings?

4b. What was the substance of your conversations?

4c. When were these meetings?

RESPONSE TO INTERROGATORY NO. 4:

(a-c) Declarant met with Mr. Hubbell on at least one occasion in 1994, which occurred on May 19, 1994 at the Four Seasons Hotel in Washington, D.C. Mickey Kantor was also present for this breakfast meeting. The subject discussed was whether Mr. Hubbell could assist SunAmerica in its public policy efforts to generate further interest in the development of a

comprehensive national retirement savings policy to encourage Americans to save for retirement. In particular, we discussed the desire to avoid any tax changes that would be adverse to companies that sold annuities. Undoubtedly, there was also a social conversation during this meeting since the three had known each other for many years.

INTERROGATORY NO. 5:

How often did you speak with Mr. Hubbell on the telephone, and what was the substance of your conversations?

RESPONSE TO INTERROGATORY NO. 5:

Declarant spoke with Mr. Hubbell regarding the national retirement savings policy project on or about the following dates: April 28 and 29, 1994, May 6, 9 and 25, 1994.

INTERROGATORY NO. 6:

Please describe when and how you first became aware of Mr. Hubbell's legal problems.

RESPONSE TO INTERROGATORY NO. 6:

Declarant first learned of Mr. Hubbell's legal problems when Mr. Hubbell resigned from the Department of Justice. During conversations, Declarant was told this was a problem over billings, and Mr. Hubbell expected to resolve the issue quickly.

INTERROGATORY NO. 7:

Please describe all of your visits, conversations and contacts with Mickey Kantor, any employee or agent of the White House, and the DNC regarding Webster Hubbell.

RESPONSE TO INTERROGATORY NO. 7:

Mr. Kantor represented SunAmerica in the Baldwin-United matter in 1985-86. Mr. Kantor brought in the Rose Law Firm in Little Rock to assist SunAmerica. Mr. Hubbell was an attorney who did a great deal of work in this transaction.

On May 19, 1994, Mr. Kantor had breakfast with Mr. Hubbell and Declarant. (See answer to interrogatory 3 hereto.) Declarant cannot recall any specific conversation or contacts with any employee or agent of the White House or the DNC regarding Mr. Hubbell. However, there must have been some casual talk about Mr. Hubbell's problems when some publicity would occur, but Declarant cannot recall anything specific.

INTERROGATORY NO. 8:

Please describe any conversation you had with anyone regarding Webster Hubbell's resignation.

RESPONSE TO INTERROGATORY NO. 8:

Outside of Mr. Hubbell saying this was a billing problem that would shortly be resolved, Declarant cannot recall any other conversation regarding the resignation.

INTERROGATORY NO. 9:

Please describe your awareness of any attempts to settle Mr. Hubbell's billing dispute with the Rose Law Firm?

RESPONSE TO INTERROGATORY NO. 9:

None, other than Mr. Hubbell's brief comment that he expected it to be resolved in the near future.

INTERROGATORY NO. 10:

Were you aware in March 1994 that there were news reports that "the Rose firm raised serious questions about

possible improprieties in Hubbell's client billings and expense reports that may have resulted in hundreds of thousands of dollars in losses for the firm and excessive bills to some of its clients." (Washington Post 3/15/94)

RESPONSE TO INTERROGATORY NO. 10:

Only what Declarant learned from the news media.

INTERROGATORY NO. 11:

Were you aware that all 28 partners of the Rose firm agreed to send a complaint to the Arkansas Supreme Court on Hubbell?

RESPONSE TO INTERROGATORY NO. 11:

No.

INTERROGATORY NO. 12:

Please describe any conversations you had with any member of the Rose Law firm about Mr. Hubbell in 1994-5?

RESPONSE TO INTERROGATORY NO. 12:

None.

INTERROGATORY NO. 13:

Please describe your knowledge of any efforts to help Hubbell gain consulting contracts and/or employment from any source.

RESPONSE TO INTERROGATORY NO. 13:

Only the consulting arrangement with SunAmerica.

INTERROGATORY NO. 14:

Please describe your understanding of other consulting contracts with Mr. Hubbell had when he was employed by Sun America.

RESPONSE TO INTERROGATORY NO. 14:

None.

INTERROGATORY NO. 15:

What did you hire Mr. Hubbell to do for Sun America?

RESPONSE TO INTERROGATORY NO. 15:

SunAmerica hired Mr. Hubbell to assist SunAmerica in its public policy efforts to generate further interest in the development of a comprehensive national retirement savings policy to encourage Americans to save for retirement. Mr. Hubbell was to assist in getting such a program off of the back burner and get it implemented. Mr. Hubbell was hired to keep SunAmerica aware of what was going on in this area; both the positive and the negative.

INTERROGATORY NO. 16:

Please describe how you came to retain Mr. Hubbell.

RESPONSE TO INTERROGATORY NO. 16:

Declarant believed Mr. Hubbell could be helpful in implementing a national retirement savings program.

INTERROGATORY NO. 17:

Please describe the work Mr. Hubbell accomplished for Sun America.

RESPONSE TO INTERROGATORY NO. 17:

SunAmerica hired Mr. Hubbell to aid in its public policy efforts to generate further interest in the development of a comprehensive national retirement savings policy to encourage Americans to save for retirement. Mr. Hubbell primarily consulted with Ms. Karen Hedlund, then Senior Vice President and General Counsel of SunAmerica, who was the member of SunAmerica's

management primarily responsible for this project. Among other aspects of this engagement, Mr. Hubbell worked with Ms. Hedlund to prepare a statement advocating a national retirement savings policy. He also consulted with her regarding the implementation of such a policy. His work included reviewing a project proposal submitted by Michael Boskin.

INTERROGATORY NO. 18:

Please describe how Mr. Hubbell was paid, how you arrived at the figure of $5,000 per month.

RESPONSE TO INTERROGATORY NO. 18:

The amount of $5,000 was determined by mutual agreement between Mr. Hubbell and Declarant on behalf of SunAmerica.

INTERROGATORY NO. 19:

Please describe the process Sun America used for hiring consultants.

RESPONSE TO INTERROGATORY NO. 19:

There was no specific process except approval of senior management.

INTERROGATORY NO. 20:

How often does Sun America hire consultants?

RESPONSE TO INTERROGATORY NO. 20:

Frequently.

INTERROGATORY NO. 21:

By the time Mr. Hubbell's employment relationship with Sun America had ended what work, if any, had he accomplished?

RESPONSE TO INTERROGATORY NO. 21:

Please see the response to Interrogatory No. 17.

INTERROGATORY NO. 22:

Does the company have any documents or work product produced by Mr. Hubbell?

RESPONSE TO INTERROGATORY NO. 22:

Yes.

INTERROGATORY NO. 23:

Who did Mr. Hubbell correspond with when he worked for Sun America? Who would he report to?

RESPONSE TO INTERROGATORY NO. 23:

Ms. Karen Hedlund.

INTERROGATORY NO. 24:

Please describe any conversation you had with Mr. Hubbell regarding any financial concerns he raised.

RESPONSE TO INTERROGATORY NO. 24:

None.

INTERROGATORY NO. 25:

Please describe your awareness of Mr. Hubbell receiving $100,000 from a Lippo Group affiliate in June 1994?

RESPONSE TO INTERROGATORY NO. 25:

None, except what has been on the news.

INTERROGATORY NO. 26:

Please describe all knowledge you have regarding any contact Mr. Hubbell made regarding his guilty plea.

RESPONSE TO INTERROGATORY NO. 26:

None.

INTERROGATORY NO. 27:

Did you ever pay any of Mr. Hubbell's legal expenses?

RESPONSE TO INTERROGATORY NO. 27:

No.

INTERROGATORY NO. 28:

Did Mr. Hubbell ever make any requests for additional work or consulting contracts? If so, please describe.

RESPONSE TO INTERROGATORY NO. 28:

No.

INTERROGATORY NO. 29:

Do you have any problem with Hubbell discussing the work he did for Sun America? Would you have any problem with him fully disclosing any documents that he may have in his possession regarding the work he did for the company?

RESPONSE TO INTERROGATORY NO. 29:

No.

INTERROGATORY NO. 30:

Please explain your knowledge of the work Webster Hubbell performed for Truman Arnold, C.W. Conn Jr., Wayne Reaud or any other employer.

RESPONSE TO INTERROGATORY NO. 30:

None.

INTERROGATORY NO. 31:

Please describe all contact you had with Mr. Hubbell while he was in prison and the substance of such contact.

RESPONSE TO INTERROGATORY NO. 31:

None.

INTERROGATORY NO. 32:

Please describe any conversation you had regarding employment possibilities for Mr. Hubbell after his release from prison.

RESPONSE TO INTERROGATORY NO. 32:

None.

INTERROGATORY NO. 33:

Please describe the substance of any fundraising calls that you may have received from the President, Vice President Gore, or Mrs. Clinton, and the date on which they occurred.

RESPONSE TO INTERROGATORY NO. 33:

Since the 1988 presidential election, Declarant has been a substantial donor to the DNC. During the summer of 1995, Declarant agreed to give $100,000 to the DNC. In December 1995, Vice President Gore called and thanked Declarant for this contribution to the DNC. Declarant also gave a dinner to support the DNC. President Clinton called and thanked Declarant for putting on this dinner to raise funds for the DNC.

INTERROGATORY NO. 34:

Please describe any White House coffee you attended.

RESPONSE TO INTERROGATORY NO. 34:

While in Washington, D.C. for a dinner at the White House, Declarant spent the night at the White House. The next morning, Declarant attended a coffee at the White House.

INTERROGATORY NO. 35:

Were you asked to "support" the President or the DNC at any White House event? Which events? Please describe these conversations.

RESPONSE TO INTERROGATORY NO. 35:

No.

INTERROGATORY NO. 36:

What is your understanding of the purpose of the coffees?

RESPONSE TO INTERROGATORY NO. 36:

Declarant believed the purpose of the White House coffees was to assemble supporters and business leaders and explain that the present Administration was doing a good job in handling the nation's business.

INTERROGATORY NO. 37:

Did you donate any money to the DNC around the time of the White House Coffee you attended?

RESPONSE TO INTERROGATORY NO. 37:

No.

INTERROGATORY NO. 38:

Please describe how you came to spend the night in the White House.

RESPONSE TO INTERROGATORY NO. 38:

On March 27, 1996, Declarant had been invited to a dinner at the White House. On the way to the airport, the White House called and invited Declarant to spend the night in the White House.

INTERROGATORY NO. 39:

Did you make a contribution to the DNC or Clinton Gore '96 around the time that you were a guest in the White House?

RESPONSE TO INTERROGATORY NO. 39:

No.

INTERROGATORY NO. 40:

Did you host any fundraisers in your home for the Clinton/Gore campaign in 1996? If so, were you ever in contact with Charlie Trie, John Huang or Pauline Kanchanalak?

RESPONSE TO INTERROGATORY NO. 40:

No, Declarant did not host a dinner for Clinton/Gore. Declarant hosted a dinner 7/22/96 for the DNC. Declarant believes that John Huang may have been present at the dinner for the DNC.

I declare under penalty of perjury that the foregoing answers to interrogatories are true and correct.

Executed this 10 day of November, 1997.

ELI BROAD

Mr. BURTON. Questioning in the matter under consideration shall proceed under clause 2(j)(2) of House Rule XI and committee rule 14 in which the chairman and ranking minority member allocate time to committee counsel as they deem appropriate for extended questioning not to exceed 60 minutes equally divided between the majority and minority.

Is there any objection? Hearing none, so ordered.

We would now like, if they are available, the Attorney General of the United States and the FBI Director to come in and be sworn.

For the information of those in attendance, we will have two panels because we have a series of questions for each individual. The first panel will consist of the Attorney General of the United States, Janet Reno. And later on today, when she concludes and leaves, we will have FBI Director Louis Freeh before the committee as well.

Mr. LANTOS. Mr. Chairman, I would like to raise a question.

Mr. BURTON. The gentleman will state his question.

Mr. LANTOS. Mr. Chairman, I have been advised by the distinguished Director of the FBI in a meeting yesterday that he requested that he appear jointly with our distinguished Attorney General. I think this is a reasonable request. I would like to support this request and I would like to suggest that these two outstanding public servants appear on a joint panel together.

Mr. BURTON. I understand the gentleman's question. We have discussed this at some length. We have so many questions for the Attorney General and then we have a number of questions for the FBI Director. The Attorney General is under some time constraints. We are going to try to have her conclude her testimony by 2 or thereabouts so she may leave.

So we have decided that we have to have two separate panels, and I think we will be able to expedite our business more efficiently if we do that. So we will have the Attorney General first.

Mr. LANTOS. Mr. Chairman, under those circumstances, I move that the Attorney General and the Director of the FBI appear together.

Mr. BURTON. The motion is that the Attorney General and the FBI Director appear together before the committee instead of in two separate panels. The Clerk will call the roll. We will have a roll call vote on this.

The CLERK. Mr. Burton.

Mr. BURTON. No.

The CLERK. Mr. Burton votes no.

Mr. Gilman.

Mr. GILMAN. No.

The CLERK. Mr. Gilman votes no.

Mr. Hastert.

[No response.]

The CLERK. Mrs. Morella.

Mrs. MORELLA. No.

The CLERK. Mrs. Morella votes no.

Mr. Shays.

[No response.]

The CLERK. Mr. Schiff.

[No response.]

The CLERK. Mr. Cox.
Mr. COX. No.
The CLERK. Mr. Cox votes no.
Ms. Ros-Lehtinen.
Ms. ROS-LEHTINEN. No.
The CLERK. Ms. Ros-Lehtinen votes no.
Mr. McHugh.
[No response.]
The CLERK. Mr. Horn.
Mr. HORN. No.
The CLERK. Mr. Horn votes no.
Mr. Mica.
Mr. MICA. No.
The CLERK. Mr. Mica votes no.
Mr. Davis of Virginia.
Mr. DAVIS OF VIRGINIA. No.
The CLERK. Mr. Davis of Virginia votes no.
Mr. McIntosh.
[No response.]
The CLERK. Mr. Souder.
[No response.]
The CLERK. Mr. Scarborough.
[No response.]
The CLERK. Mr. Shadegg.
Mr. SHADEGG. No.
The CLERK. Mr. Shadegg votes no.
Mr. LaTourette.
Mr. LATOURETTE. No.
The CLERK. Mr. LaTourette votes no.
Mr. Sanford.
[No response.]
The CLERK. Mr. Sununu.
[No response.]
The CLERK. Mr. Sessions.
[No response.]
The CLERK. Mr. Pappas.
[No response.]
The CLERK. Mr. Snowbarger.
Mr. SNOWBARGER. No.
The CLERK. Mr. Snowbarger votes no.
Mr. Barr.
Mr. BARR. No.
The CLERK. Mr. Barr votes no.
Mr. Miller.
[No response.]
The CLERK. Mr. Waxman.
[No response.]
The CLERK. Mr. Lantos.
Mr. LANTOS. Aye.
The CLERK. Mr. Lantos votes aye.
Mr. Wise.
[No response.]
The CLERK. Mr. Owens.
[No response.]

The CLERK. Mr. Towns.
[No response.]
The CLERK. Mr. Kanjorski.
Mr. KANJORSKI. Aye.
The CLERK. Mr. Kanjorski votes aye.
Mr. Condit.
[No response.]
The CLERK. Mr. Sanders.
Mr. SANDERS. Yes.
The CLERK. Mr. Sanders votes yes.
Mrs. Maloney.
Mrs. MALONEY. Aye.
The CLERK. Mrs. Maloney votes aye.
Mr. Barrett.
Mr. BARRETT. Aye.
The CLERK. Mr. Barrett votes aye.
Ms. Norton.
Ms. NORTON. Aye.
The CLERK. Ms. Norton votes aye.
Mr. Fattah.
Mr. FATTAH. Aye.
The CLERK. Mr. Fattah votes aye.
Mr. Cummings.
Mr. CUMMINGS. Aye.
The CLERK. Mr. Cummings votes aye.
Mr. Kucinich.
Mr. KUCINICH. Yes.
The CLERK. Mr. Kucinich votes yes.
Mr. Blagojevich.
[No response.]
The CLERK. Mr. Davis of Illinois.
[No response.]
The CLERK. Mr. Tierney.
Mr. TIERNEY. Yes.
The CLERK. Mr. Tierney votes yes.
Mr. Turner.
Mr. TURNER. Aye.
The CLERK. Mr. Turner votes aye.
Mr. Allen.
Mr. ALLEN. Aye.
The CLERK. Mr. Allen votes aye.
Mr. Ford.
[No response.]
The CLERK. Mr. Hastert.
[No response.]
The CLERK. Mr. Shays.
[No response.]
The CLERK. Mr. Schiff.
[No response.]
The CLERK. Mr. McHugh.
[No response.]
The CLERK. Mr. McIntosh.
[No response.]
The CLERK. Mr. Souder.

[No response.]
The CLERK. Mr. Scarborough.
[No response.]
The CLERK. Mr. Sanford.
[No response.]
The CLERK. Mr. Sununu.
[No response.]
The CLERK. Mr. Sessions.
[No response.]
The CLERK. Mr. Pappas.
[No response.]
The CLERK. Mr. Miller.
[No response.]
The CLERK. Mr. Waxman.
[No response.]
The CLERK. Mr. Wise.
[No response.]
The CLERK. Mr. Owens.
[No response.]
The CLERK. Mr. Towns.
[No response.]
The CLERK. Mr. Condit.
[No response.]
The CLERK. Mr. Blagojevich.
[No response.]
The CLERK. Mr. Davis of Illinois.
[No response.]
The CLERK. Mr. Ford.
[No response.]
Mr. BURTON. The Clerk will report the tally.
The CLERK. Mr. Chairman, there are 12 ayes and 12 nays.
Mr. BURTON. The motion fails. We will proceed as planned.

Good morning, Madam Attorney General. I understand you prefer to be called Ms. Reno rather than Attorney General.

Ms. RENO. Well, what I object to is General, because my predecessors looked at the history and determined that it was the attorney who did general work for the Crown as opposed to specific work, and that is the way the name arose. So I am an adjective, not a noun.

Mr. BURTON. Well, I appreciate that historical fact. How about I address you as Ms. Reno?

Ms. RENO. That would be fine, sir. Thank you.

Mr. BURTON. I have called this hearing today because of the unique and unfortunate situation in which we find ourselves. This is the first time in my memory, and maybe in history, that the Attorney General of the United States and the Director of the FBI have disagreed so publicly about such an important issue. The campaign finance investigation involves the President and the Vice President of the United States. It involves their top aides. It involves their major fund-raisers. When our Nation's—the opening statements, Mr. Lantos, will not have any time constraints. If you choose to use as much time as I do, you are welcome to do that.

When our Nation's top two law enforcement officers have a serious disagreement about a case involving our country's highest

elected officials, Congress is compelled to step in and examine the facts.

Last week Attorney General Reno said that there will be no independent counsel for this investigation. We are led to believe through press accounts that Director Freeh objected vigorously. The Director wrote a detailed memo to the Attorney General explaining why an independent counsel is necessary. Despite a subpoena from this committee, we still have not seen this memo. However, the Wall Street Journal reports that Director Freeh's memo lays out the case that the diversion of soft money into hard money by the DNC and other related campaign finance law violations may have constituted a conspiracy that reaches into the White House.

According to the New York Times, Mr. Freeh's memo argues that the conflicts of interest for the Justice Department are so great that the Department cannot credibly investigate the campaign finance issue.

I must ask, how are Members of Congress and the public supposed to react when they pick up the newspaper and this is what they read?

Several articles in the Washington Post in October, for instance, spelled out some of the deep divisions between the FBI and the Justice Department lawyers on the task force. FBI officials said that they were being restrained from investigating key people, especially high-level Clinton administration officials.

If that is the way the investigation has been operating, the need for an independent counsel could not be more clear. The Justice Department investigation has been under way for more than a year. We have heard reports that, in that time, they have not even attempted to contact John Huang or get his testimony. He is one of the central figures in this case. Why hasn't he been contacted? We have heard reports that the task force develops new leads mainly when it reads about them in the newspaper. It was widely reported that the Justice Department had documents in its possession that showed that the DNC was converting soft money to hard money. Unfortunately the prosecutors learned about it by reading the Washington Post. Why? They had the documents, and they did not look at them.

One of the Attorney General's primary advisors on this investigation has been the head of the Public Integrity Section, Mr. Lee Radek. Mr. Radek has publicly called the Independent Counsel Act, quote, "an insult." Is this the person that should be advising the Attorney General on whether we seek an independent counsel?

In July, Senator Thompson said in his opening statement that there was a Communist Chinese Government plot to infiltrate our political system. He then received a public letter from Andrew Fois at the Justice Department contradicting his statement, and it was widely publicized.

Now, within the last month, Bob Woodward has reported in the Washington Post that the Justice Department had other information in its files that supported Senator Thompson's statement. The files, which were only revealed to us in November, were reported to shed more light on the Chinese Government plan. This information has apparently been in the Justice Department files since

1991, yet the Justice Department was writing to Senator Thompson saying that he was misstating the facts. I think that is terrible.

What is worse, the Attorney General was informed about this information on November 5th. We were not given this information, Madam Attorney General, until November 14th, 10 days later. This is absolutely unacceptable conduct.

The Attorney General has stated that her refusal to seek an independent counsel is based on the law and the facts. She is wrong on both counts. Section 591 of the Independent Counsel Act clearly authorizes the Attorney General to request an independent counsel whenever the Department of Justice has "a personal, financial or political conflict of interest." Section 591 recognizes that sometimes the Attorney General simply has an unavoidable conflict of interest in investigating other Government officials.

The President is the Attorney General's boss. She serves at his pleasure. She cannot conduct an impartial investigation of the President and his political allies. Listen to the Attorney General's own words when she testified in 1992. Will you play the video, please? 1993, pardon me. This was before the Senate Governmental Affairs Committee.

[Videotape played.]

Mr. BURTON. I am not sure that our staff had the right quote up there. So I will read the correct quote. I will quote the Attorney General directly. She said, "The reason that I support the concept of an independent counsel with statutory independence is that there is an inherent conflict whenever senior executive branch officials are to be investigated by the Department and its appointed head, the Attorney General," end quote.

How have investigations of the White House been handled by Attorneys General in the past? Just look at Iran-Contra. Within a month of the Iran-Contra story breaking in 1986, Attorney General Ed Meese requested an independent counsel. President Reagan publicly called on him to do so. Mr. Meese said it was in the public interest. Oliver North was not a, quote, "covered person." Mr. Meese used the same "conflict of interest" section of the law that we are talking about today and asking Attorney General Reno to use.

What a marked contrast with the Clinton administration. It has been 14 months since this foreign fund-raising scandal became public. The Attorney General is still resisting an independent counsel. Unlike President Reagan, President Clinton has not called for an independent counsel. He has remained silent. This has all the appearances of an Attorney General protecting the President.

By focusing on the narrow issue of phone calls from the White House, Ms. Reno guaranteed the result of her preliminary inquiry. By apparently avoiding key witnesses and stifling attempts by FBI agents to interview key people, the Attorney General continues to allow her investigation to drag on with few results.

Ever since the independent counsel law was enacted in 1979, every other President and Attorney General, when faced with such

large, politically sensitive cases, has turned them over to an independent counsel. I would refer to the chart on the screen, if we can get that right this time, which identified 19 independent counsels which have been appointed over the years.

[The chart referred to follows:]

Independent Counsels, 1979-1998

Appointed	Independent Counsel	Duration	Subject	Results	Cost
Nov. 29, 1979	Arthur H. Christy	6 months	White House Chief of Staff Hamilton Jordan	No indictments	$182,000
Sept. 9, 1980	Gerald J. Gallinghouse	1 year, 4 months	Presidential aide Tim Craft	No indictments	$3,300
Dec. 29, 1981	Leon Silver man	7 years	Labor Secretary Donovan	No indictments	$325,200
April 2, 1984	Jacob A. Stein	5 months	Attorney General nominee Edwin Meese	No indictments	$312,000
Apr. 23, 1986	James C. McKay; Alexia Morrison	2 years, 11 months	Assistant Attorney General Theodore Olson	No indictments	$2.1 million
May 29, 1986	Whitney North Seymour, Jr.	3 years, 3 months	Presidential aide Michael Deaver	Conviction of Deaver on 3 counts of perjury	$1.6 million
Dec. 19, 1986	Lawrence E. Walsh	6 years, 8 months	LtCol Oliver North and others	7 guilty pleas; 4 convictions; 3 indictments (2 convictions overturned on appeal; 6 presidential pardons)	$47.9 million
Feb. 2, 1987	James C. McKay	1 year, 5 months	White House aide Franklyn Nofziger and Attorney General Edwin Meese	Nofziger convicted and overturned on appeal; No indictment of Meese	$2.8 million

Independent Counsels, 1979-1998

Dec. 19, 1986	Carl S. Rauh; James R. Harper	1 year	Sealed	No indictments	$50,000
May 31, 1989	Sealed	1 year, 3 months	Sealed	No indictments	$15,000
Mar. 1, 1990	Arlin Adams; Larry D. Thompson	7 years, 11 months	HUD Secretary Samuel Pierce, and others	11 guilty pleas; 6 criminal convictions; 1 reversal on appeal; 1 acquittal; no indictment of Pierce	$27.1 million
Apr. 19, 1991	Sealed	1 year, 3 months	Sealed	No indictments	$93,000
Dec. 14, 1992	Joseph diGenova; Michael F. Zeldon	2 years, 11 months	Presidential aide Janet Mullins	No indictments	$2.9 million
Aug. 5, 1994	Kenneth W. Starr	3 years, 6 months	Whitewater	10 guilty pleas; 3 convictions; 2 acquittals; 2 indictments pending; report on Vince Foster's death	$25.6 million
Sept. 9, 1994	Donald C. Smaltz	3 years, 5 months	Agriculture Secretary Espy	6 guilty pleas; 6 convictions; 1 no contest plea; 1 settlement of civil suit; 4 acquittals; 3 indictments pending, including 1 of Espy	$11.9 million

Independent Counsels, 1979-1998

May 24, 1995	**David M. Barrett**	**2 years, 9 months**	**HUD Secretary Cisneros**	**7 indictments pending, including 1 of Cisneros**	**$3.8 million**
July 6, 1995	**Daniel S. Pearson**	**1 year, 4 months**	**Commerce Secretary Ron Brown**	**Investigation ended upon death of Brown**	**$3.2 million**
Nov. 27, 1996	**Sealed**	**1 year, 3 months**	**Sealed**	**No indictments reported**	**$48, 784**

Source: Congressional Research Service

Mr. BURTON. While the Attorney General has cited her previous appointments of independent counsels as evidence of her impartiality, she omits that in one case which touched upon the President, the Whitewater investigation, she initially opposed appointing an outside counsel and only did so after months of opposing it, and at the direction of the President. Many of my Democrat colleagues here today will say that this is a partisan Republican attack against the Attorney General. We will hear this repeated throughout the day. Fortunately, that is not true.

The need for an independent counsel to investigate the White House has been obvious to many Democrats. Former President Jimmy Carter has called for an independent counsel. So has Senator Moynihan, Senator Feingold and Senator Wellstone. Even Henry Waxman, the ranking member of this committee, called for an independent counsel last February.

It does not stop there. Groups like Common Cause have been very critical of the Attorney General. If that is not enough, just pick up the New York Times. The Times is hardly an arm of the Republican party, yet 15 times in the last year, the Times has called for an independent counsel.

Former Justice Department officials also see the need. Phillip Heymann, Ms. Reno's former Deputy Attorney General, who also served in the same position in the Carter administration, supports the appointment of an independent counsel. He has said, and I quote, "I served in seven administrations, and I have never seen the Justice Department so dominated in the policy realm by the White House." Mr. Heymann also stated, "I think the law requires her to appoint an independent counsel. . . . I think the career people are telling her the law hasn't been broken, and I think they are wrong," end quote.

Ms. Reno would have us believe that she can thoroughly and impartially investigate people such as Webster Hubbell, her former Associate Attorney General. He was convicted and sent to jail. In the summer of 1994, while he was under investigation, Webster Hubbell was paid $100,000 by the Riady family's Lippo Group. Ms. Reno defended Webster Hubbell and called him her friend. Can she conduct an impartial investigation and question Mr. Hubbell about his dealings with the Riadys, with John Huang and other people who are subjects of our investigation? This would certainly appear to pose a conflict.

John Huang, the President's, quote, "longtime friend," to use the President's own words, has anyone at the task force asked him for a full accounting? We were surprised to learn from his attorney last spring that he had not been contacted. Indeed Mr. Huang's attorney was surprised he had not been contacted, and we continue to hear that there has been almost no contact.

Charlie Trie, another longtime friend of the President's—have there been any attempts to bring him to justice? Charlie Trie's sister testified before this committee that when she met the President at a fund-raiser, President Clinton told her that her brother had been his close friend for 2 decades.

Trie is someone who knew the President for years, and gave hundreds of thousands of dollars to the campaign and the President's Legal Defense Fund. At virtually the same time, he was awarded

a coveted Trade Commission slot. Before he was appointed, the First Lady and Harold Ickes were warned of Trie's suspicious contributions to the Legal Defense Fund, which were all returned.

Conveniently, Charlie Trie has fled the country and bragged to NBC's Tom Brokaw that he can stay lost in China for as long as 10 years. When China's President Jiang Zemin visited Washington in October, I asked the President in two separate letters to seek the return of Charlie Trie for questioning. The President has promised to cooperate with this investigation; however, he apparently made no effort to raise this subject with President Jiang.

Bruce Babbitt presents a remarkable situation. We have the Attorney General withholding documents under executive privilege claims in this matter in a civil lawsuit. At the same time, the Attorney General is supposed to, quote, thoroughly and impartially, end quote, investigate allegations of wrongdoing by her Cabinet colleague and his aides as well as senior White House officials in a criminal investigation. The nonpartisan Congressional Research Service Legal Division has found no basis for the White House and DOJ's privilege claims in these documents. I will submit the CRS opinion and correspondence to the Attorney General on this matter for the record.

The Attorney General clearly has inherent conflicts with these close friends of the President and many other key people in this investigation. But the problems do not stop there. The Justice Department has sided with the White House in almost every politically sensitive matter of recent note. They sided with the White House and opposed Independent Counsel Kenneth Starr when he sought Whitewater-related notes. They lost.

The Attorney General and the Justice Department also sided with the President and argued before the Supreme Court that he was immune from a civil suit arising out of events that occurred before the President took office. They lost.

Justice Department lawyers also opposed Independent Counsel Donald Smaltz's attempt to prosecute a top Agriculture Department official. Again, they lost.

Mr. Smaltz has been leading the investigation into former Agriculture Secretary, Mike Espy. He has obtained 10 indictments, 5 convictions, and 6 guilty pleas. He will testify tomorrow about the roadblocks thrown up by the Justice Department that have hampered his important work.

The Attorney General's decision not to appoint an independent counsel is one of the most important decisions she has made during her tenure. It is, to say the least, a controversial one. The American people and Congress have a right to know both how and why she arrived at her decision. Clearly, there was a serious disagreement between the Attorney General and the FBI Director.

We have gone out of our way to address concerns about grand jury material that might be in the memo. We have indicated that grand jury material could be redacted, crossed out; however, there was no attempt on the Attorney General's part to meet us halfway. Ms. Reno said on television on Sunday, I think it was Face the Nation, that there have been ongoing discussions between her staff and our committee. Unfortunately, that is not true. We have had almost no contact from the Justice Department since last Friday,

even though the Attorney General said otherwise on Face the Nation.

There is clear precedent for Congress receiving such documents. I am submitting for the record the correspondence we have had back and forth with the Justice Department on Director Freeh's memo as well as a review of the Congressional Research Service regarding precedents for turning over such material.

Congress has an obligation to make sure that the Justice Department is enforcing the law in a fair and evenhanded manner. If half of the news reports we are reading about the Justice Department are true, we have cause for concern.

Those concerns are compounded when we learn that our two top law enforcement offices have such a fundamental disagreement over the needs for an independent counsel. With a case of this magnitude, Congress cannot sit idly by. We have an obligation to pursue Director Freeh's memo and hope that the Justice Department will commit some time to work with us.

The Director of the FBI serves a 10-year term. Congress provided the FBI Director with this 10-year term after Watergate, so he would have the independence that is necessary to enforce the law free from political pressure. This is particularly important when investigations involve the White House and high level political officials.

The Attorney General does not have the same security. She is a member of the President's cabinet. The Attorney General comes and goes with the President who appoints her and serves at his pleasure.

Director Freeh has served this country as an FBI agent, a Federal prosecutor, a Federal judge, and now is the Nation's top investigator. He arrived at the independent judgment that the credibility of this investigation would best be served by appointing an independent counsel.

In response, the Director has been the target of a steady stream of attacks from the White House. This constant sniping at the Director of the FBI from the White House is the clearest sign we have of where the President stands. The Clinton White House has an instinct to attack any time it feels threatened. Mr. McCurry's comments about the Director were disgraceful. I think the President should issue a public apology to Mr. Freeh.

As the chief law enforcement officer in the Nation, Director Freeh's duty is to the law. That duty should not be subordinated to anybody, including the President. It is interesting that the President's people think the FBI should be loyal subordinates.

Before I finish, I would like to address one last topic. I understand that my friends on the Democratic side are going to make an issue of my involvement in this hearing. According to Roll Call magazine, they are going to ask for an independent counsel to investigate these bogus charges that have been raised against me.

Let me say this to my good friends, and I hope you are all listening, I have no problem with that at all. I believe that we need an independent counsel for the entire task force investigation. If the Attorney General wants to include my case under an independent counsel, I say fine. You know as well as I do that these are politically timed, politically motivated charges made by a former Demo-

crat White House staffer and a leader of the Democrat National Committee who worked for the Democrat National Finance Committee. They are merely part of a smear campaign.

If you want to include me in that kind of investigation, fine. I have nothing to fear from an independent counsel.

It is apparent that the President does not feel the same way. If the Attorney General is willing to request an independent counsel for this entire campaign finance investigation, I have absolutely no problem with having my case included with the others. The American people must have confidence in our Justice Department.

Many have noted that both Republican allegations and Democrat allegations must be pursued. And I agree. An independent counsel is the best way for the Justice Department to proceed with its responsibilities. In Congress, in this committee, we will continue our public review of these important matters so that the American people who have a right to know are not kept in the dark.

[The Congressional Research Service, the Library of Congress legal opinion referred to and the prepared statements of Hon. Benjamin Gilman and Hon. Mark Souder follow:]

Congressional Research Service • The Library of Congress • Washington, D.C. 20540-7000

December 3, 1997

TO : Honorable Dan Burton, Chairman, House Committee on Government Reform and Oversight

FROM : American Law Division

SUBJECT : Substantiality of White House Claims of Executive, Attorney-Client and Work Product Privileges for Documents Relating To The Hudson Dog Track Matter

You have asked that we review and comment upon the legal substantiality of tentative claims of executive, attorney-client, and work product privilege by the White House with respect to documents relating to the Hudson Dog Track matter that are presently in the Committee's possession. The White House has requested confidential treatment of the documents, which were turned over to the Committee in compliance with a subpoena, on the ground, among others, that Committee publication could result in waiver of the asserted privileges in pending or future court actions. You have provided us with copies of all but one of the documents listed in an accompanying privilege log.[1] The privilege log indicates the date of the document (in most instances), a brief description of the nature of each document, and the privilege or privileges claimed for each one.

We will proceed by first summarizing and explaining the current law and practice with respect to each of the privileges when asserted before courts and congressional committees, and then apply the pertinent legal principles to the particular documents. We conclude that under the current state of the law, and in light of the nature of the documents and the circumstances under which they were produced, it is likely that a reviewing court would hold that none of the privileges claimed are sustainable before your Committee, but that the White House has not, by their production, waived any assertable privileges it might raise in a court action even if the Committee should publically disclose the material during the course of its proceedings.

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[1]Not included is document number EOP 64985, dated May 25, 1995, described as an "E-mail from the Deputy Assistant to the President for Intergovernmental Affairs to Special Assistant to the Deputy Chief of Staff for Policy and Political Affairs the attendance of possible presidential appointee at political event", for which executive privilege is claimed.

EXECUTIVE PRIVILEGE

Presidential claims of a right to preserve the confidentiality of information and documents in the face of legislative demands have figured prominently, though intermittently, in executive-congressional relations since at least 1792, when President Washington discussed with his cabinet how to respond to a congressional inquiry into the military debacle that befell General St. Clair's expedition. *See* Archibald Cox, *Executive Privilege*, 122 U. of Pa. L. Rev. 1383, 1395-1405 (1979). *See generally*, Mark J. Rozelle, Executive Privilege: The Dilemma of Secrecy and Democratic Accountability (1994)(Rozelle). Few such interbranch disputes over access to information have reached the courts for substantive resolution, the vast majority achieving resolution through political negotiation and accommodation. *See*, Neil Devins, *Congressional-Executive Information Access Disputes: A Modest Proposal-Do Nothing*, 48 Adm. L.Rev. 109 (1996). In fact, it was not until the Watergate-related lawsuits in the 1970's seeking access to President Nixon's tapes that the existence of a presidential confidentiality privilege was judicially established as a necessary derivative of the President's status in our constitutional scheme of separated powers. Of the six court decisions involving interbranch information access disputes,[2] three have involved Congress and the Executive[3] but only one of these resulted in a decision on the merits. One other case, involving legislation granting custody of President Nixon's presidential records to the Administrator of the General Services Administration, also determined several executive privilege issues pertinent to the instant dispute.[4]

The *Nixon* and post-Watergate cases established the broad contours of the presidential communications privilege. Under those precedents the privilege, which is constitutionally rooted, could be invoked by the President when asked to produce documents or other materials or information that reflect presidential decisionmaking and deliberations that he believes should remain confidential. If the President does so, the materials become presumptively privileged. The privilege, however, is qualified, not absolute, and can be overcome by an adequate showing of need. Finally, while reviewing courts have expressed reluctance to balance executive privilege claims against a congressional demand for information, they have acknowledged they will do so if the political branches have tried in good faith but failed to reach an accommodation.

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[2]*United States v. Nixon*, 418 U.S. 683 (1974); *Nixon v. Sirica*, 487 F.2d 700 (D.C. Cir. 1973); *Senate Select Committee v. Nixon*, 498 F.2d 725 (D.C. Cir 1974); *United States v. AT&T*, 551 F.2d 384 (D.C. Cir. 1976), *appeal after remand*, 567 F.2d 121 (D.C. Cir. 1977); *United States v. House of Representatives*, 556 F.Supp. 150 (D.D.C. 1983); *In re Sealed Case*, 116 F.3d 550 (D.C. Cir.), *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir. 1997).

[3]Senate Select Committee, *supra; United States v. House of Representatives, supra;* and *United States v. AT&T, supra.*

[4]*Nixon v. Administrator of General Services*, 433 U.S. 425 (1977).

However, until the District of Columbia Circuit's recent ruling in *In re Sealed Case*, 116 F.3d 550 (D.C. Cir), *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir. 1997), these judicial decisions had left important gaps in the law of presidential privilege which have increasingly become focal points, if not the source, of interbranch confrontations that has made their resolution more difficult. Among the more significant issues left open included whether the President has to have actually seen or been familiar with the disputed matter; whether the presidential privilege encompasses documents and information developed by, or in the possession of, officers and employees in the departments and agencies of the Executive Branch; whether the privilege encompasses all communications with respect to which the President may be interested or is it confined to presidential decisionmaking and, if so, is it limited to any particular type of presidential decisionmaking; and what kind of demonstration of need must be shown to justify release of materials that qualify for the privilege. The unanimous panel in *In re Sealed Case* authoritatively addressed each of these issues in a manner that appears to have drastically altered the future legal playing field in resolving such disputes. It is useful, then, before proceeding with a description and explication of *In re Sealed Case*, to review and understand the prior case law and how it has affected the positions of the disputants.

1. The Watergate Cases

In interbranch information disputes since the early 1980's, executive statements and positions taken in justification of assertions of executive privilege have frequently rested upon explanations of executive privilege made by the courts. To better understand the executive's stance in this area, and the potential impact on those positions of *In re Sealed Case*, we will chronologically examine the development of the judiciary's approach and describe how the executive has adapted the judicial explanations of the privilege to expand the scope of its supporting arguments.

In Nixon v. Sirica, 487 F.2d 750 (D.C. Cir. 1973), the first of the Watergate cases, a panel of the District of Columbia Circuit rejected President Nixon's claim that he was absolutely immune from all compulsory process whenever he asserted a formal claim of executive privilege, holding that while the presidential conversations are "presumptively privileged", 487 F.2d at 717, the presumption could be overcome by an appropriate showing of public need by the branch seeking access to the conversations. In *Sirica*, "a uniquely powerful", albeit undefined, showing was deemed to have been made by the Special Prosecutor that the tapes subpoenaed by the grand jury contained evidence necessary to carrying out the vital function of determining whether probable cause existed that those indicted had committed crimes. *Id.*

The D.C. Circuit next addressed the Senate Watergate Committee's effort to gain access to five presidential tapes in *Senate Select Committee on Presidential Campaign Activites v. Nixon*, 498 F.2d 725 (D.C. Cir. 1974).

The appeals court initially determined that "[t]he staged decisional structure established in *Nixon v. Sirica*" was applicable "with at least equal force here." 498 F.2d at 730-31. Thus in order to overcome the presumptive privilege and require the submission of materials for court review, a strong showing of need had to be established. The appeals court held that the Committee had not met its burden of showing that "the subpoenaed evidence is demonstrably critical to the responsible fulfillment of the Committee's function". *Id.* at 731. The court held that, in view of the initiation of impeachment proceedings by the House Judiciary Committee, the overlap of the investigative objectives of both committees, and the fact that the impeachment committee already had the tapes sought by the Senate Committee, "the Select Committee's immediate *oversight* need for the subpoenaed tapes is, from a congressional perspective, merely cumulative". *Id.* at 732 (emphasis supplied). Nor did the court feel that the Committee had shown that the subpoenaed materials were "critical to the performance of [its] *legislative functions*". *Id.* (emphasis supplied). The court could discern "no specific legislative decisions that cannot responsibly be made without access to materials uniquely contained in the tapes or without resolution of the ambiguities that the [presidentially released] transcripts may contain". *Id.* at 733. The court concluded that the subsequently initiated and nearly complete work of the House Judiciary Committee had preempted the Senate Committee. "More importantly,.., there is no indication that the findings of the House Committee on the Judiciary and, eventually the House of Representatives itself, are so likely to be inconclusive or long in coming that the Select Committee needs immediate access of its own". *Id.*

The D.C. Circuit's failure to explicitly acknowledge the full constitutional value of congressional oversight of executive branch activities in *Senate Select Committee* has been utilized by the Executive as the basis for arguing that the Congress's interest in executive information is less compelling when a committee's function is oversight than when it is considering specific legislative proposals.[5] This approach, however, arguably misreads the carefully circumscribed holding of the court's ruling, and would seem to construe too narrowly the plenary scope of Congress's investigatory powers which has been recognized since the founding of the republic and is firmly established by innumerable Supreme Court decisions.

The *Senate Select Committee* court's opinion took great pains to underline the unique and limiting nature of the case's factual and historical context. Thus it emphasized the overriding nature of the "events that have occurred since this litigation was begun and, indeed, since the District Court

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[5]The proposition has been a persistent characteristic of the statements of the Reagan, Bush and Clinton Administrations. See, *e.g.*, Letter from Attorney General William French Smith to President Reagan, October 31, 1981, *reprinted in* 5 Op. OLC 27, 30 (1981) (Smith Letter/Watt); Memorandum to General Counsels' Consultative Group Re: Congressional Requests for Confidential Executive Branch Information, 13 Op. OLC 185, 192 (1989)(Barr Memo); Letter from Attorney General Janet Reno to President Clinton, September 20, 1996, at 2-3 (Reno Letter/Haiti).

issued its decision". *Id.* at 731. These included the commencement of impeachment proceedings by the House Judiciary Committee, a committee with an "express constitutional source", whose "investigative objectives substantially overlap" those of the Senate Committee; that the House Committee was presently in possession of the very tapes sought by the Select Committee, making the Senate Committee's need for the tapes "from a congressional perspective, merely cumulative"; the lack of "evidence indicating that Congress itself attached any particular value to "having the presidential conversations scrutinized by two committees simultaneously"; that the necessity for the tapes in order to make "legislative judgments has been substantially undermined by subsequent events", including the public release of transcripts of the tapes by the President; the transfer of four of five of the original tapes to the district court; and the lack of any "indication that the findings of the House Committee on the Judiciary and, eventually, the House of Representatives itself, are so likely to be inconclusive or long in coming that the Select Committee needs immediate access of its own". *Id.* at 732-33. The appeals court concluded by reiterating the uniqueness of the case's facts and temporal circumstances: "We conclude that the need demonstrated by the Select Committee in the peculiar circumstances of this case, including the subsequent and on-going investigation of the House Judiciary Committee, is too attenuated and too tangential to its functions to permit a judicial judgment that the President is required to comply with the Committee's subpoena". *Id.* at 733. Thus the ruling is likely to be limited by future courts to its special historical facts and context.

The Executive's position also ignores the unassailable roots of Congress's broad investigatory powers that reach back to the establishment of the Constitution and which has been continually reaffirmed by the Supreme Court. As George Mason recognized at the Constitutional Convention, Congress "are not only Legislators but they possess inquisitorial power. They must meet frequently to inspect the Conduct of the public offices." 2 The Records of the Constitutional Convention of 1787, at 206 (Max Farrand, ed., 1966). Woodrow Wilson remarked:

> Quite as important as legislation is vigilant oversight of administration; and even more important than legislation is the instruction and guidance in political affairs which the people might receive from a body which kept all national concerns suffused in a broad daylight of discussion. . . . The informing functions of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration is the only pure and efficient administration, but, more than that, that the only really self-governing people is that people which discusses and interrogates its administration.

Woodrow Wilson, Congressional Government 195, 198 (Meridian Books 1956)(1885). The Supreme Court has cited Wilson favorably on this point. See, *e.g., Hutchinson v. Proxmire,* 443 U.S. 111, 132 (1979). Moreover, the Court has failed to make any distinction between Congress's right to executive branch information in pursuit of its oversight function and in support of its responsibility to enact, amend, and repeal laws. In fact, the Court has recognized that Congress's investigatory power "comprehends probes into departments of the Federal Government to expose corruption, inefficiency or waste." *Watkins v. United States,* 354 U.S. 173, 187 (1957). See also, *McGrain v. Daugherty,* 272 U.S. 135, 177 (1926); *Eastland v. U.S. Servicemen's Fund,* 421 U.S. 491, 504 n. 15(1975)

Two months after the ruling in *Senate Select Committee,* the Supreme Court issued its unanimous ruling in *United States v. Nixon,* 418 U.S. 683 (1974)(*Nixon* I), which involved a judicial trial subpoena to the President at the request of the Watergate Special Prosecutor for tape recordings and documents relating to the President's conversations with close aides and advisors. For the first time, the Court found a constitutional basis for the doctrine of executive privilege in "the supremacy of each branch within its own assigned area of constitutional duties" and in the separation of powers. 418 U.S. 705, 706. *See also, id.* at 708, 711. But although it considered presidential communications with his close advisors to be "presumptively privileged", the Court rejected the President's contention that the privilege was absolute, precluding judicial review whenever it is asserted. *Id.* at 705, 706, 708. Also, while acknowledging the need for confidentiality of high level communications in the exercise of Article II powers, the Court stated that when the privilege depends solely on the broad, undifferentiated claim of public interest in the confidentiality of such communications," a confrontation with other values arises". *Id.* at 706. It held that "absent a need to protect military, diplomatic, or sensitive national security secrets, we find it difficult to accept the argument that even the very important interest in confidentiality of presidential communications is significantly diminished by production of" materials that are essential to the enforcement of criminal statutes. *Id.*

Having concluded that the claim of privilege was qualified, the Court resolved the "competing interests" -- the President's need for confidentiality vs. the judiciary's need for materials in a criminal proceeding -- "in a manner that preserves the essential functions of each branch", *id.* at 707, holding that the judicial need for the tapes" shown by a demonstrated, specific need for evidence in a pending criminal trial" outweighed the President's "generalized interest in confidentiality . . .". *Id.* at 713. The Court was careful, however, to limit the scope of its decision, noting that "we are not here concerned with the balance between the President's generalized interest in confidentiality . . . and congressional demands for information". *Id.* at 712 n. 19.

In the last of the *Nixon* cases, *Nixon v. Administrator of General Services,* 433 U.S. 425 (1977)(*Nixon* II), the Supreme Court again balanced competing interests in President Nixon's White House records. The Presidential Recordings and Materials Preservation Act granted custody of President Nixon's

presidential records to the Administrator of the General Services Administration who would screen them for personal and private materials, which would be returned to Mr. Nixon, but preserve the rest for historical and governmental objectives. The Court rejected Mr. Nixon's challenge to the Act, which included an argument based on the "presidential privilege of confidentiality". *Id.* at 439. Although *Nixon* II did not involve an executive response to a congressional probe, several points emerge from the Court's discussion that bear upon Congress's interest in confidential executive branch information. First, the Court reiterated that the executive privilege it had announced in *Nixon* I was not absolute, but qualified. *Id.* at 446. Second, the Court stressed the narrow scope of that privilege. "In [*Nixon* I] the Court held that the privilege is limited to communications 'in performance of [a President's] responsibilities' . . . 'of his office' . . . and made in the process of shaping policies and making decisions.'" *Id.* at 449 (citations omitted). Third, the Court found that there was a "substantial public interest[]" in preserving these materials so that Congress, pursuant to its "broad investigative power," could examine them to understand the events that led to President Nixon's resignation" in order to gauge the necessity for remedial legislation". *Id.* at 453.

2. Post-Watergate Cases

Two post-Watergate cases, both involving congressional demands for access to executive information, demonstrate both the judicial reluctance to involve itself in the essentially political confrontations such disputes represent but also the willingness to intervene where the political process appears to be failing.

In *United States v. AT&T*, 567 F.2d 121 (D.C. Cir. 1977), the D.C. Circuit was unwilling to balance executive privilege claims against a congressional demand for information unless and until the political branches had tried in good faith but failed to reach an accommodation.[6] In that case, the Ford Justice Department had sought to enjoin AT&T's compliance with a subpoena issued by a House subcommittee. The subcommittee was seeking FBI letters requesting AT&T's assistance with warrantless wiretaps on U.S. citizens allegedly made for national security purposes. The Justice Department argued that the executive branch was entitled to sole control over the information because of "its obligation to safeguard the national security". *Id.* at 127 n.17. The House of Representatives, as intervenor, argued that its rights to the information flowed from its constitutionally-implied power to investigate whether there had been abuses of the wiretapping power. The House also argued that the court had no jurisdiction over the dispute because of the Speech or Debate Clause.

The court rejected the "conflicting claims of the [Executive and the Congress] to absolute authority". *Id.* at 128. With regard to the executive's

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[6] This was the second time the case was before the court. After its initial review it was remanded to the district court to allow the parties further opportunity to negotiate an accommodation. *See* 551 F.2d 384 (D.C. Cir. 1976).

claim, the court noted that there was no absolute claim of executive privilege against Congress even in the area of national security.

> The executive would have it that the Constitution confers on the executive absolute discretion in the area of national security. This does not stand up. While the Constitution assigns to the President a number of powers relating to national security, including the function of commander in chief and the power to make treaties and appoint Ambassadors, it confers upon Congress other powers equally inseparable from the national security, such as the powers to declare war, raise and support armed forces and, in the case of the Senate, consent to treaties and the appointment of ambassadors.

Id. at 128. Likewise, the court rejected the congressional claim that the Speech or Debate Clause was "intended to immunize congressional investigatory actions from judicial review. Congress' investigatory power is not, itself, absolute". *Id.* at 129.

According to the court, judicial intervention in executive privilege disputes between the political branches is improper unless there has been a good faith but unsuccessful effort at compromise. *Id.* at 127-28. There is in the Constitution, the court held, a duty that the executive and Congress attempt to accommodate the needs of each other:

> The framers, rather than attempting to define and allocate all governmental power in minute detail, relied, we believe, on the expectation that where conflicts in scope of authority arose between the coordinate branches, a spirit of dynamic compromise would promote resolution of the dispute in the manner most likely to result in efficient and effective functioning of our governmental system. Under this view, the coordinate branches do not exist in an exclusively adversary relationship to one another when a conflict in authority arises. Rather, each branch should take cognizance of an implicit constitutional mandate to seek optimal accommodation through a realistic evaluation of the needs of the conflicting branches in the particular fact situation.

Id. at 127 (footnote omitted). The court refused to resolve the dispute because the executive and the Congress had not yet made that constitutionally-mandated effort at accommodation. Instead, the court "encouraged negotiations in order to avoid the problems inherent in [the judiciary] formulating and applying standards for measuring the relative needs of the [executive and legislative branches]". *Id.* at 130. The court suggested, however, that it would resolve the dispute if the political branches failed to reach an accommodation. *Id.* at 123, 126. The court-encouraged negotiations ultimately led to a compromise. Subcommittee staff was allowed to review some unedited memoranda describing the warrantless wiretaps and report orally to subcommittee members. The Justice Department retained custody of the documents. *Id.* at 131-32.

The federal district court in the District of Columbia displayed the same reluctance to intervene in an executive privilege dispute with Congress in *United States v. House of Representatives*, 556 F.Supp. 150 (D.D.C. 1983). There the court dismissed a suit brought by the Justice Department seeking a declaratory judgment that the Administrator of the Environmental Protection Agency (EPA) "acted lawfully in refusing to release certain documents to a congressional subcommittee" at the direction of the President. *Id.* at 151. The Administrator based her refusal upon President Reagan's invocation of executive privilege against a House committee probing the EPA's enforcement of hazardous waste laws. The court dismissed the case, without reaching the executive privilege claim, on the ground that judicial intervention in a dispute "concerning the respective powers of the Legislative and Executive Branches . . . should be delayed until all possibilities for settlement have been exhausted". *Id.* at 152. "Compromise and cooperation, rather than confrontation, should be the aim of the parties". *Id.* at 153. As the Court of Appeals had done in *United States v. AT&T*, the district court in *United States v. House of Representatives* encouraged the political branches to settle their dispute rather than invite judicial intervention. Only if the parties could not agree, would the court intervene and resolve the interbranch dispute. *Id.* at 152. Ultimately the branches did reach an agreement and the court did not need to balance executive and congressional interests. *See* Devins, *supra*, at 118-120.

3. Executive Branch Positions On The Scope of Executive Privilege

Not surprisingly, the executive branch has developed an expansive view of executive privilege in congressional investigations, taking maximum advantage of the vague and essentially undefined terrain within the judicially recognized contours of the privilege. Thus executive branch statements have identified four areas that are asserted to be presumptively covered by executive privilege: foreign relation and military affairs, two separate topics that are sometimes lumped together as "state secrets", law enforcement investigations, and confidential information that reveals the executive's "deliberative process" with respect to policymaking. Typically, the executive has asserted executive privilege based upon a combination of the deliberative process exemption and one or more of the other categories. As a consequence, much of the controversy

surrounding invocation of executive privilege has centered on the scope of the deliberative process exemption. The executive has argued that at its core this category protects confidential predecisional deliberative material.[7] Justifications for this exemption often draw upon the language in *United States v. Nixon* that identifies a constitutional value in the President receiving candid advice from his subordinates and awareness that any expectation of subsequent disclosure might temper needed candor.[8] The result has been a presumption by the executive that its predecisional deliberations are beyond the scope of congressional oversight. "Congress will have a legitimate need to know the preliminary positions taken by Executive Branch officials during internal deliberations only in the rarest of circumstances".[9] According to this view, the need for the executive to prevent disclosure of its deliberations is at its apex when Congress attempts to discover information about ongoing policymaking within the executive branch. In that case, the executive has argued, the deliberative process exemption serves as an important boundary marking the separation of powers. When congressional oversight "is used as a means of participating directly in an ongoing process of decisionmaking within the Executive Branch, it oversteps the bounds of the proper legislative function".[10]

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[7]See Smith letter, *supra* note 5, 5 Op. OLC at 28-31; Barr Memo, *supra* n.5, 13 Op. OLC at 187-190.

[8]See, *e.g.*, 418 U.S. at 705. See also, Smith Letter, *supra*, note 5, 5 Op. OLC at 29; Memorandum for All Executive Department and Agency General Counsel's Re: Congressional Requests to Departments and Agencies Protected By Executive Privilege, September 28, 1994, at 1, 2 (Cutler Memo); Letter from Jack Quinn to Hon. William A. Zellif, Jr., Oct. 1, 1996, at 1 (Quinn Letter/FBI); Memorandum from President Bush to Secretary of Defense Richard Cheney Re: Congressional Subpoena for an Executive Branch Document, August 8, 1991, at 1 (Bush Memo).

[9]Smith Letter/Watt, *supra* n. 5 at 31; see also *id.* at 30 ("congressional oversight interest will support a demand for predecisional, deliberative documents in the possession of the Executive Branch only in the most unusual circumstances"). *Accord*, Barr Memo, *supra* n. 5 at 192 ("Congress will seldom have any legitimate legislative interest in knowing the precise predecisional positions and statements of particular Executive Branch officials".).

[10]Smith Letter/Watt, *supra* n. 5 at 30; *see also* Statement of Assistant Attorney General William H. Rehnquist, reprinted in Executive Privilege: The Withholding of Information by the Executive: Hearings Before the Subcommittee on Separation of Powers of the Senate Committee on the Judiciary, 92d Cong. 1st Sess. 424 (Rehnquist Statement). ("The notion that the advisors whom he has chosen should bear some sort of a hybrid responsibility to opinion makers outside of the government, which notion in practice would inevitably have the effect of diluting their responsibility to him, is entirely inconsistent with our tripartite systems of government. The President is entitled to undivided and faithful advice from his subordinates, just as Senators and Representatives are entitled to the same sort of advice from

The executive has also argued that because candor is the principal value served by the exemption, its protection should extend beyond predecisional deliberations to deliberations involving decisions already made. "Moreover, even if the decision at issue had already been made, disclosure to Congress could still deter the candor of future Executive Branch deliberations".[11] Executives have also taken the position that the privilege covers confidential communications with respect to policymaking well beyond the confines of the White House and the President's closest advisors. The Eisenhower Administration took the most expansive approach, arguing that the privilege applied broadly to advice on official matters among employees of the executive branch.[12] The Nixon Administration appears to have taken a similar view, arguing that the privilege applied to decisionmaking at a "high governmental level", but conceding that the protected communication must be related to presidential decisionmaking.[13] The Reagan Justice Department appears to have taken a slightly narrower view

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their legislative and administrative assistants, and judges to the same sort of advice from their law clerks".).

[11]Smith Letter/Watt, *supra* n. 5, 5 Op. OLC at 29.

[12]See Rozelle, *supra*, at 44-46.

[13]In his prepared statement to the Subcommittee on Separation of Powers of the Senate Judiciary Committee, Assistant Attorney General Rehnquist distinguished between "those few executive branch witnesses whose sole responsibility is that of advising the President" who "should not be required to appear [before Congress] at all, since all of their official responsibilities would be subject to a claim of privilege" and "the executive branch witness . . . whose responsibilities include the administration of departments or agencies established by Congress, and from whom Congress may quite properly require extensive testimony," subject to "appropriate" claims of privilege. Rehnquist Statement, *supra* n. 10 at 427. Moreover, in colloquy with Senator Helms, Mr. Rehnquist seemed to accept that the privilege protected only communications with some nexus to presidential decisionmaking:

> SENATOR ERVIN: As I construe your testimony, the decisionmaking process category would apply to communications between presidential advisers and the President and also to communications made between subordinates of the President when they are engaged in the process of determining what recommendations they should make to the President in respect to matters of policy.
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> MR. REHNQUIST: It would certainly extend that far, yes.

Id. at 439-40.

of the scope of the privilege, requiring that the protected communications have some nexus to the presidential decisionmaking process.[14]

The Bush Administration took the position that recommendations made to senior department officials and communications of senior policymakers throughout the executive branch were protected by executive privilege without regard to whether they involved communications intended to go to the President.[15] Finally, the Clinton administration has taken the similarly expansive position that all communications within the White House[16] or between the White House and any federal department or agency[17] are presumptively privileged.

The executive has acknowledged some limits to its use of executive privilege. Thus, presidents have stated they will not use executive privilege to block congressional inquiries into allegations of fraud, corruption, or other illegal or unethical conduct in the executive branch. The Clinton Administration has announced that "[i]n circumstances involving communications relating to investigations of personal wrongdoing by government officials, it is our practice not to assert executive privilege, either in judicial proceedings or in congressional investigations and hearings".[18] Similarly, the Reagan Administration policy was to refuse to invoke executive privilege when faced with allegations of illegal or unethical conduct: "[T]he privilege should not be invoked to conceal evidence of wrongdoing or criminality on the part of executive officers".[19] A significant application of this policy came in the Iran/Contra investigations when President Reagan did not assert

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[14]See Memorandum for the Attorney General Re: Confidentiality of the Attorney General's Communications in Counseling the President, 6 Op. OLC 481, 489 (1982)(Olson Memo).

[15]Bush Memo, *supra* n. 8 at 1. Letter from General Counsel, DOD, Terrence O'Donnell to Hon. John Conyers, Jr., Oct. 8, 1991, at 5 (O'Donnell Letter).

[16]See, *e.g.*, Cutler Memo, *supra* no. 8 at 2.

[17]See, *e.g.*, Cutler Memo, *supra* n. 8 at 2 (Communications between White House and departments or agencies, including advice to or from to White House).

[18]Cutler Memo, *supra* n. 8 at 1.

[19]Congressional Subpoenas of Department of Justice Investigative Files, 8 Op. OLC 315 (1984). *Accord* Smith Letter/EPA, *supra* n. 5 at 36 ("These principles will not be employed to shield documents which contain evidence of criminal or unethical conduct by agency officials from proper review".).

executive privilege and even made "relevant excerpts" of his personal diaries available to congressional investigators.[20]

The executive has often tied its willingness to forego assertion of privilege claims to the recognized exceptions to the deliberative process exemption, stating that it would not seek to protect materials whose disclosure "would not implicate or hinder" the executive decisionmaking processes.[21] Thus, factual, nonsensitive materials -- communications from the Attorney General [or other executive branch official] which do not contain advice, recommendations, tentative legal judgments, drafts of documents, or other material reflecting deliberative or policymaking processes -- do not fall within the scope of materials for which executive privilege may be claimed as a basis of nondisclosure.[22]

Recent administrations have stated that their policy "is to comply with congressional requests for information to the fullest extent consistent with the constitutional and statutory obligations of the Executive Branch".[23] Executive privilege will be invoked only after "careful review",[24] in the "most compelling circumstances",[25] and only after the executive has done "the utmost to reach an accommodation" with Congress.[26] The Bush Administration limited the formal claims of executive privilege to those instances where the effort to accommodate had failed and Congress had issued a subpoena.[27] The duty to seek an accommodation is the result of the uncertain boundaries between

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[20]*See* David Hoffman, "President Offers to Share Iran Sales Notes with Hill; Aides Reversed on Memoir Materials", *Washington Post*, February 3, 1987, at A1.

[21]Olson Memo, *supra* n. 14 at 486.

[22]*Id.*; see also Smith Letter/EPA, *supra* n. 5 at 32 ("policy does not extend to all material contained in investigative files... The only documents which have been withheld are those which are sensitive memoranda or notes by . . . attorneys and investigators reflecting enforcement strategy, legal analysis, lists of potential witnesses, settlement considerations, and similar materials the disclosure of which might adversely affect a pending enforcement action, overall enforcement policy, or the rights of individuals".).

[23]Cutler Memo, *supra* n. 5 at 1. *Accord* Memorandum from President Reagan for the Heads of Executive Departments, and Agencies Re: Procedures for Governing Responses to Congressional Requests for Information, November 4, 1982 (Reagan Memo).

[24]Cutler Memo, *supra* n. 5 at 1.

[25]Reagan Memo, *supra* n. 23, at 1.

[26]Barr Memo, *supra* n. 5, at 185.

[27]*Id.* at 185, 186.

executive and legislative interests.[28] This uncertainty imposes upon each of the branches an "obligation. . . to accommodate the legitimate needs of the other",[29] and a duty to conduct "good faith negotiations."[30] Avoiding the disclosure of embarrassing information is not a sufficient reason to withhold information from Congress.[31] In fact it has been averred that invocation of the privilege should not even be considered in the absence of a "demonstrable justification that Executive withholding will further the public interest".[32]

Where negotiations have faltered and the President has made a formal claim of executive privilege, the executive will likely argue (as the Clinton Administration has in its two latest invocations of executive privilege[33]) that the investigating committee has not made the showing required under *Senate Select Committee v. Nixon* that the subpoenaed evidence is "demonstrably critical to the responsible fulfillment of the Committee's functions". 498 F.2d at 731. As has been indicated above, since at least the Reagan Administration, each executive has argued that Congress's interest in executive information is less compelling when the Committee's function is oversight than when it is considering specific legislative proposals.

In sum, then, in the absence of further judicial definition of executive privilege since the Nixon cases, the executive, through presidential statements, Office of Legal Counsel Opinions, and, most recently, White House Counsel directives, has attempted to effect a practical expansion of the scope of the privilege. The key vehicle has been the notion of deliberative process. Developed under the Freedom of Information Act to provide limited protection for the predecisional considerations of agency officials, it has been melded with the recognized presidential interest in confidentiality of his communications with his close advisors to include pre-and post-decisional deliberations and the factual underpinnings of those decisional processes, and is argued to reach policy deliberations and communications of department and agency officials and employees in which the President may have an interest. The Clinton Administration has sought to make this doctrinal expansion effective by centralizing scrutiny and control of all potential claims of executive privilege in the White House Counsel's Office. In a memorandum dated September 28, 1994, from White House Counsel Lloyd Cutler to all department and agency general

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[28]Rehnquist Statement, *supra* n. 10, at 420.

[29]Smith Letter/Watt, *supra* n. 5, at 31.

[30]Reagan Memo, *supra* n. 23, at 1.

[31]Rehnquist Statement, *supra* n. 10, at 422.

[32]*Id.*

[33]Letter from Attorney General Janet Reno to President Clinton, September 20, 1996, at 2-3 (Reno Letter/Haiti); Letter from Attorney General Reno to President Clinton, September 30, 1996, at 2 (Reno Letter/FBI).

counsels, agency heads were instructed to directly notify the White House Counsel of any congressional request for "any document created in the White House . . . or in a department or agency, that contains deliberations of, or advice to or from the White House" which may raise privilege issues. The White House Counsel is to seek an accommodation and if that does not succeed, he is to consult with the Attorney General to determine whether to recommend invocation of privilege to the President. The President then determines whether to claim privilege, which is then communicated to the Congress by the White House Counsel.[34]

The Cutler memo modifies President Reagan's 1982 establishment of a more decentralized procedure. Under the Reagan memorandum if the head of an agency, with the advice of agency counsel, decided that a substantial question was raised by a congressional information request, the Attorney General, through the Office of Legal Counsel, and the White House Counsel's Office, were promptly notified and consulted. If one or more of the presidential advisors deemed the issue substantial, the President was informed and decided, and the decision was to be communicated by the agency head to the Congress. The Reagan memo also contrasts with the Cutler memo in that it had a far narrower definition of what the privilege covered. The Reagan memo pinpointed national security, deliberative communications that form part of the decisionmaking process, and other information important to the discharge of Executive Branch constitutional responsibilities.[35]

In addition, recent administrations have aggressively challenged congressional efforts to engage in oversight, often based on the *Senate Select Committee* decision, but also on a broad view of the insulation presumed to be provided by prosecutorial discretion when congressional investigations of agency law enforcement activities is involved.

Establishing the White House Counsel's Office as a central clearinghouse and control center for presidential privilege claims appears to have had the effect of diminishing the historic role of the Justice Department's Office of Legal Counsel as the constitutional counselor to the President and limiting agencies ability to deal informally with their congressional overseers, which is likely to have been its principal objective. An apparent consequence has been a more rapid escalation of individual interbranch information clashes, a widening and hardening of the differences in the legal positions of the branches on privilege issues, and an increased difficulty in resolving disputes informally and quickly. President Clinton has formally asserted executive privilege three times and has resolved a number of disputes under the pressure of imminent committee actions on contempt citations and subpoena issuances. In addition, the Clinton Administration has litigated, and lost, four significant

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[34]Cutler Memo, *supra* n. 5 at 2-3.

[35]Reagan Memo, *supra* n. 23 at 2.

immunity privilege cases in the last year.[36] One, *In re Sealed Case*, to which we now turn, contradicts many of key executive assumptions about the privilege just detailed and thus may reshape the nature and course of future presidential privilege disputes.

4. Implications and Potential Impact of *In Re Sealed Case* on Executive Branch Positions on Executive Privilege

In *In re Sealed Case*, 116 F.3d 550, *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir. 1997), the appeals court addressed several important issues left unresolved by the Watergate cases: the precise parameters of the presidential executive privilege; how far down the chain of command the privilege reaches; whether the President has to have seen or had knowledge of the existence of the documents for which he claims privilege; and what showing is necessary to overcome a valid claim of privilege.

The case arose out of an Office of Independence Counsel (OIC) investigation of former Agriculture Secretary Mike Espy. When allegations of improprieties by Espy surfaced in March of 1994, President Clinton ordered the White House Counsel's Office to investigate and report to him so he could determine what action, if any, he should undertake. The White House Counsel's Office prepared a report for the President, which was publically released on October 11, 1994. The President never saw any of the underlying or supporting documents to the report. Espy had announced his resignation on October 3, to be effective on December 31. The Independent Counsel was appointed on September 9 and the grand jury issued a subpoena for all documents that were accumulated or used in preparation of the report on October 14, three days after the report's issuance. The President withheld 84 documents, claiming both the executive and deliberative process privileges for all documents. A motion to compel was resisted on the basis of the claimed privileges and after *in camera* review the district court quashed the subpoena, but in its written opinion did not discuss the documents in any detail and provided no analysis of the grand jury's need for the documents. The appeals court reversed.

At the outset, the court's opinion carefully distinguishes between the "presidential communications privilege" and the "deliberative process privilege". Both, the court observed, are executive privileges designed to protect the confidentiality of executive branch decisionmaking. But the deliberative process privilege applies to executive branch officials generally, is a common law privilege which requires a lower threshold of need to be overcome, and

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[36] *Clinton v. Jones*, 117 S Ct. 1636 (1997)(no temporary presidential immunity from civil suit for unofficial acts); *In re Grand Jury Subpoena Duces Tecum*, 112 F.3d 910 (8th Cir. 1997), cert. denied 117 S.Ct. 2487 (1997)(claims of attorney-client and work product privilege denied); *In re Sealed Case* 116 F.3d 550, *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir 1977)(claims of executive privilege rejected); *In re Sealed Case*, 124 F.3d 230 (D.C. Cir. 1997)(claims of attorney-client and work product privilege denied).

"disappears altogether when there is any reason to believe government misconduct has occurred". 121 F.3d at 745, 746; see also *id.* at 737-738 ("[W]here there is reason to believe the documents sought may shed light on government misconduct, the [deliberative process] privilege is routinely denied on the grounds that shielding internal government deliberations in this context does not serve 'the public interest in honest, effective government'").

On the other hand, the court explained, the presidential communications privilege is rooted in "constitutional separation of powers principles and the President's unique constitutional role" and applies only to "direct decisionmaking by the President". *Id.* at 745, 752. See also *id.* at 753 ("...these communications nonetheless are ultimately connected with presidential decisionmaking".). The privilege may be overcome only by a substantial showing that "the subpoenaed materials likely contain[] important evidence" and that "the evidence is not available with due diligence elsewhere". *Id.* at 754. See also *id.* at 757. The presidential privilege applies to all documents in their entirety[37] and covers final and post-decisional materials as well as pre-deliberative ones. *Id.* at 745.

Turning to the chain of command issue, the court held that the presidential communications privilege must cover communications made or received by presidential advisers in the course of preparing advice for the President even if those communications are not made directly to the President. The court rested its conclusion on "the President's dependence on presidential advisers and the inability of the deliberative process privilege to provide advisers with adequate freedom from the public spotlight" and "the need to provide sufficient elbow room for advisers to obtain information from all knowledgeable sources". *Id.* at 752. Thus the privilege will "apply both to communications which these advisers solicited and received from others as well as those they authored themselves. The privilege must also extend to communications authored or received in response to a solicitation by members of a presidential adviser's staff". *Id.*

The court, however, was acutely aware of the dangers to open government that a limitless extension of the privilege risks and carefully cabined its reach by explicitly confining it to White House staff, and not staff in the agencies, and then only to White House staff that has "operational proximity" to direct presidential decisionmaking.

> We are aware that such an extension, unless carefully circumscribed to accomplish the purposes of the privilege, could pose a significant risk of expanding to a large swath of the executive branch

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[37]In contrast, the deliberative process privilege does not protect documents that simply state or explain a decision the government has already made or material that is purely factual, unless the material is inextricably intertwined with the deliberative portions of the materials so that disclosure would effectively reveal the deliberations. 121 F.3d at 737.

a privilege that is bottomed on a recognition of the unique role of the President. In order to limit this risk, the presidential communications privilege should be construed as narrowly as is consistent with ensuring that the confidentiality of the President's decisiomaking process is adequately protected. Not every person who plays a role in the development of presidential advice, no matter how remote and removed from the President, can qualify for the privilege. In particular, the privilege should not extend to staff outside the White House in executive branch agencies. Instead, the privilege should apply only to communications authored or solicited and received by those members of an immediate White House advisor's staff who have broad and significant responsibility for investigation and formulating the advice to be given the President on the particular matter to which the communications relate. Only communications at that level are close enough to the President to be revelatory of his deliberations or to pose a risk to the candor of his advisers. *See* AAPS, 997 F.2d at 910 (it is "operational proximity" to the President that matters in determining whether "[t]he President's confidentiality interests" is implicated)(emphasis omitted).

Of course, the privilege only applies to communications that these advisers and their staff author or solicit and receive in the course of performing their function of advising the President on official government matters. This restriction is particularly important in regard to those officials who exercise substantial independent authority or perform other functions in addition to advising the President, and thus are subject to FOIA and other open government statutes. See *Armstrong v. Executive Office of the President*, 90 F.3d 553, 558 (D.C. Cir. 1996), *cert denied* -- U.S. ---, 117 S.Ct. 1842, 137 L. Ed.2d 1046 (1997). The presidential communications privilege should never serve as a means of shielding information regarding governmental operations that do not call ultimately for direct decisionmaking by the President. If the government seeks to assert the presidential communications privilege in regard to particular communications of these "dual hat" presidential advisers, the government bears the burden proving

> that the communications occurred in conjunction with the process of advising the President.

Id. (footnote omitted).

The appeals court's limitation of the presidential communications privilege to "direct decisionmaking by the President" makes it imperative to identify the type of decisionmaking to which it refers. A close reading of the opinion makes it readily apparent that it is meant to encompass only those functions that form the core of presidential authority, involving what the court characterized as "quintessential and non-delegable Presidential power". *Id.* at 752. In the case before it the court was specifically referring to the President's Article II appointment and removal power which was the focal point of the advice he sought in the Espy matter. But it is clear from the context of the opinion that the description was meant to be in juxtaposition with the appointment and removal power and in contrast with "presidential powers and responsibilities" that "can be exercised or performed without the President's direct involvement, pursuant to a presidential delegation of authority or statutory framework". *Id.* at 752-53. The reference the court uses to illustrate the latter category is the President's Article II duty "to take care that the laws are faithfully executed", a constitutional direction that the courts have consistently held not to be a source of presidential power but rather an obligation on the President to see to it that the will of Congress is carried out by the executive bureaucracy. See, *e.g., Kendall ex rel. Stokes v. United States,* 37 U.S. (12 Pet.) 522, 612-613 (1838); *Youngstown Sheet & Tube Co. v. Sawyer,* 343 U.S. 579, 587 (1952); *Myers v. United States,* 272 U.S. 52, 177 (1926)(Holmes, J., dissenting); *National Treasury Employees Union v. Nixon,* 492 F.2d 587, 604 (D.C. Cir. 1974).

The appeals court, then, would appear to be confining the parameters of the newly formulated presidential communications privilege by tying it to those Article II functions that are identifiable as "quintessential and non-delegable", which would appear to include, in addition to the appointment and removal powers, the commander-in-chief power, the sole authority to receive ambassadors and other public ministers, the power to negotiate treaties, and the power to grant pardons and reprieves. On the other hand, decisionmaking vested by law in agency heads such as rulemaking, environmental policy, consumer protection, workplace safety and labor relations, among others, would not be covered. Of course, the President's role in supervising and coordinating (but not displacing) decisionmaking in the executive branch remains unimpeded. But his communications would presumably not be cloaked by constitutional privilege.[38]

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[38] When *In re Sealed Case* was decided, the House Resources Committee was in the midst of an inquiry of President Clinton's utilization of the Antiquities Act of 1906, 16 U.S.C. 431 (1994), which authorizes the President, in his discretion, to declare by public proclamation objects of historic or scientific interest on federal lands to be national monuments, by reserving parcels that "shall be confined to the smallest area compatible with the proper care and

Such a reading of this critical passage is consonant with the court's view of the source and purpose of the presidential communications privilege and its expressed need to confine it as narrowly as possible. Relying on *Nixon I*, the *In re Sealed Case* court identifies "the President's Article II powers and responsibilities as the constitutional basis of the presidential communications privilege. . . Since the Constitution assigns these responsibilities to the President alone, arguably the privilege of confidentiality that derives from it also should be the President's alone". *Id.* at 748. Again relying on Nixon I the court pinpoints the essential purpose of the privilege: "[T]he privilege is rooted in the need for confidentiality to ensure that presidential decisionmaking is of the highest caliber, informed by honest advice and knowledge. Confidentiality is what ensures the expression of 'candid, objective, and even blunt or harsh opinions' and the comprehensive exploration of all policy alternatives before a presidential course of action is selected". *Id.* at 750. The limiting safeguard is that the privilege will apply in those instances where the Constitution provides that the President alone must make a decision. "The presidential communications privilege should never serve as a means of shielding

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management of the objects to be protected." The Act establishes no special procedures for the decision to declare a national monument and contains no provision for judicial review. Shortly before the 1996 presidential election President Clinton reserved 1.7 million acres in Utah by proclamation. Central to the Committee's inquiry as to the propriety and integrity of the decisionmaking process that lead to the issuance of the presidential proclamation were the actions of the Council on Environmental Quality (CEQ), an office within the Executive Office of the President with, concededly, about the same degree of advisory proximity as that of the White House Counsel's Office. Requests for physical production of documents from CEQ met with limited compliance: an offer to view 16 documents at the White House. The Committee believed that it required physical possession in order to determine the propriety of the process and issued a subpoena which was not complied with on the return date. During intense negotiations, the White House claimed the documents were covered by the presidential communications privilege, even as defined by *In re Sealed Case*. In a letter to the Committee the White House Counsel's Office argued that the opinion did not confine the privilege to just core Article II powers, but included presidential decisionmaking encompassed within the Article II duty to take care that the laws be faithfully executed. It asserted that since the President had the sole authority to designate a monument by law, that decision process, including deliberations among and advice of White House advisers, was covered. The Committee in reply letters disagreed, arguing that *In re Sealed Case* would not encompass a statutory delegation of decisional authority. On the eve of a scheduled Committee vote on a resolution of contempt the White House produced all the documents. *See* 143 Cong. Rec. E2259-2272 (daily ed. Nov. 9, 1997)(Remarks of Hon. James V. Hansen presenting staff study of committee actions and documents in regard to the establishment of the Grand Staircase-Escalante National Monument). *See also* Ruth Larson, "White House Yields Papers On Utah Wilderness Decision," Wash. Times, October 23, 1997, A3.

information regarding governmental operations that do not call ultimately for direct decisionmaking by the President". *Id.* at 752.

Having found that the presidential privilege applied to the withheld documents, the court considered whether the Independent Counsel had made a substantial demonstration that the subpoenaed documents likely contained important evidence and that the evidence was not readily available elsewhere. The OIC made two arguments on need, one general, the other more focused. The general claim contended that since the White House had investigated the same subject matter as the grand jury, that is, whether Espy accepted improper gifts or otherwise abused his position, the White House documents will be clearly relevant. The court found the claim insufficient, holding that while the material would likely be relevant, the OIC had not shown that it would be unable to obtain the information from alternative sources or given an adequate explanation as to why it particularly needed to know what evidence was in the White House files. *Id.* at 760.

The second argument was more focused, claiming that, the grand jury was investigating whether Espy made false statements to the White House during its investigation and that evidence of statements made by Espy or his attorneys to the White House were essential in determining whether such false statements were made. The court found this contention sufficiently powerful since the material would provide the precise evidence the grand jury needed and would not be available elsewhere. The court therefore directed the district court on remand to review the 84 documents and provide the Independent Counsel all evidence that might reasonably be relevant to the question whether Espy made false statements.

5. Application of *In re Sealed Case* to the Hudson Dog Track Documents

The White House has raised tentative claims of executive privilege with respect to six documents in the Committee's possession: EOP 69070-71, dated April 24, 1995; EOP 69076-78, dated April 24, 1995; EOP 69082-89, dated August 23, 1996; EOP 690.92-97, undated; EOP 69098-99, dated October 23, 1996; and EOP 69102-05, dated August 1, 1996. There is little need to discuss the details of each of the documents other than to acknowledge that all deal, in one degree or another, with the Hudson Dog Track matter and all the communications involve at least one White House Office official. We need not go into greater detail because on their face the documents do not meet the threshold test of *In re Sealed Case* for coming within the presidential communications privilege: none of the documents involve a matter that will "call ultimately for direct decisionmaking by the President".

A cursory reading of the communications reflects an awareness on the part of both White House and agency officials that the ultimate federal government decisionmaker on the application of the three Indian tribes to establish a casino in Hudson, Wisconsin is the Secretary of the Interior. See 25

U.S.C. 2719(b)(1)(the Secretary is vested with authority, after consultation with the Indian tribe and appropriate State and local officials, including officials of other nearby Indian tribes, to determine that a gaming establishment on newly acquired lands would be in the best interest of the Indian tribe and its members, and would not be detrimental to the surrounding community). The concern of White House and agency officials reflected in the documents is essentially a political one: that the White House could be seen as interfering with a decision statutorily committed to the discretion of the head of an executive agency. The *In re Sealed Case* court enjoined that "[t]he presidential communications privilege should never serve as a means of shielding information regarding governmental operations that do not call for direct decisionmaking by the President". 121 F.3d at 742. It is, therefore, likely that a reviewing court would find that the communications do not warrant even a "presumptive privilege" under standards established by *In re Sealed Case*, and if tested under the less demanding deliberative process privilege the claim would also likely be denied on the basis of the Committe's showing of substantial need or, more probably, that the privilege has been vitiated by the Committee's reasonable belief of the existence of government misconduct.

CLAIMS OF COMMON LAW PRIVILEGES BEFORE CONGRESSIONAL COMMITTEES

The White House has asserted tentative claims of attorney-client and work product privilege with respect to seven of the Hudson Dog Track documents. Under the analytic framework establish by *In re Sealed Case*, the inapplicability of the presidential communications privilege to the contested material allows a court to reach and assess common law privilege claims.[39]

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[39]The Office of Legal Counsel has consistently maintained that the attorney-client and work product privileges are subsumed under the executive privilege doctrine: "Although the attorney-client privilege may be invoked by the government in litigation and under the Freedom of Information Act separately from any 'deliberative process' privilege, it is not generally considered to be distinct from the executive privilege in any dispute between the executive and legislative branches. The interests implicated under common law by the attorney-client privilege generally are subsumed by the constitutional considerations that shape executive privilege, and therefore it is not usually considered to constitute a separate basis for resisting congressional demands for information. As this Office has previously noted, for the purpose of responding to congressional requests, communications between the Attorney General, his staff, and other Executive Branch "clients" that might otherwise fall within the common law attorney-client privilege should be analyzed in the same fashion as any other intra-Executive Branch communications. *See* Confidentiality of the Attorney General's Communications in Counseling the President, 6 Op. OLC 481, 490 & n. 17, 494 & n. 24 (1984)". 10 Op. OLC 91, 103-104 (1986). While it could be argued that these common law claims now appear to be moot, we will address them as if they were presented independently before a committee.

That case, which held the deliberative process privilege to be a common law privilege which is more easily overcome by a showing of need, and which "disappears" upon the reasonable belief by an investigating body that government misconduct has occurred, together with the Eighth Circuit's recent ruling casting doubt on the availability of any common law privilege to government officials in *In re Subpoena Duces Tecum*, 112 F.3d 910 (8th Cir. 1997), cert. denied 117 S.Ct. 2487 (1997), appears to reinforce the historic practice of congressional committees with respect to such claims. We will review that practice and the law on which it is based, and then examine and assess the substantiality of the claims of privilege raised.

It is well established by congressional practice that acceptance of a claim of attorney-client or work product privilege before a committee rests in the sound discretion of that committee. Neither can be claimed as a matter of right by a witness, and a committee can deny them simply because it believes it needs the information sought to be protected to accomplish its legislative functions. *See* Morton Rosenberg, "Investigative Oversight: An Introduction to the Law, Practice, and Procedure of Congressional Inquiry", CRS Report No. 95-464A, at 43 (April 7, 1995).(CRS Report).

In actual practice, all committees that have denied claims of privilege have engaged in a process of weighing considerations of legislative need, public policy, and the statutory duties of congressional committees to engage in continuous oversight of the application, administration and execution of the laws that fall within its jurisdiction, against any possible injury to the witness. Committees, among other factors, have considered whether a court would have recognized the claim in the judicial forum. See, *e.g.*, "Proceedings Against John M. Quinn, David Watkins, and Matthew Moore (Pursuant to Title 2, United States Code, Sections 192 and 194)", H. Rept. No. 104-598, 104th Cong., 2d Sess. 40-54 (1996); "Refusal of William H. Kennedy, III, To Produce Notes Subpoenaed By The Special Committee to Investigate Whitewater Development Corporation and Related Matters," Sen. Rept. No. 104-191, 104th Cong. 1st Sess. 9-19 (1995); "Proceedings Against Ralph Bernstein and Joseph Bernstein", H. Rept. No. 99-462, 99th Cong. 2d Sess. 13, 14 (1986); Hearings, "International Uranium Control", Before the Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce, 95th Cong., 1st Sess. 60, 123 (1977). Moreover, the conclusion that recognition of non-constitutionally based privileges is a matter of congressional discretion is consistent with both traditional British parliamentary and the Congress' historical practice. See CRS Report, *supra*, at 44-49.

The legal basis for Congress's prerogative in this area is based upon its inherent constitutional prerogative to investigate which has been long recognized by the Supreme Court as extremely broad and encompassing, and which is at its peak when the subject is fraud, abuse, or maladministration within a government department. *McGrain v. Dougherty*, 272 U.S. 135, 177 (1926); *Watkins v. United States*, 354 U.S. 178, 187 (1957); *Eastland v. United States Servicemen's Fund*, 421 U.S. 491, 504 n.15 (1975). The attorney-client privilege is, on the other hand, a judge-made exception to the normal principle

(1926); *Watkins v. United States*, 354 U.S. 178, 187 (1957); *Eastland v. United States Servicemen's Fund*, 421 U.S. 491, 504 n.15 (1975). The attorney-client privilege is, on the other hand, a judge-made exception to the normal principle of full disclosure in the adversary process which is to be narrowly construed and has been confined to the judicial forum. *Westinghouse Electric Corporation v. Republic of the Philippines*, 951 F.2d 1414, 1423 (3d Cir. 1991). The privilege has been deemed subject to a variety of exceptions, including communications between a client and attorney for the purpose of committing a crime or perpetrating a fraud or other obstruction of law at some future time, and to a strict standard of waiver.[40] See generally, Paul R. Rice, Attorney-Client Privilege in the United States, chaps. 8:2-8:15 and 9 (1993)(Rice). Indeed, in reviewing the proliferation of exceptions to the privilege, a panel of the District of Columbia Circuit commented that "any belief in an absolute attorney-client privilege is illusory". *In re Sealed Case*, 124 F.3d 230, 234 (D.C. Cir. 1997) (holding that attorney-client privilege is qualified after death of client and may yield to the need for use of confidential communications in criminal proceedings). *See also In re Grand Jury Subpoena Duces Tecum, supra*, 112 F.3d at 921 ("the White House assumes the attorney-client privilege is more predictable than it actually is".).

Moreover, the work product privilege,[41] another judge-made evidentiary exception, has always been recognized as a qualified privilege which may be overcome by a sufficient showing of need. The Supreme Court indicated, in the very case in which it created the doctrine, that "[w]e do not mean to say that all [ ] materials obtained or prepared with an eye toward litigation are necessarily free from discovery in all cases."[42] Thus the courts have repeatedly held that the work product privilege is not absolute, but rather is only a

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[40] However, at least two federal circuits have held that disclosures to congressional committees do not waive claims of privilege elsewhere. See, *Florida House of Representative v. Dept. of Commerce*, 961 F.2d 941, 946 (11th Cir. 1992); *Murphy v. Department of the Army*, 613 F.2d 1151, 1155 (D.C. Cir. 1979).

[41] Some courts refuse to call the doctrine a privilege at all. In *City of Philadelphia v. Westinghouse Electric Corp.* 210 F.Supp. 483, 485 (E.D. Pa. 1962), *mandamus and prohibition denied sub nom. General Electric Corp. v. Kirpatrick*, 312 F.2d 742 (3d Cir. 1962), the court stated that the work product principle "is not a privilege at all; it is merely a requirement that very good cause be shown if the disclosure is made in the course of a lawyer's preparation of a case."

[42] *Hickman v. Taylor*, 329 U.S. 495, 511 (1974).

qualified protection against disclosure,[43] and that the burden is on the party asserting it to establish its applicability.[44]

Claims of Attorney-Client Privilege

More particularly, with respect to the attorney-client privilege, a claimant must establish (1) a communication, (2) made in confidence, (3) to an attorney, (4) by a client, (5) for the purpose of seeking or obtaining legal advice. See, *e.g.*, 8 Wigmore, Evidence, Sec. 2292, at 554 (McNaughton rev. ed 1964); *United States v. United Shoe Machinery Corp.*, 89 F.Supp. 357, 358-359 (D. Mass. 1950). "The privilege does not extend, however, beyond the client's confidential communication to the attorney." *In re Fishel*, 557 F.2d 209, 211 (9th Cir. 1977). The only communications protected by the privilege, then, are those that will disclose what the client said in confidence to the lawyer. But it does not protect the *information* contained within communications. *Upjohn v. United States*, 449 U.S. 384, 395 (1981) ("The privilege only protects disclosure of communications; it does not protect disclosure of the underlying facts by those who communicated with the attorney."); Rice, *supra*, 5:1, at 288.

The burden of establishing the existence of the attorney-client privilege rests with the party asserting the privilege, *See, e.g., In re Grand Jury Investigation No. 83-2-35*, 737 F.2d 497, 450-51 (67th Cir. 1983). Blanket assertions of the privilege have been deemed "unacceptable", *SEC v. Gulf & Western Industries, Inc.*, 518 F.Supp. 675, 682 (D.D.C. 1981), and are strongly disfavored. *In re Grand Jury Investigation No. 83-2-35, supra*, 737 F.2d at 454. The proponent must conclusively prove each element of the privilege, but the mere fact that an individual communicates with an attorney does not make his communication privileged.[45]

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[43] See, e.g., *Central National Insurance Co. v. Medical Protective Co. of Forth Worth*, 107 F.R.D. 393, 395 (E.D. Mo. 1985); *Chepanno v. Champion International Corp.*, 104 F.R.D. 395, 396 (D. Ore. 1984).

[44] *Barclaysamerican Corp. v. Kane*, 746 F.2d 653, 656 (10th Cir. 1984); *Nutmeg Insurance Co. v. Atwell Vogel & Sterling*, 120 F.R.D. 504, 510 (W.D. La 1988).

[45] *In re Grand Jury Subpoena Duces Tecum*, 112 F.3d 912 (8th Cir. 1997)(rejecting applicability of common interest doctrine to communications at a meeting with White House Counsel's Office attorneys and private attorneys for the First Lady.); *United States v. Tedder*, 801 F.2d 1437, 1442-43 (4th Cir. 1986)(friend's communication with attorney held not privileged despite the fact that friend was both lawyer and colleague in the same firm when he spoke to her not as a professional legal advisor, did not seek legal advice from her, and did not expect communications to remain confidential); *United States v. Costanzo*, 625 F.2d 465, 468 (3d Cir. 1980)("[I]t is true that '[a] communication is not privileged simply because it is made by or to a person who happens to be

Moreover, courts have held that communications by an attorney in response to the client are not automatically privileged. These courts have reasoned that an attorney's communication can be privileged only derivatively, if the disclosure of the attorney's communication would reveal the content of the client's communication to the attorney. *Rice, supra*, at 5:2, 306-312. Also, when advice to a client is based on information supplied to the attorney from the public record it has been held to be non-privileged:

> The attorney-client privilege does not extend to correspondence from an attorney to a client when that correspondence contains advice based upon public information rather than confidential information provided by the client . . . . In this case, it appears that the information which was sent to the office of the General Counsel consisted almost entirely of material which was in the public record. Therefore, the General Counsel's opinion is not protected from discovery by the attorney-client privilege.

Community Savings and Loan Ass'n v. Federal Home Loan Bank Board, 68 F.R.D. 378, 382 (E.D. Wisc. 1975). *See also In re Underwriters at Lloyds*, 666 F.2d 55, 57 (14th Cir. 1981)("Advice given by [the attorney was] based on information from non-privileged documents and therefore was not privileged".) *In re Sealed Case*, 737 F.2d 94, 99 (D.C. Cir. 1984)("It remains the client's burden, however, to present to the court sufficient facts to establish the privilege; the claimant must demonstrate with reasonable certainty . . . that the lawyer's communications rests in significant and inseparable part on the client's confidential disclosure."); *Thomas v. Pansy Ellen Products; Inc.*, 672 F.Supp. 237, 243 (W.D. N.C. 1987)("It is client confidences, not attorney advice that are protected by the privilege."). Similarly, documents not prepared by the client for the purpose of communicating with an attorney confidentially do not acquire protection simply by turning them over to an attorney. *Colton v. United States*, 306 F.2d 633, 639 (2d Cir. 1962) *cert. denied* 371 U.S. 951 (1963)("[P]re-existing documents and financial records not prepared by the [clients] for the purpose of communicating with their lawyer in confidence . . . have acquired no special protection from the simple fact of being turned over to an attorney."); *Cosgrove v. Sears, Roebuck & Co.*, No. 81 Civ. 3482-CSH (SDNY, Mar. 30, 1982)(LEXIS, Genfed library, Dist. file)(diary not privileged because it was not made for the purpose of communicating with the attorney).

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a lawyer.'").

The foregoing brief summary of pertinent case law raises substantial questions whether the subject claims of attorney-client privilege would be held applicable to some of the documents listed in the privilege log.

Attorney-client privilege is claimed for six documents. EOP 69070-71, dated April 24, 1995 is a memo to Harold Ickes, then Deputy Chief of Staff to the President, from Loretta Avent, a Special Assistant to the President for Intergovernmental Affairs. Contrary to the privilege log entry for this item, it contains no "legal advice" for Ickes but is rather a recounting of attempts by a lobbyist to contact her on the Hudson Dog Track matter and the reasons, political and legal, for her reluctance to talk with him. Avent was not seeking or giving legal advice nor is there any indication that Avent and Ickes were in an attorney-client relationship at all.

EOP 67076-78, dated April 24, 1995, from Michael T. Schmidt, Senior Policy Analyst, White House Office of Policy Development, to White House Associate Counsel Cheryl D. Mills is a report on the details of a telephone conversation he and Loretta Avent had with lobbyist Pat O'Connor. While it is apparent that it is meant to be a confidential communication with an attorney it is not so clear that its purpose was to obtain legal advice.

EOP 69079-81 (undated) contains handwritten notes by Associate Counsel Mills on press accounts and recollections of government officials on the Hudson Dog Track matter. The courts have not extended the protection of the attorney-client privilege to an attorney's notes or memoranda to the file, particularly where there is no evident intent to communicate with the client. *Leybold-Heraeus Technologies, Inc. v. Midwest Instrument Co.*, 118 F.R.D. 609, 613 (E.D. Wisc. 1987); *National Corn Growers Assoc. v. Baker*, 623 F.Supp. 1262, 1277 (Ct. of Interna'tl Trade 1985); *Sneider v. Kimberly Clark Corp.*, 190 F.R.D. 1, 6 (N.D. Ill. 1980).

EOP 69098-99, dated October 23, 1996, is a transmittal by Chief of Staff Leon Panetta to the President of a status report on the Hudson Dog Track litigation prepared by an attorney in the White House Counsel's Office. The transmittal was not in response to a request for legal advice nor does it purport to be anything other than a status report based on information on the public record, which is normally not held to be privileged. EOP 69100, dated October 22, 1996, is a transmittal by the same White House Counsel Office attorney reporting to his superior how and what he found out about the status of the dog track litigation. For the same reasons, it would not likely be held privileged by a reviewing court.

Even assuming any or all the documents are deemed covered by attorney-client privilege, it is likely that a reviewing court would hold that the privilege has been overcome. The *In re Sealed Case* court made it clear that the common law deliberative process privilege "disappears altogether when there is any reason to believe government misconduct [has] occurred". 121 F.3d at 738. See also *id.* at 746. ("Where there is reason to believe the documents sought shed light on government misconduct, 'the privilege is routinely denied', on the

grounds that shielding internal government deliberations in this context does not 'serve the public's interest in honest, effective government'"). In the instant situation the documents are sought to be utilized by a congressional committee with clear jurisdiction over the subject matter and the documents appear to shed light on the question of misconduct. It is therefore likely that a reviewing court would find the *In re Sealed Case* court's rationale with respect to overcoming the deliberative process privilege in the face of a congressional investigation of misconduct applicable as well to a claim of attorney-client privilege. See also *In re Grand Jury Subpoena Duces Tecum,supra*, 112 F.3d at 917-18 (holding that the White House could not invoke any form of governmental attorney-client privilege to withhold relevant information concerning conversations between attorneys representing the White House and the wife of the President from a grand jury conducting a criminal investigation.).

Claims of Work Product Protection

The qualified immunity from discovery of an attorney's work product recognized by the Supreme Court in *Hickman v. Taylor*, 329 U.S. 495 (1947), is now codified in Rule 23(b)(3) of the Federal Rules of Civil Procedure.[46] The Rule provides that in a civil action there is qualified immunity from discovery when materials are:

> 1. "documents and tangible things;"
> 2. "prepared in anticipation of litigation or for trial;" and
> 3. "by or for another party or for that other party's representative."

To overcome the qualified immunity, the party seeking discovery must make a showing of: (1) substantial need for the materials; and (2) inability to obtain the substantial equivalent of the information without undue hardship. Upon such a showing, the qualified immunity from discovery is overcome and the

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[46] Rule 26(b)(3) provides in pertinent part: "Trial Preparation: Materials .. . .[A] party may obtain discovery of documents and tangible things . . . prepared in anticipation of litigation or for trial by or for another party or by or for that other party's representative (including the other party's attorney, consultant, surety, indemnitor, insurer, or agent) only upon a showing that the party seeking discovery has substantial need of the materials in the preparation of the party's case and that the party is unable without undue hardship to obtain the substantial equivalent of the materials by other means. In ordering discovery of such materials when the required showing has been made, the Court shall protect against disclosure of the mental impressions, conclusions, opinions, or legal theories of an attorney or other representative of a party concerning the litigation."

court will order the materials produced. See, generally 8 Wright, Miller and Marcus, Federal Practice and Procedure, Sections 2021-2028 (1994).

The federal rules do not define what is meant by the term "litigation" or "in anticipation of." However, the Special Masters' Guidelines for the Resolution of Privilege Claims, approved and adopted by the court in *United States v. American Telephone & Telegraph Co.*, 86 F.R.D. 603 (D.D.C. 1980), contain a detailed discussion of both phrases that reflects precedent to that time and has been influential since then. The Special Master defined "litigation" as including "a proceeding in a court or administrative tribunal in which the parties have the right to cross-examine witnesses or to subject an opposing party's presentation of proof to equivalent disputation." 86 F.R.D. at 627. On its face, the definition would not apply to Congress, which of course is not a court or administrative tribunal, or to a congressional investigative hearing which, while often confrontational, does not afford an opportunity for witnesses to cross-examine other witness or present rebuttal testimony as would be the case in the adversarial adjudicative forum. We are aware of no court that has held the work product doctrine applicable to a legislative proceeding. A recent appellate court ruling, discussed below, directly holds that it is not applicable. The definition is also consonant with the language of Rule 26(b)(3) which exclusively uses terms such as "party", "litigation", "trial" and "discovery" which are alien to the legislative hearing process. Wright, Miller and Marcus, *supra*, Section 2024 at 338-357; 86 F.R.D. at 627-30.

The "in anticipation" element was defined by the Special Master to mean

> any time after initiation of the proceeding or such earlier time as the party who normally would initiate the proceeding had tentatively formulated a claim, demand, or charge. When the material was prepared by a party who normally would initiate such a proceeding, that person must establish the date when the claim, demand, or charge was tentatively formulated. When the material was prepared by a potential defendant or respondent, that person must establish the date when he received a demand or warning of charges or information from an outside source that a claim, demand, or charge was in prospect.

86 F.R.D. at 627. The courts have made it clear that while there is no requirement that litigation have already commenced in order for the work product doctrine to be operative, there must be "a more immediate showing than the remote possibility of litigation". *Garfinkle v. Arcada National Corp.*, 64

F.R.D. 688, 690 (SDNY 1974). "[F]or documents to qualify as attorney work product, there must be an identifiable prospect of litigation (*i.e.*, specific claims that have already arisen) at the time the documents were prepared". *Fox v. California Sierra Financial Services*, 120 F.R.D. 520, 525 (N.D. Calif. 1988). One appellate court recently recognized that "because litigation is an ever present possibility in American life, it is more often the case than not that events are documented with the general possibility of litigation in mind. Yet '[t]he mere fact that litigation does ensue does not, by itself, cloak materials' with work product immunity. The document must be prepared because of the prospect of litigation when the preparer faces an actual claim or potential claim following an actual event or serves of events that reasonably could result in litigation". *National Union Fire Ins. Co. v. Murray Sheet Metal Co.*, 967 F.2d 980, 984 (4th Cir. 1992). Materials prepared in the ordinary cause of business will not be protected from production, even if the party is aware that the document may also be useful in the event of litigation. *Smith v. Conway Organization*, 154 F.R.D. 73, 78 (SDNY 1994). *See also Litton Industries v. Lehman Bros. Kuhn Loeb, Inc.*, 125 F.R.D. 51, 54-55 (SDNY 1989). Similarly, "[t]he acts performed by a public employee in the performance of his official duties are not 'prepared in anticipation of litigation or for trial' merely by virtue of the fact that they are likely to be the subject of later litigation". *Grossman v. Schwartz*, 125 F.R.D. 376, 388 (SDNY 1989); *Department of Economic Development v. Arthur Anderson & Co.*, 139 F.R.D. 295, 700 (SDNY 1991).

In a recent Eighth Circuit decision, *In re Grand Jury Subpoena Duces Tecum, supra*, involving, *inter alia*, a White House claim of work product immunity in the face of a grand jury subpoena for notes taken by White House Counsel's Office attorneys during meetings with First Lady Hillary Rodham Clinton, a divided panel rejected the applicability of the work product doctrine on the ground that it had not been shown that the attorneys involved were preparing for or anticipating some sort of "adversarial proceeding" involving the First Lady. It held that neither the independent counsel investigation then in progress nor a possible congressional investigative hearing provided the element of "anticipation of litigation or trial" necessary to invoke the immunity:

> The White House's argument that its lawyers were preparing for the OIC's investigation is simply unpersuasive; as we have stated previously, the OIC is not investigating the White House, nor could it do so. White House officials may be under investigation on account of their individual acts, but we know of no authority allowing a client such as the White House to claim work product immunity for materials merely because they were prepared while some other person, such as Mrs. Clinton, was anticipating litigation. Cf. *In re*

> *California Pub. Utils. Comm'n*, 892 F.2d 778, 781 (9th Cir. 1989) (concluding that non-party to litigation may not assert work product doctrine).
>
> As a fall-back position, the White House suggests that anticipated congressional hearings will suffice as well as anticipated litigation. The Restatement seems to agree with the White House. See Restatement § 136 cmt. h (stating that litigation "includes a proceeding such as a grand jury or a coroner's inquiry or an investigative legislative hearing"). Neither the White House, Mrs. Clinton, nor the Restatement cites any authority for this proposition, however, and we have discovered none. *Cf. P. & B. Marina, L.P. v. Logrande, 136* F.R.D. 50, 58-59 (E.D.N.Y. 1991) (finding letters from lobbyist to client not protected work product), aff'd, 983 F.2d 1047 (2d Cir. 1992) (table). Even if it could be said that the White House anticipated a congressional investigation of the White House itself, rather than merely of individuals who work at the White House, and even if we consider a congressional investigation to be an adversarial proceeding, the only harm that could come to the White House as a result of such an investigation is political harm. As in our discussion of the common-interest doctrine, we decline to endorse the position of the White House where it is based on nothing more than political concerns.

112 F.3d at 924-925.

Rule 26(b)(3) provides heightened protection for "mental impressions, conclusions, opinions or legal theories of an attorney or other representative of a party concerning the litigation". This protection against disclosure, however is not absolute and has been held to yield in appropriate circumstances. *In re John Doe Corporation*, 675 F.2d 482, 492 (2d Cir. 1982). Thus when mental impressions are *at issue* in the case and the need for the material is compelling, they have been held discoverable. *Holmgren v. State Farm Mutual Ins. Co.*, 976

F.2d 573, 577 (9th Cir. 1992)(claim of bad faith in the settlement process); *Handguards Inc. v. Johnson & Johnson*, 413 F.Supp 926, 931-31 (N.D. Calif. 1976)(bad faith in instituting litigation). Courts have consistently denied the protection in such "at issue" cases where complete or partial lack of recollection of critical meetings or events has been claimed. *Erlich v. Howe*, 848 F.Supp 842, 492-93 (SDNY 1994); *Redvanly v. NYNEX Corp.*, 152 F.R.D. 460, 468-69 (SDNY 1993); *Doubleday v. Ruh*, 149 F.R.D. 601, 608 (E.D. Cal. 1993); *In re Worlds of Wonder Securities Litigation*, 147 F.R.D. 208, 212 (N.D. Cal. 1992). The protection has been denied where what was at issue was the reason a government prosecutor instituted an action. *Doubleday v. Ruh, supra*, 149 F.R.D. at 608 ("Here, plaintiff asserts that the main issue of her case is the affect [sic] defendants had on the district attorney's decision to prosecute".); *EEOC v. Anchor Continental, Inc.*, 74 F.R.D. 523, 526-28 (D.S.C. 1977)("However, there must be an exception to this [work product] rule when the Court's in camera inspection reveals that the plaintiff, a branch of the United States government, has little faith in its case, has little evidence to go on and hopes to be able to prove the case through discovery or force a settlement upon a defendant who might not be able to stand the financial burden of defending itself".).

Work product protection is claimed for four documents: EOP 69079-81 (undated) containing handwritten notes by a White House Counsel Office attorney on press accounts and recollections of government officials on the Hudson Dog Track matter; EOP 69098-99, dated October 23, 1996, a transmittal by the President's Chief of Staff of a status report on the dog track litigation prepared by a White House Office attorney; EOP 69100, dated October 22, 1996, a transmittal by the same White House Counsel attorney reporting to his superior as to how and what he found about the status of the dog track litigation; and EOP 69101, dated October 23, 1996, another copy of the status report attached to the Chief of Staff's transmittal noted in EOP 69098-99.

In the Eight Circuit's decision in *In re Grand Jury Subpoena Duces Tecum, supra*, similar claims of work product privilege by the White House were rejected, the appeals court holding the doctrine inapplicable where it was not shown that the White House Counsel's Office attorneys involved were preparing for some sort of "adversarial proceedings". It ruled that neither an ongoing independent counsel investigation or a congressional oversight hearing provided the necessary element of "anticipation of litigation or trial" necessary to invoke the immunity. 112 F.3d 924-925. The court also held that the privilege would not apply even if a committee investigative hearing was deemed to be an adversarial proceeding since "the only harm that could come to the White House as a result of such an investigation is political harm. As in our discussion of the common interest doctrine, we decline to endorse the position of the White House where it is based on nothing more than political concerns". *Id.* at 925. As indicated above, work product claims have been denied where the documents were prepared by public employees in the performance of their official duties and in cases in which mental impressions are "at issue" and partial or complete lack of recollection of critical meetings and events is claimed and the need for the material is compelling. In the present circumstances, where similar claims

are being made, and the Committee is of the reasonable belief that misconduct has occurred and the subject documents or pertinent to that concern, it is likely that a court would deny the privilege.

Finally, the White House raises the question whether publication of the documents in question during the course of your investigation will have the effect of waiving any privileges that might otherwise be asserted in any pending or future litigation. Our review of the applicable case law, and the constitutional principles underlying congressional oversight and investigations, lead us to conclude that a reviewing court is not likely to find that disclosure by your Committee under the circumstances now obtaining would effect a waiver of any privileges that might be asserted in a related court proceeding.

There is no need to rehearse the constitutional basis for Congress's broad and encompassing authority to engage in oversight and investigation discussed above. Suffice to say, that power reaches all sources of information that enable it to carry out its legislative function, and in the absence of a countervailing constitutional privilege or a self-imposed statutory restriction on its authority, Congress and its committees have virtually plenary power to compel information needed to discharge its legislative function from executive agencies, private persons and organizations, and, within certain constraints, the information so obtained may be made public.

More particularly, once documents are in congressional hands, the courts have held that they must presume that the committees of Congress will exercise their powers responsibly and with due regard for the rights of effected parties. *FTC v. Owens-Corning Fiberglass Corp.*, 626 F.2d 966, 970 (D.C. Cir. 1980); *Exxon Corp. v. FTC*, 589 F.2d 582, 589 (D.C. Cir. 1978), *cert. denied*, 441 U.S. 943 (1979); *Ashland Oil Corp. v. FTC*, 458 F.2d 977, 979 (D.C. Cir. 1976). Nor may a court block congressional disclosure of information obtained from an agency or private party, at least where disclosure would serve a valid legislative purpose. *Doe v. McMillan*, 412, U.S. 306 (1973); *FTC v. Owings-Corning Fiberglass Corp., supra*, 626 F.2d at 970.

It is also well established that when the production of privileged communications is judicially compelled, compliance with the order does not waive the applicable privilege in another litigation, as long as it is demonstrated that the compulsion was resisted. See, *e.g., U.S. v. De La Jara*, 973 F.2d 746, 749-50 (9th Cir. 1992)("In determining whether the privilege should be deemed waived, the circumstances surrounding the disclosure are to be considered. *Transamerica Computer*, 573 F.2d at 652; U.S. Zolin, 809 F.2d 1411, 1415 (9th Cir. 1987), *aff'd in part, vacated in part*, 491 U.S. 554 (1989) (. . . When the disclosure is involuntary, we will find the privilege preserved if the privilege holder has made efforts 'reasonably designed' to protect and preserve the privilege. *See Transamerica Computer*, 573 F.2d at 650".); *Westinghouse Electric Corp. v. Republic of the Philippines*, 951 F.2d 1414, 1427 n. 14 (3d Cir. 1991)("We consider Westinghouse's disclosure to the DOJ to be voluntary even though it was prompted by a grand jury subpoena. Although Westinghouse

originally moved to quash the subpoena, it later withdrew the motion and produced the documents pursuant to the confidentially agreement. *Had Westinghouse continued to object to the subpoena and produced the documents only after being ordered to so so, we could not consider the disclosure to do so to be voluntary".)* (emphasis supplied); *Jobin v. Bank of Boulder (In re M&L Business Machines Co.),* 167 B.R. 631 (D. Colo. 1994)("Production of documents under a grand jury subpoena does not automatically vitiate the attorney-client privilege, much less in an unrelated civil proceeding brought by a non-governmental entity. This is especially true in a case such as this, where the record demonstrates that the Bank has consistently sought to protect its privilege".). Some courts have even refused to find waiver when the client's production, although not compelled, is pressured by the court. *Transamerica Computer Corp. v. IBM,* 576 F.2d 646, 651 (9th Cir. 1978). Similarly, another court found that a client's voluntary production of privileged documents during discovery did not effect a waiver because it was done at the encouragement of the presiding judge. *Duplan Corp. v. Deering Milliken, Inc.,* 397 F.Supp 1146, 1163 (S.D.S.C. 1974)(finding no waiver "where voluntary waiver of some communications was made upon the suggestion of the court during the course of the in camera proceedings".).

Moreover, at least two federal circuits have held that disclosures to congressional committees do not waive claims of privilege elsewhere. *See, Florida House of Representatives v. Dept. of Commerce,* 961 F.2d 941, 946 (11th Cir. 1992); *Murphy v. Department of the Army,* 613 F.2d 1151, 1155 (D.C. Cir. 1979).

In the current circumstances, the White House has vigorously attempted to protect its claims of privilege from the outset of the Committee's investigation. It has, in apparent good faith, resisted pressure to produce the subjects documents until the Committee issued a subpoena. It has continued to assert claimed privileges in an effort to forestall committee disclosure. We believe the case law just recounted provides sufficient support for the White House to successfully argue in an appropriate judicial forum that its conduct in the face of the Committee's demands demonstrates that its production was involuntary and does not waive any legitimate claim it might have.

It should also be noted that acceptance of the White House's request for non-disclosure would effectively vitiate Congress's constitutionally-based prerogative to inform not only itself but the public as well, through its hearing and report processes, about the functioning of its governmental apparatus. *See e.g., Nixon v. Administrator of General Services,* 433 U.S. 425, 453 (1977)(rejecting President Nixon's claim of executive privilege against congressional cooption of his presidential papers, finding that there was a "substantial public interest" [] in preserving those materials so that Congress, pursuant to its "broad investigative power", could examine them to understand the events that led to the President's resignation in order to guage the necessity for remedial legislation".). The court in *Murphy v. Department of the Army,* 613 F.2d 1131, 1155 (D.C. Cir. 1979), stated that Freedom of Information Act exemptions were no basis for withholding documents from Congress, explaining

that: "The obvious purpose of the Congress was to carve out for itself a special right of access to privileged information not share by others. Congress, whether as a body, through Committees, or otherwise, must have the widest possible access to executive branch information, if it is to perform its manifold responsibilities effectively. If one consequence of the facilitation of such access is that some information will be disclosed to congressional authorities but not to private persons, that is but an incidental consequence of the need for informed and effective lawmakers".

Murphy cannot be read to simply allow Congress to get information and then not be able to utilize it in the manner and by means it believes most effective for accomplishing its legitimate legislative functions. The Supreme Court and federal appellate tribunals have consistently ruled that pending civil and criminal proceedings are no impediments to congressional exercise of its oversight and investigative prerogative, no matter the consequence of possible impeding the successful governmental prosecution or defense of such actions. See CRS Report, *supra*, at 23-30. As was succinctly observed by Iran-Contra Independent Counsel Lawrence E. Walsh, "The legislative branch has the power to decide whether it is more important perhaps even to destroy a prosecution than to hold back testimony that they need. They make that decision. It is not a judicial decision or a legal decision but a political decision of the highest importance". Walsh, The Independent Counsel and the Separation of Powers, 25 Hous. L. Rev. 1, 9 (1988).

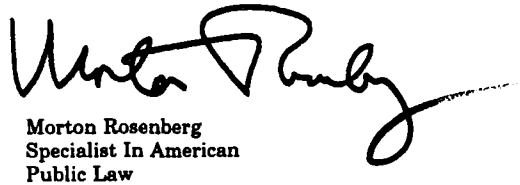
We conclude that, under the circumstances of the instant situation, if the Committee discloses any or all the documents during the pendency of a related judicial proceeding, it is likely that the court will hold the White House's compliance with the Committee's demand to be involuntary and not to effect the waiver of any applicable privileges. *Compare Garrity v. New Jersey*, 385 U.S. 493 (1967).

CONCLUSION

The District of Columbia Circuit's ruling in *In re Sealed Case* has established a new standard for assessing the substantiality of claims of presidential communications privilege. That privilege, which is constitutionally-based, applies only to direct presidential decisionmaking, a term that the court indicates limits the privilege to decisionmaking with respect to the core constitutional authorities vested in the President of Article II, such as appointment and removal, foreign relations, military affairs, national security, and the pardon power. The court also distinguished the deliberative process privilege from the presidential communications privilege, holding that it is a common law privilege applicable executive officials generally whose negation by courts or congressional committees is subject to less demanding scrutiny and which "disappears altogether when there is any reason to believe government misconduct has occurred". Applying the *In re Sealed Case* principles to the

circumstances here, it is concluded that since the final federal governmental decisionmaking authority with respect to the subject Indian gaming applications is vested in the Secretary of the Interior, the presidential communications privilege is inapplicable; and even if the attorney-client or work product privileges apply to one or more of the subject documents, a reviewing court would likely find that privileges are overcome by the Committee's need or vitiated by its reasonable belief of the existence of government misconduct.

Finally, it is concluded that if the Committee publishes the documents during the course of its legislative activities a reviewing court is likely to find that the White House has not waived the ability to assert the privileges in another forum since it has resisted disclosure throughout the proceeding, complying with production demands only after the issuance of a Committee subpoena.



Morton Rosenberg
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Public Law

Opening Statement
December 9, 1997

Rep. Benjamin a. Gilman

MR. DIRECTOR WELCOME. FIRST, I WANT TO CONGRATULATE YOU FOR RESISTING THE EXTRAORDINARY, QUITE INAPPROPRIATE, AND THE UNUSUAL WHITE HOUSE AND STATE DEPARTMENT PRESSURE TO REVEAL TO THEM PORTIONS OF THE FBI'S ONGOING CRIMINAL AND NATIONAL SECURITY INQUIRY INTO THE CHINESE GOVERNMENT'S CAMPAIGN INFLUENCE EFFORTS.

IN ADDITION, YOUR PRINCIPLED CALL FOR THE AG TO APPOINT AN INDEPENDENT COUNSEL IN THIS BROAD CAMPAIGN FINANCING SCANDAL HAS RIGHTFULLY BEEN RECOGNIZED BY THE NEW YORK TIMES AND OTHERS, AS A VERY COURAGEOUS ACT INTENDED TO PROTECT THE INTEGRITY AND INDEPENDENCE OF THE FBI.

THE OPEN DISAGREEMENT WITH YOUR BOSS, THE AG, ON THE INDEPENDENT COUNSEL ISSUE IS A TRIBUTE TO YOUR DESIRE TO MAINTAIN THE INTEGRITY OF THE FBI IN A VERY DIFFICULT SITUATION. THE AG HERSELF IN HER OWN PRESS CONFERENCE LAST WEEK ACKNOWLEDGED THE LEGITIMACY OF YOUR DISSENT AND THE GOOD FAITH NATURE OF HOW IT WAS OFFERED.

LESS MY COLLEAGUES FORGET, THE WATERGATE ERA SCANDALS AND EFFORTS BACK THEN TO MANIPULATE THE FBI, LED TO THE STATUTORY MANDATED 10 YEAR TENURE FOR THE FBI DIRECTOR. THE LONG TENURED TERM WAS MEANT TO PROVIDE FOR THIS VERY TYPE OF INDEPENDENCE AND FREEDOM FOR THE FBI DIRECTOR FROM POLITICAL PRESSURE WHEN VIOLATIONS OF LAW INVOLVING THE WHITE HOUSE AND HIGH LEVEL OFFICIALS CAME TO LIGHT AND REQUIRED INVESTIGATION. THE STATUTE IS WORKING AS INTENDED AND THOSE WHO QUESTION THE FBI DIRECTOR'S ACTIONS OVERLOOK THE LESSONS OF RECENT HISTORY.

I LOOK FORWARD TO HEARING FROM DIRECTOR FREEH TO LEARN OF HIS VIEWS ON THE CURRENT INVESTIGATION INTO CAMPAIGN FINANCE LAW VIOLATIONS AT THE WHITE HOUSE, AS WELL AS HIS VIEWS ON THE RECENT DECISION BY THE ATTORNEY GENERAL.

STATEMENT FOR THE FREEH/RENO HEARING FOR THE RECORD/Mark Souder

When the Attorney General's fate was hanging in the balance after the President's re-election, she was subjected to an orchestrated campaign of innuendo, alleging incompetence among other insults. Anonymous Presidential aides griped in the press about Ms. Reno's willingness to appoint independent counsels and there were questions about her loyalty and whether the Attorney General was a "team player" in an Administration which pledged to be the "most ethical."

We may never know what happened between the President and his Attorney General during that period of time, or during the two meetings between the President and Ms. Reno just before Mr. Clinton, ending weeks of speculation, announced she would stay on for a second term.

> **Newsweek** noted: Ms. Reno "keeps her job. But one more showy act of integrity and she's out." A **Washington Times** editorial December 16 said, had Ms. Reno "been shown the door any replacement would have had to answer the unpleasant and embarrassing question in Senate confirmation hearings, 'Will you appoint an independent counsel to sort out illegal foreign fund-raising by the (DNC)? If the answer were not an unequivocal yes, the person would not have been confirmed for the top law enforcement job."

But while Ms. Reno's fate was suspended, she was in the midst of important decisions about whether to appoint an independent counsel to investigate illegal fundraising during the 1996 race. She declined.

The press widely speculates today that some deal was struck then between the White House and the Attorney General, and since her retention, Ms. Reno stubbornly refuses to appoint an independent counsel in spite of the evidence which compels her to do so. Maybe there was no deal persay-- maybe just a wink and a nod-- but after her treatment, it must have been crystal clear to Ms. Reno that she was in disfavor in the President's inner circle and that her staying on meant that she would have to conform to the President's expectations for her conduct in a second term.

Ironically, as the **Washington Times** editorial pointed out, if the Attorney General really wanted to get rid of the Independent Counsel statute, a good first step would be to launch a tough but fair inquiry of the Lippo-gate scandal. Instead, her actions are revitalizing support for the embattled statute-- making many skeptics believe it is now essential.

Now, the FBI Director is subjected to the Reno-treatment. Since Mr. Freeh disagreed too publicly with Ms Reno about the need for an independent counsel, the press reports new questions about the FBI Director's competence and character. With a few exceptions, such as White House spokesman Mike McCurry who answered a reporter's question about the President's level of confidence in Freeh, "He's the right man for the job?" with, "He's the one in the job, that's correct," Freeh is victim also of a campaign of unattributed smears by government officials who don't have the decency or courage to attach their name to their slurs. But if Mr. McCurry is speaking for the President, it appears self-evident that the insults are condoned, if not directed, by the President himself. Perhaps the White House attacks are calculated to rein in Mr

Freeh, or to encourage his early retirement.

Last, among a plethora of unresolved and titillating scandals, there is the specific charge against Energy Secretary Hazel O'Leary that a meeting with the Secretary was granted based on a $25,000 donation to Africare. It's hard to believe someone who drew a million dollars a year salary as a corporate executive could not have had a clue as to what was going on inside her own offices. The Justice Department seems to imply that the autopen was on autopilot-- what staffer at Energy authorized the meeting with Chung's entourage and the Secretary via autopen, and who solicited the donation to Africare if not Secretary O'Leary? Ms. O'Leary, according to the Attorney General, is off the hook, although other Energy officials are said to be still under investigation. If Ms. Reno had decided to appoint an independent counsel to investigate the sensational charges of accused "hustler" and frequent visitor to the First Lady's office, Johnny Chung, against Hazel O'Leary, it inevitably would have spilled over into the White House.

Given Mr. Chung's understanding of the Clinton Administration as the subway where you pay coins to get in the gate, and knowing Maggie Williams illegally accepted his $50,000 check at her place of work, and that Mr. Chung had discovered that mega-campaign contributions open many doors, Chung's specific charges about the meeting with O'Leary become credible.

We know from independent counsel Donald Smaltz's comments that his conviction of Mike Espy's former chief of staff was won despite Justice Department interference in his investigation-- his statement blamed the Department for a significant delay in his investigation and prosecutions. The result of this and other revelations is that the public has no confidence in the the nation's highest law enforcement entity, its Department of Justice. Ms. Reno, who in her first term, was judged to be a staunch and independent Attorney General, and who was praised for taking the heat for unpopular decisions, is now regarded as the President's chief protector. The New York Times maintains Ms. Reno is avoiding "credible information" by steering clear of Johnny Huang and the dozens of others who took the 5th or fled the country.

Ms. Reno has often said she *may* appoint an independent counsel. What does that mean? How outrageous must the charges become before she will do so-- independent counsels were triggered for far less grievous charges than the possibility of agents of influence from a hostile power penetrating the White House? Does she, a political appointee who continues to owe her post to the President, really believe she can be both judge and jury and keep the public's trust? Is there some new standard for "specific, credible evidence" of official wrongdoing that the rest of us don't understand? Increasingly, it appears that no scandal and no new revelations will transform Ms. Reno's "may" into a "shall." When the head of the Department of Justice will not perform her duties, and when the Justice Department has become an arm of the White House, an inquiry of impeachment then becomes the only option to investigate the sensational and unresolved controversies provoked by the President and his Administration.

Mr. BURTON. Mr. Lantos.

Mr. LANTOS. Thank you very much, Mr. Chairman.

Your opening statement is so pregnant with inaccuracies, misstatements, innuendos and false statements, that were I to respond to all of them we would be here until midnight. Let me just state one general item which I think sort of puts this thing in perspective.

You started out your statement by suggesting that a disagreement between an Attorney General and an FBI Director is unique in American history. I don't know what this reveals except your total lack of understanding of American history. Recent American history has given us countless examples of Attorneys General and FBI Directors disagreeing on important issues. And I find it not at all surprising that these two distinguished public servants occasionally find themselves on opposite sides of an issue. But let me put this whole investigation and the appearance of the Attorney General and the FBI Director in some perspective.

There has been an attempt on the part of the Republican majority of this committee to portray the 1996 elections as one between one party with pristine purity, obeying all Federal election laws, and the other party mired in illegal activities. Now, you don't have to have the IQ of a 10-year-old-child to recognize the absurdity of this underlying assumption. There were plenty of violations of law on both sides, and it is the position of the Democratic minority on this committee that every single one of these violations, whether committed by Democrats or Republicans, high or low, should be investigated to the fullest extent of the law and the perpetrators should be punished according to the law. This is our position.

Unfortunately, the conduct of this investigation by the majority has clearly indicated that this is the most lopsided and partisan investigation in American history. You issued some 700 subpoenas to Democrats and I believe 11 to Republicans. We have been unable to deal with any Republican violations because the majority has stifled us every step of the way.

Now, let me deal with the issues of this hearing. I want to say a few words about Janet Reno.

President Kennedy wrote a book entitled "Profiles in Courage." And if a sequel will be written to that book entitled "Profiles of Integrity," the most noble chapter of that profile will be a profile of this distinguished Attorney General. I meet, as many of you do, with students who visit Washington on various programs. And invariably I use Janet Reno as the paragon of public virtue, as the paragon of an outstanding, impeccable public servant. And I would like to extend to our distinguished Attorney General my personal apologies for the outrageous statements made about you and concerning you over recent weeks. These are cheap, petty, partisan political attacks, and the people who make them will be thrown into the dust bin of history while your fine record will stand here as an important chapter in American history.

Let me also say a word about the Director of the FBI. I have the highest regard for this distinguished public servant. He has served our Nation with exemplary effectiveness, integrity, and intelligence. And I profoundly deplored the attempts of the Republicans on this committee and in this town to try to drive a wedge between

two distinguished, outstanding public servants, both of them of impeccable integrity.

I want to say a word about Mr. Burton's comments concerning conflicts of interest in the Attorney General conducting this investigation.

The facts are, Mr. Burton, that the independent counsel law was written by the Congress. It was not written by Louis Freeh or Janet Reno. That law gives the Attorney General sole jurisdiction in determining whether an independent counsel is called for or not. She takes advice from many sources. But the judgment call is hers.

The fact that we occasionally disagree with judgment calls is nothing new. The Supreme Court often has five to four decisions. It would be preposterous and absurd to question the integrity of the four or the five who are on different sides of those cases. But this is really not the Supreme Court. This is a staff agency.

Let me indicate from the Justice Department manual the role of the FBI. And I am quoting. The FBI is a fact-finding and reporting agency only. The results of FBI investigations are furnished without recommendation or conclusion to the U.S. Attorney's Office or to the Department for the determination of appropriate action. The decision for action to be taken is the sole responsibility of the U.S. Attorneys or the Department and special agents are not authorized to express an opinion as to such matters.

The Attorney General received advice from the FBI Director. She received advice from many other sources. And with her customary and traditional integrity and independence, she made a judgment.

Now, the people whose hatred for the Clinton administration has reached pathological proportions simply cannot deal with this. They simply cannot deal with this. They become livid because they think that they will be missing yet another opportunity to attack the administration. Now, that is too bad. That is too bad. In some cases only quick medical advice may be helpful in dealing with the degree of pathological hatred that permeates portions of this town.

I also find it amusing, truly amusing, Mr. Burton, that you cite the New York Times editorials as your ultimate source of wisdom. I wonder how many times during the last decades you found the New York Times editorial judgments horrendous, abhorrent, idiotic. There are editorial judgments on both sides of this issue. Scores of distinguished newspapers agreed with the decision of the Attorney General. Others disagree with her decision. That is the nature of a free and open and democratic society.

I would also like to make an observation concerning your demand for the FBI Director's recent memorandum to the Attorney General. I want to be very careful that you listen to the letter I am about to read because this letter was sent to you and signed by both our distinguished Attorney General and our distinguished Director of the Federal Bureau of Investigation.

December 8, 1997, to Mr. Burton:

> We are writing in response to your December 5 letter and subpoenas seeking a copy of the Director's recent memorandum to the Attorney General. The memorandum expresses the Director's views about whether the Attorney General should request the appointment of an independent counsel and about other matters relating to the pending campaign finance investigation.
>
> We remain quite concerned.

Not I, not the Attorney General, we, the FBI Director and the Attorney General.

We remain quite concerned that releasing the Director's memorandum to Congress would compromise the Department's ability to discharge its responsibilities for the fair administration of justice. As a general matter, we feel strongly that the Attorney General's decisionmaking on prosecutorial matters must have the benefit of candid and confidential advice and recommendations from the Director and other Department officials and employees. More specifically, we believe that both the integrity of the criminal justice process and the Government's ability to prevail in particular prosecutions could be threatened by acceding to the Committee's demand.

Parenthetically, I might add, it was not the committee's demand, it was the Republicans' demand on the committee. On the Democratic side, we think this demand was outrageous.

I am continuing to quote from the letter written by Director Freeh and Attorney General Reno.

Public and judicial confidence in the criminal justice process would be undermined by congressional intrusion into an ongoing criminal investigation. Access to the confidential details of an ongoing investigation would place Members of Congress in a position to exert certain pressure or attempt to influence the prosecution of specific cases, irreparably damaging enforcement efforts.

Irreparably damaging enforcement efforts.

Moreover, the disclosure of this memorandum could provide a "road map" of our investigation. The document, or information contained therein, could come into the possession of the targets of the investigation through inadvertence or deliberate act on the part of someone having access to the documents. The investigation could thereby be seriously prejudiced by the revelation of the direction of the investigation or information about the evidence we possess. In addition, the reputation of individuals mentioned in a document like this could be severely damaged by the public release of information about them, even though the case might ultimately not warrant prosecution.

Finally, the Department has reviewed the precedent cited in your letter,

that is the Burton letter,

and in the accompanying Congressional Research Service memorandum. It is unprecedented,

I repeat, it is unprecedented,

for a Congressional committee to demand internal decisionmaking memoranda generated during an ongoing criminal investigation.

What you are asking for, Mr. Burton, is unprecedented.

Returning to the letter:

None of the cited examples are to the contrary. In particular, the three prior matters that you highlighted in your letter did not involve ongoing criminal investigations and, therefore, are not relevant precedents.

We have decided,

we, again, the Attorney General and the head of the FBI,

We have decided for the foregoing reasons that we must respectfully continue to decline your request for the memorandum. We will be prepared at tomorrow's Committee hearing to respond to your questions to the fullest extent we can, consistent with our law enforcement responsibilities. We are hopeful that our participation in the hearing will respond to your concerns. If questions remain after the hearing, we would be willing to discuss them further in a manner that properly accommodates both the legislative and executive branch concerns. Sincerely, signed, Janet Reno, Attorney General; Louis J. Freeh, Director, Federal Bureau of Investigation.

[NOTE.—The information referred to can be found on p. 101.]

Mr. LANTOS. Well, this is the response of two responsible public servants to an irresponsible, politically motivated, tawdry, partisan request, and I want to fully associate myself with that letter.

The facts speak for themselves. As the Attorney General has stated, the investigation is ongoing. If, in her judgment, at any time in the future she feels that an independent counsel should be appointed, I have full confidence she will do so. Janet Reno has appointed more independent counsels than any Attorney General in American history. This is not a person who will be intimidated; this is not a person who can be threatened; this is not a person who can be bullied. She is a person who is an enormously competent attorney, who responds to her own conscience, who follows the law, and who follows the facts. That is why she stands in such high admiration by the American people.

Thank you, Mr. Chairman.

Mr. BURTON. Before I ask the Attorney General to be sworn in, I ask unanimous consent that all committee, Department of Justice and FBI correspondence we have traded over the past 2 weeks be included in the record. Without objection, so ordered.

[The information referred to follows:]

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ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

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BERNARD SANDERS, VERMONT
INDEPENDENT

December 8, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania, N.W.
Washington, D.C. 20530

Dear General Reno:

We understand that you have requested that you and the FBI Director be on the same panel during our hearing tomorrow, December 9, 1997. We have made the decision to proceed with three separate panels. You will be on the first panel; Director Freeh will be on the second panel; and Independent Counsel Smaltz will be on the third panel.

As you know, there are a number of legal and investigative questions which members of this Committee have for both you and Director Freeh. Given that the questions for each of you may differ substantially, we do intend to have two separate panels to discuss these issues. For example, there are many legal issues which will be solely directed to you and would not necessarily be directed to Mr. Freeh. We believe proceeding with separate panels will be more conducive to thoroughly discussing the issues before us.

As I have previously indicated, we are beginning the hearing at 9:30 a.m. as a result of your request to begin the hearing earlier. However, we would ask that you be available before the committee until approximately 2p.m. We have informed Director Freeh that he will be the second panel which we do not anticipate beginnning until 1p.m. or 2p.m.

We look forward to discussing these matters with you tomorrow.

Sincerely,

Dan Burton

Dan Burton
Chairman

Office of the Attorney General
Washington, D. C. 20530

December 8, 1997

Honorable Dan Burton
Chairman
Committee on Government
Reform and Oversight
House of Representatives
Washington, D.C. 20515
Dear Mr. Chairman:

We are writing in response to your December 5th letter and subpoenas seeking a copy of the Director's recent memorandum to the Attorney General. The memorandum expresses the Director's views about whether the Attorney General should request the appointment of an independent counsel and about other matters relating to the pending campaign finance investigation.

We remain quite concerned that releasing the Director's memorandum to Congress would compromise the Department's ability to discharge its responsibilities for the fair administration of justice. As a general matter, we feel strongly that the Attorney General's decisionmaking on prosecutorial matters must have the benefit of candid and confidential advice and recommendations from the Director and other Department officials and employees. More specifically, we believe that both the integrity of the criminal justice process and the Government's ability to prevail in particular prosecutions could be threatened by acceding to the Committee's demand.

Public and judicial confidence in the criminal justice process would be undermined by congressional intrusion into an ongoing criminal investigation. Access to the confidential details of an ongoing investigation would place Members of Congress in a position to exert pressure or attempt to influence the prosecution of specific cases, irreparably damaging enforcement efforts.

Moreover, the disclosure of this memorandum could provide a "road map" of our investigation. The document, or information contained therein, could come into the possession of the targets

of the investigation through inadvertence or deliberate act on the part of someone having access to the documents. The investigation could thereby be seriously prejudiced by the revelation of the direction of the investigation or information about the evidence we possess. In addition, the reputation of individuals mentioned in a document like this could be severely damaged by the public release of information about them, even though the case might ultimately not warrant prosecution.

Finally, the Department has reviewed the precedents cited in your letter and in the accompanying Congressional Research Service memorandum. It is unprecedented for a Congressional committee to demand internal decisionmaking memoranda generated during an ongoing criminal investigation. None of the cited examples are to the contrary. In particular, the three prior matters that you highlighted in your letter did not involve ongoing criminal investigations and, therefore, are not relevant precedents.

We have decided for the foregoing reasons that we must respectfully continue to decline your request for the memorandum. We will be prepared at tomorrow's Committee hearing to respond to your questions to the fullest extent we can, consistent with our law enforcement responsibilities. We are hopeful that our participation in the hearing will respond to your concerns. If questions remain after the hearing, we would be willing to discuss them further in a manner that properly accommodates both legislative and executive branch interests.

Sincerely,

Janet Reno
Attorney General

Louis J. Freeh, Director
Federal Bureau of Investigation

cc: The Honorable Henry A. Waxman
Ranking Minority Member

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BERNARD SANDERS, VERMONT
INDEPENDENT

December 5, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno.

I am in receipt of your December 5, 1997 letter declining to provide the Committee with a copy of Director Freeh's recent memorandum (hereinafter "Freeh memo") which reportedly recommended the appointment of an Independent Counsel in the campaign finance investigation. *See* Letter from Attorney General Janet Reno to Chairman Dan Burton ("Reno Letter") (December 4, 1997). I respectfully request that you reconsider your decision. Congress has a constitutional obligation to review whether officials of the executive branch faithfully execute the nation's laws and the Freeh memo will assist us in that endeavor.

It is highly unusual that the Attorney General and the Director of the FBI would disagree on a matter which is so wide ranging and is of great national significance. The investigation by the DOJ task force involves issues of great national policy and has potentially serious national security implications. The public must be assured that the investigation is thorough, vigorous, and not tainted by politics. These are the reported reasons why Director Freeh urged you to apply for the appointment of the Independent Counsel.

The public has a right to know why the Director of the FBI is concerned about the progress of the investigation. It has the right to now whether it is effective or not. It has the right to know whether it is a competent investigation or whether the Department is institutionally incapable of conducting this investigation in the appropriate way. Concerns about over compartmentalization, micro management and delay have been reported by the media. The American people deserve to know the truth about the investigation.

In your letter you recognized "the Committee's oversight responsibilities in this area and [the Department of Justice] is committed to seeking to satisfy the Committee's legitimate needs for information." Reno Letter. As you know, the Committee is reviewing many of the same issues that your campaign fund-raising task force is investigating, including determining whether an independent counsel should be appointed to investigate the multitude of matters and questions

raised. You would be doing the American people a service by turning over to the Committee the Freeh memo. The memo and some of its contents have already been extensively reported and confirmed by various government sources. The Committee needs the memorandum to fully carry out its oversight function.

Such disclosure to a congressional committee is far from being unprecedented. The attached memorandum from the nonpartisan Congressional Research Service outlines some of the instances in which the Justice Department disclosed information regarding pending criminal investigations. I will not restate them all here; however, I would like to point out the following notable examples.

- Rocky Flats Environmental Crimes Plea Bargain.--In 1992, the Department turned over to the Subcommittee on Investigations and Oversight of the House Committee on Science, Space, and Technology, FBI field investigative reports and interview summaries, witness interview transcripts, documents submitted to the grand jury not subject to Rule 6(e) of the Federal Rules of Criminal Procedure, and other materials relating to the proceeding.

- Iran-Contra.--In the late 1980's, the Iran-Contra committees overruled the Department's claim that providing certain documents would prejudice the pending or anticipated litigation by the Independent Counsel. DOJ eventually turned over all Justice Department Documents needed for their inquiry.

- EPA Documents.--The House Commerce Committee in the early 1980's, then chaired by Congressman John Dingell, demanded that DOJ turn over certain EPA documents that were being withheld by DOJ. DOJ responded that it would not provide the Committee with access to ongoing criminal files consistent with the longstanding practice of the Department. After a period of negotiation, all of the documents were turned over to the Dingell Committee.

In your letter, you explained that you would not disclose the Freeh memorandum to the Committee because it is "the longstanding Department policy of declining to provide congressional committees with access to open law enforcement files." You quoted at length from a 1986 Office of Legal Counsel opinion which reiterated the basic position of the Department articulated in 1941 by Attorney General Robert H. Jackson. The fact that an agency, such as the Justice Department, has determined for its own internal purposes that a particular item should not be disclosed, or that the information sought should come from one agency source rather than another, does not prevent either House of Congress, or its committees or subcommittees, from obtaining and publishing information it considers essential for the proper performance of its constitutional functions. Notwithstanding the "policy" of the Department, which does not have the force and effect of law, the Supreme Court and lower courts have held

time and again that the investigatory power of Congress is so essential to the legislative function as to be implied from the general vesting of legislative power in Congress. *E.g., McGrain v. Daugherty*, 272 U.S. 135 (1927); *Watkins v. United States*, 354 U.S. 178 (1957); *Barenblatt v. United States*, 360 U.S. 109 (1950); *Eastland v. United States Servicemen's Fund*, 421 U.S. 491 (1975); see also, *United States v. A.T.& T.*, 551 F.2d 384 (D.C. Cir. 1976) and 567 F.2d 121 (D.C. Cir. 1977).

In *Eastland* the Court explained that "'[t]he scope of its power of inquiry ... is as penetrating and far-reaching as the potential power to enact and appropriate under the Constitution.'" *Id.* at 504, n. 15 (quoting *Barenblatt, supra*, 360 U.S. at 111). In *Watkins* the Court further described the breadth of the power of inquiry: "The power of the Congress to conduct investigations is inherent in the legislative process. That power is broad. It encompasses inquiries concerning the administration of existing laws as well as proposed or possibly needed statutes." 354 U.S. at 187. "[T]he first Congresses" held "inquiries dealing with suspected corruption or mismanagement of government officials." *Id.* at 182. In a series of Supreme Court cases, "[t]he Court recognized the danger to effective and honest conduct of the Government if the legislative power to probe corruption in the Executive Branch were unduly hampered." *Id.* at 194-95. Accordingly, the Court stated, it recognizes "the power of the Congress to inquire into and publicize corruption, maladministration, or inefficiencies in the agencies of Government." *Id.* at 200 n. 33.

The foundation cases establishing Congress' broad power to probe arose out of the Teapot Dome investigations, the 1920's scandal regarding oil company payoffs to officials in the Harding Administration. A major concern of the Congressional oversight investigation was the failure of Attorney General Harry M. Daugherty's Justice Department to prosecute the alleged government malefactors. When Congressional committees attempting to investigate came up against refusals to provide information, the issue went to the Supreme Court and provided the Court with the opportunity to issue a seminal decision describing the constitutional basis and reach of congressional oversight. In *McGrain v. Daugherty*, 273 U.S. 135, 151 (1927), the Supreme Court focused specifically on Congress's authority to study "charges of misfeasance and nonfeasance in the Department of Justice." The Supreme Court noted with approval that "the subject to be investigated" by the Congressional committee "**was the administration of the Department of Justice -- whether its functions were being properly discharged or were being neglected or misdirected, and particularly whether the Attorney General and his assistants were performing or neglecting their duties in respect of the institution and prosecution of proceedings to punish crimes**. . . ." *Id.* at 177 (emphasis added). In its decision, the Supreme Court sustained the contempt arrest of the Attorney General's brother for withholding information from Congress, since Congress "would be materially aided by the information which the investigation was calculated to elicit." *Id.* Thus, the Supreme Court unequivocally precluded any blanket claim by the Executive that oversight could be barred regarding "whether the Attorney General and his assistants were performing or neglecting their

duties in respect of the institution and prosecution of proceedings."

More instructive, and illuminating, is a review of the history of important precedents over the last 70 years regarding oversight of the Justice Department itself. The attached memorandum from the Congressional Research Service demonstrates that DOJ has consistently been obligated to submit to Congressional oversight, regardless of whether litigation is pending, so that Congress is not delayed unduly in investigating misfeasance and/or malfeasance in the Justice Department and elsewhere. A number of these investigations spawned seminal Supreme Court rulings that today provide the foundation for the broad Congressional power of inquiry. All involved Executive claims that committee demands for agency documents and testimony were precluded on the basis of constitutional or common law privilege or policy.

In the majority of instances reviewed, investigating committees were provided with documents respecting open or closed cases that included prosecutorial memoranda, FBI investigative reports, summaries of FBI interviews, memoranda and correspondence prepared during the pendency of cases, confidential instructions outlining the procedures or guidelines to be followed for undercover operations and the surveillance and arrests of suspects, and documents presented to grand juries, among other similar "sensitive" materials. The instances of DOJ oversight reviewed, which are not exhaustive of such inquiries, occurred both before and after the 1941 Jackson opinion and the Office of Legal Counsel opinion so heavily relied on by you in your letter.

Unless you can articulate a countervailing constitutionally based privilege or identify a specific provision of law which overcomes this Committee's right to obtain the Freeh memo, I request that you deliver a copy of the memo to the Committee's offices no later than 12 noon, Monday, December 8. Thank you for your consideration of this important request.

Sincerely,

Dan Burton
Chairman

Enclosure

Congressional Research Service • The Library of Congress • Washington, D.C. 20540-7000

December 5, 1997

TO : House Committee on Government Reform and Oversight
Attention: Will Moschella

FROM : American Law Division

SUBJECT : Selected Congressional Investigations of the Department of Justice Since 1920

You have asked that we compile instances of congressional investigations of the Department of Justice which involved both open and closed investigations in which the Department agreed to supply documents pertaining to those investigations, including litigation memoranda and correspondence, and to provide Department line attorneys and investigative personnel for staff interviews and for testimony before committees. In response, we submit the following.

In addition, due to the short deadline for this request, we were unable to include in the compilation a summary of the most significant recent investigation of the Department, by the House Committee on Energy and Commerce between 1992 and 1994 involving the Department's Enviromental Crimes Section, during which numerous investigative material and line attorneys and other investigative personnel were provided to the Committee. A full recounting of the history and accomplishments of that inquiry may be found in "Damaging Disarray: Organizational Breakdown and Reform in the Justice Department's Enviromental Crimes Program", Staff Report for the House Subcommittee on Oversight and Investigations, Committee on Energy and Commerce (Committee Print No. 103-T, December 1994).

Palmer Raids

In 1920 and 1921, investigations were held in the Senate and House into the so-called "Palmer raids" in which, under the direction of Attorney General A. Mitchell Palmer, thousands of suspected Communists and others allegedly advocating the overthrow of the government were arrested and deported. See Charges of Illegal Practices of the Department of Justice: Hearings Before a Subcommittee of the Senate Committee on the Judiciary, 66th Congress, 3d Session (1921)(hereinafter "Senate Palmer Hearings"); Attorney General A. Mitchell Palmer on Charges Made Against Department of Justice by Louis F. Post and Others: Hearings Before the House Committee on Rules, 66th Congress, 2d Session (1920)(hereinafter "House Palmer Hearings"). Attorney

General Palmer, accompanied by his Special Assistant, J. Edgar Hoover, during three days of testimony at the Senate hearings discussed the details of numerous deportation cases, including cases which were on appeal. Senate Palmer Hearings at 38-98, 421-86, 539-63. House Palmer Hearings at 3-209. In support of his testimony, Palmer provided the Subcommittee with various Department memoranda and correspondence, including Bureau of Investigation reports concerning the deportation cases. *E.g.*, Senate Palmer Hearings at 431-43, 458-69, 472-76. Among the materials provided were the Department's confidential instructions to the Bureau outlining the procedures to be followed in the surveillance and arrest of the suspected Communists, *id.* at 12-14, 18-19, and a lengthy "memorandum of comments and analysis" prepared by one of Palmer's special assistants, which responded to a District Court opinion, at the time under appeal, critical of the Department's actions in these deportation cases, *id.* at 484-538.

Teapot Dome

Several years later, the Senate conducted an investigation of the Teapot Dome Scandal. While the Senate Committee on Public Lands and Surveys focused on the actions of the Department of the Interior in leasing naval oil reserves, a Senate select committee was constituted to investigate "charges of misfeasance and nonfeasance in the Department of Justice," *McGrain v. Daugherty*, 273 U.S. 135, 151 (1927), in failing to prosecute the malefactors in the Department of the Interior, as well as other cases. Investigation of Hon. Harry M. Daughtery, Formerly Attorney General of the United States: Hearings Before the Senate Select Committee on Investigation of the Attorney General, vols. 1-3, 68th Congress, 1st Session (1924). The select committee heard from scores of present and former attorneys and agents of the Department and its Bureau of Investigation, who offered detailed testimony about specific instances of the Department's failure to prosecute alleged meritorious cases. Not all of the cases upon which testimony was offered were closed, as one of the committee's goals in its questioning was to identify cases in which the statute of limitations had not run out and prosecution was still possible. *See, e.g., id.* at 1495-1503, 1529-30, 2295-96.

The committee also obtained access to Department documentation, including prosecutorial memoranda, on a wide range of matters. However, although Attorney General Daugherty had promised cooperation with the committee, and had agreed to provide access to at least the files of closed cases, *id.* at 1120, such cooperation apparently was not forthcoming, *id.* at 1078-79.

In two instances immediately following Daugherty's resignation, the committee was refused access to confidential Bureau of Investigation investigative reports pending the appointment of a new Attorney General who could advise the President about such production, *id.* at 1015-16 and 1159-60, though witnesses from the Department were permitted to testify about the investigations that were the subject of the investigative reports and even to read at the hearings from the investigative reports. With the appointment of the new Attorney General, Harlan F. Stone, the committee was granted broad access to Department files. Committee Chairman Smith Brookhard remarked that "[Stone] is furnishing us with all the files we want, whereas the former Attorney General, Mr. Daugherty, refused nearly all that we asked." *Id.* at 2389. For

example, with the authorization of the new Attorney General, an accountant with the Department who had led an investigation of fraudulent sales of property by the Alien Property Custodian's office appeared and produced his confidential reports to the Bureau of Investigation. The reports described the factual findings from his investigation and his recommendations for further action, and included the names of companies and individuals suspected of making false claims. The Department had not acted on those recommendations, though the cases had not been closed. *Id.* at 1495-1547. A similar investigative report, concerning an inquiry into the disappearance of large quantities of liquor under the control of the Department during the prior administration of President Harding, was also produced. *Id.* at 1790.

As part of its investigation, the select committee issued a subpoena for the testimony of Mally S. Daugherty, the brother of the Attorney General. After Mally Daugherty failed to respond to the subpoena, the Senate sent its Deputy Sergeant at Arms to take him into custody and bring him before the Senate. Daugherty petitioned in federal court for a writ of *habeas corpus*, arguing that the Senate in its investigation had exceeded its constitutional powers. The case ultimately reached the Supreme Court, where, in a landmark decision, *McGrain v. Daugherty*, 273 U.S. 135 (1927), the Court upheld the Senate's authority to investigate these charges concerning the Department:

> [T]he subject to be investigated was the administration of the Department of Justice--whether its functions were being properly discharged or were being neglected or misdirected, and particularly whether the Attorney General and his assistants were performing or neglecting their duties in respect of the institution and prosecution of proceedings to punish crimes and enforce appropriate remedies against the wrongdoers--specific instances of alleged neglect being recited. Plainly the subject was one on which legislation could be had and would be materially aided by the information which the investigation was calculated to elicit.

273 U.S. at 177.

In another Teapot Dome case that reached the Supreme Court, *Sinclair v. United States*, 279 U.S. 263 (1929), a different witness at the Congressional hearings refused to provide answers, and was prosecuted for contempt of Congress. The witness had noted that a lawsuit had been commenced between the government and the Mammoth Oil Company, and declared, "I shall reserve any evidence I may be able to give for those courts... and shall respectfully decline to answer any questions propounded by your committee." *Id.* at 290. The Supreme Court upheld the witness' conviction for contempt of Congress. The Court considered and rejected in unequivocal terms the witness's contention

that the pendency of lawsuits gave an excuse for withholding information. Neither the laws directing that such lawsuits be instituted, nor the lawsuits themselves, "operated to divest the Senate, or the committee, of power further to investigate the actual administration of the land laws." *Id.* at 295.

The Court further explained: "It may be conceded that Congress is without authority to compel disclosure for the purpose of aiding the prosecution of pending suits; but the authority of that body, directly or through its committees to require pertinent disclosures in aid of its own constitutional power is not abridged because the information sought to be elicited may also be of use in such suits." *Id.* at 295.

Investigations of DOJ During The 1950's

In 1952, a special House subcommittee was constituted to conduct an inquiry into the administration of the Department of Justice. The subcommittee conducted a lengthy investigation from 1952 to 1953, developing thousands of pages of testimony on a range of allegations of abuses and inefficiencies in the Department. Investigations of the Department of Justice: Hearings Before the Special Subcommittee to Investigate the Department of Justice of the House Committee on the Judiciary, parts 1 and 2, 82d Congress, 2d Session (1952), parts 1 and 2, 83d Congress, 1st Session (1953)(hereafter "DOJ Investigation Hearings"). The subcommittee summarized its conclusions about its inquiries during the 82d Congress in Investigation of the Department of Justice, H.R. Rep. No. 1079, 83d Congress, 1st Session (1953)(hereinafter "DOJ Investigation Report"). Among the subjects of inquiry considered during these hearings were the following:

1. Grand Jury Curbing

Extensive testimony was heard about a charge that the Department had attempted improperly to curb a grand jury inquiry in St. Louis into the failure to enforce federal tax fraud laws. After taking testimony in executive session from one witness, the subcommittee suspended its hearings on this subject pending the discharge of the grand jury. *Id.* at 753. The subcommittee resumed its hearings several months later, at which time testimony was taken from the former Attorney General, a former Assistant Attorney General, the Chief of the appellate section of the Tax Division, and an Assistant U.S. Attorney. Several members of the St. Louis grand jury also testified before the subcommittee. In addition to intradepartmental correspondence, *see id.* at 1256-57, 1270-71, among the materials that the subcommittee reviewed and included in the public record were transcripts of telephone conversations between various Department attorneys concerning the grand jury investigation. *Id.* at 759-66.[1]

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[1] Other memoranda and documents from the Department were reviewed by the subcommittee and kept in its confidential files, for example, a letter of instruction from the Attorney General to the Department attorney that had been sent to St. Louis. *Id.*

(continued...)

The subcommittee's questions to the grand jurors focused on efforts by Department attorneys to prevent them from conducting a thorough investigation and on whether the grand jury had been pressured by those attorneys to issue a report absolving the government of impropriety in its handling of tax fraud cases. *Id.* at 766-808. Similar questions were asked of the present and former Department attorneys who testified, *id.* at 808-894, 1064-1117, 1256-1318, and at one point the subcommittee asked for, and an Assistant U.S. Attorney provided, the names of certain witnesses who had appeared before the grand jury. *Id.* at 811. Later that same year, the subcommittee examined similar charges of interference by the Department with another grand jury, which had been investigating Communist infiltration of the United Nations. The subcommittee received testimony from a number of grand jurors and Department attorneys, including then Criminal Division attorney Roy Cohn. *Id.* at 1653-1812. The subcommittee's chief counsel again cautioned that "[t]he sanctity of the grand jury as a process of American justice must be protected at all costs," and stated that the subcommittee was seeking information solely relating to attempts to delay or otherwise influence the grand jurors' deliberations, not which would reveal the actual testimony of witnesses appearing before them. *Id.* at 1579-80.

2. Prosecution of Routine Cases

Attorney General McGrath resigned in April 1952, in part in response to the evidence uncovered by the subcommittee of corruption in the Department, particularly in the Tax Division. As a result of the replacement of McGrath by James P. McGranery, and the Administration's concern about these reports of corruption, the subcommittee observed "a new and refreshing attitude of cooperation which soon appeared at all levels in the Department of Justice." DOJ Investigation Report at 69. The subcommittee declared that "its work has been limited only by the capacity of its staff to digest the sheer volume of available fact and documentary evidence relating to the Department's work. Everything that has been requested has been furnished, including file materials and administrative memoranda which had previously been withheld." *Id.*

For example, in investigating charges that the Department was often dilatory in its handling of routine cases, the subcommittee staff undertook a detailed analysis of a number of cases in which delay was alleged to have occurred. To demonstrate publicly the nature of this problem, the subcommittee chose a procurement fraud case that had been recently closed, and conducted a "public file review" of the case at a subcommittee hearing. Attorneys from the Department at the hearing went document by document through the Department's file in the case. DOJ Investigative Hearings (82d Congress) at

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[1](...continued)
at 890. In addition, the district court judge that had convened the grand jury gave the subcommittee permission to use the notes of the U.S. Attorney in St. Louis and of one of the grand jurors, with all names deleted. *Id.* The judge also submitted a deposition to the subcommittee about the Department's interference with the grand jury. *Id.* at 891-93.

895-964. The subcommittee was granted access to all of the documentation collected in the case, with the exception of confidential FBI reports which the subcommittee had agreed not to seek. However, certain FBI communications from the FBI to the Department concerning the prosecution of the case were provided. *Id.* at 897.

3. New York City Police Brutality

During the 83d Congress, the subcommittee turned to allegations that the Criminal Division has entered into an agreement with the New York City Police Department not to prosecute instances of police brutality by New York police officers that might be violations of federal civil rights statutes. The subcommittee stated that its purpose was not to inquire into the merits of particular cases, only to ascertain whether such an arrangement had been entered into between the Justice Department and the New York City police. DOJ Investigation Hearings (83d Congress) at 26.

Department witnesses included a former Attorney General, several present and former Assistant Attorneys General, as well as other Department attorneys and FBI agents. *Id.* at 25-294. The substance of earlier meetings between Department officials and the New York City Police Commissioner in which this arrangement was allegedly agreed to was probed in depth. Although questions concerning the merits of specific cases were avoided, the subcommittee obtained from these witnesses a chronology of the Department's actions in a number of cases. The subcommittee received Department memoranda and correspondence, as well as telephone transcripts of the intradepartmental conversations of a United States Attorney. *Id.* at 62-63, 233-34, 239-41, 258-59, 262, 269-73.

Investigation of Consent Decree Program

In 1957 and 1958, the Antitrust Subcommittee of the House Judiciary Committee conducted an inquiry into the negotiation and enforcement of consent decrees by the Antitrust Division, and their competitive effect, with particular emphasis on consent decrees that had been recently entered into with the oil-pipeline industry and AT&T. See Consent Degree Program of the Department of Justice: Hearings before the Antitrust Subcomm. (Subcomm. No. 5) of the House Comm. on the Judiciary, parts I & II, 85th Cong., 1st & 2d Sess. (1957-58)(hereafter "Consent Decree Hearings"); Antitrust Subcomm. (Subcomm. No. 5), 86th Cong., 1st Sess., Report on Consent Decree Program of the Department of Justice (Comm. Print 1959)(hereafter "Consent Decree Report"). The subcommittee developed a 4492 page hearing record, holding seventeen days of hearings on the AT&T consent decree and four days of hearings on the oil pipeline consent decree.

The subcommittee experienced what it viewed as a lack of cooperation from the Department throughout its investigation, stating that "[t]he extent to which the Department of Justice went to withhold information from the committee in this investigation is unparalleled in the committee's experience." Consent

Decree Report at xiii. With respect to the AT&T consent decree, DOJ unconditionally refused to make available to the subcommittee information from its files of that case. The subcommittee's chairman initially had written the Attorney General, requesting that he make available "all files in the Department of Justice relating to the negotiations for, and signing of, a consent decree in this case." Consent Decree Hearings at 1674.

Deputy Attorney General William P. Rogers asserted two grounds to support the Department's refusal to provide the subcommittee with such access. First, that the files contained information voluntarily submitted by AT&T in the course of consent decree negotiations. Rogers wrote the subcommittee chairman that "[w]ere [the files] made available to your subcommittee, this Department would violate the confidential nature of settlement negotiations and, in the process, discourage defendants, present and future, from entering into such negotiations." *Id.* at 1674-75. In a later letter, the head of the Antitrust Division, Victor Hansen, added that "[t]hose considerations which require that the Department treat on a confidential basis communications with a defendant during consent decree negotiations also apply to the enforcement of a decree." *Id.* at 3706.

The second reason given by Rogers for the Department's refusal to provide the subcommittee access to the AT&T files was that they contained memoranda and recommendations prepared by staff of the Antitrust Division, and the "essential process of full and flexible exchange might be seriously endangered were staff members hampered by the knowledge they might at some later date be forced to explain before Congress intermediate positions taken." *Id.* at 1675. Rogers stated that this action was being taken in accordance with in an earlier directive from the President to the Department to that effect, which provided:

> Because it is essential to efficient and effective administration that employees of the executive branch be in a position to be completely candid in advising with each other on official matters, and because it is not in the public interest that any of their conversations or communications, or any documents or reproductions, concerning such advice be disclosed, you will instruct employees of your Department that in all of their appearances before [congressional] committees not to testify to any such conversations or communications or to produce any such document or reproductions. This principle must be maintained regardless of who would be benefitted by such disclosures.

Id.

The subcommittee in its final report asserted that the "Attorney General refused access to the files of the Department of Justice primarily in order to

prevent disclosure of facts that might prove embarrassing to the Department." Consent Decree Report at 42. The subcommittee further concluded that such withholding had "materially hampered the committee's investigation." However, it may be noted that the subcommittee was ultimately able to obtain much of the material concerning the AT&T consent decree that DOJ refused to provide directly from AT&T itself. *Id.*

The Department was, however, somewhat more forthcoming in permitting testimony of its attorneys about the AT&T consent decree. For example, the head of the Antitrust Division instructed two Division attorneys who had dissented from the decision to enter into the AT&T consent decree and had been called to testify before the subcommittee that "we do not at the present time think it appropriate...to...assert any privilege on behalf of the Department with regard to any information within [your] knowledge which is relevant to the negotiations of the decree in the Western Electric case." Consent Decree Hearings at 3647. These two attorneys later testified about those negotiations, including their reasons for differing with the Department's decision to enter into the consent decree. *Id.* at 3711-44.

Cointelpro and Related Investigations of FBI-DOJ Misconduct

Over the period 1974-1978, Senate and House committees examined the intelligence operations of a number of federal agencies, including the domestic intelligence operations of the FBI and various units of the Justice Department such as the Interdivision Information Unit. See S. Rep. No. 755, Books 1-3, 94th Cong., 2d Sess. (1976)(hereafter "Senate Intelligence Report"); Intelligence Activities, Senate Resolution 21: Hearings Before the Senate Select Comm. to Study Governmental Operations with Respect to Intelligence Activities, vols. 1-6, 94th Cong., 1st Sess. (1975)(hereafter "Senate Intelligence Hearings"); FBI Oversight: Hearings Before the Subcomm. on Civil and Constitutional Rights of the House Comm. of the Judiciary, parts 1-3, 94th Cong., 1st & 2d Sess. (1975-1976), parts 1-2, 95th Cong., 1st & 2d Sess. (1978)(hereafter "House FBI Hearings"). A select Senate committee examined 800 witnesses: 50 in public session, 250 in executive sessions and the balance in interviews. Senate Intelligence Report, Book II, at ix n.7. A number of those providing public testimony were present and former officials of the FBI and the Department of Justice.

The Select Committee estimated that in the course of its investigation it had obtained from these intelligence agencies and other sources approximately 110,000 pages of documents (still more were preliminarily reviewed at the agencies). *Id.* Hundreds of FBI documents were reprinted as hearing exhibits, though "[u]nder criteria determined by the Committee, in consultation with the Federal Bureau of Investigation, certain materials have been deleted from these exhibits to maintain the integrity of the internal operating procedures of the FBI. Further deletions were made with respect to protecting the privacy of certain individuals and groups. These deletions do not change the material

content of these exhibits." Senate Intelligence Hearings at iv n.1. The select committee concluded in its final report that the "most important lesson" learned from its investigation was that "effective oversight is impossible without regular access to the underlying working documents of the intelligence community. Top level briefings do not adequately describe the realities. For that the documents are a necessary supplement and at times the only source." Senate Intelligence Report, Book II, ix n.7.

Hearings on FBI domestic intelligence operations also were held before the House Judiciary Subcommittee on Civil and Constitutional Rights beginning in 1975. A number of Department of Justice and FBI officials testified, including Attorneys General Levi and Bell and FBI Director Kelly. At the request of the Chairman of the Judiciary Committee, the General Accounting Office in 1974 began a review of FBI operations in this area. FBI Oversight Hearings (94th Congress), par 5 2, at 1-2. In an attempt to analyze current FBI practices, the GAO chose ten FBI offices involved in varying levels of domestic intelligence activity, and randomly selected for review 899 cases (ultimately reduced to 797) in those offices that were acted on that year. *Id.* at 3.

The FBI agreed to GAO's proposal to have FBI agents prepare a summary of the information contained in the files of each of the selected cases. These summaries described the information that led to opening the investigation, methods and sources of collecting of information for the case, instructions from FBI Headquarters, and a brief summary of each document in the file. After reviewing the summaries, GAO staff held interviews with the FBI agents involved with the cases, as well as the agents who prepared the summaries. *Id.* at 3-4.

These hearings were continued in 1977 to hear the results of a similar GAO review of the FBI's domestic intelligence operations under new domestic security guidelines established by the Attorney General in 1976. In its follow-up investigation GAO reviewed 319 additional randomly selected cases. As in its earlier review, GAO utilized FBI case summaries followed by agent interviews. This time, however, the Department also granted GAO access to copies of selected documents for verification purposes, with the names of informers and other sensitive data excised. House FBI Oversight Hearings (95th Congress), part 1, at 103.

White Collar Crime In The Oil Industry

In 1979, joint hearings were held by the Subcommittee on Energy and Power of the House Committee on Interstate and Foreign Commerce and the Subcommittee on Crime of the House Judiciary Committee to conduct an inquiry into allegations of fraudulent pricing of fuel in the oil industry and the failure of the Department of Energy and DOJ to effectively investigate and prosecute alleged criminality. See, White Collar Crime In the Oil Industry: Joint Hearings before the Subcommittee on Energy and Power of the House Committee on Interstate and Foreign Commerce and the Subcommittee on

Crime of the House Commerce on the Judiciary, 96th Cong., 1st Sess. (1979)(hereinafter "White Collar Crime Hearings). During the course of the hearing testimony and evidence were received in closed hearings regarding open cases in which indictments were pending and criminal proceedings were in progressing. In addition, a DOJ staff attorney testified in open session as to the reason for not going forward with a particular criminal prosecution. Although a civil prosecution of the same matter was then pending, DOJ agreed to supply the committees with documents leading to the decision not to prosecute. *Id.* at 156-57. The Department agreed to turn over documents regarding the determination not to prosecute and acknowledged they could be made public if "the committee has some compelling need." White Collar Crime Hearings at 157.

The hearing record evidenced the sensitivity of the subcommittees to the due process implications of their inquiry and the acquiescence of the Department in the manner in which the subcommittees received and handled the open-case criminal and civil materials. The Chairman of the Subcommittee on Energy and Power remarked: "We know indictments are outstanding. We do not wish to interfere with rights of any parties to a fair trial. To this end we have scrupulously avoided any actions that might have effected the indictment of any party. In these hearings we will restrict our questions to the process and the general schemes to defraud and the failure of the Government to pursue these cases. Evidence and comments on specific cases must be left to the prosecutors in the cases they bring to trial." *Id.* at 2. DOJ's Deputy Attorney General, Criminal Division, praised the Chairmen for their discreet conduct of the hearings: "I would like to commend Chairman Conyers, Chairman Dingell, and all other members of the committee and staff for the sensitivity which they have shown during the course of these hearings to the fact that we have ongoing criminal investigations and proceedings, and the appropriate handling of the question in order not to interfere with those investigations and criminal trials." *Id.* at 134. At the time, Mr. Civiletti was the Attorney General.

Billy Carter/Libya Investigation

A special subcommittee of the Senate Committee on the Judiciary was constituted in 1980 to investigate the activities of individuals representing the interests of foreign governments. Due to the short time frame which it was given to report its conclusions to the Senate, the subcommittee narrowed the focus of its inquiry to the activities of the President's brother, Billy Carter, on behalf of the Libyan government. See Inquiry into the Matter of Billy Carter and Libya: Hearings Before the Subcomm. to Investigate the Activities of Individuals Representing the Interests of Foreign Governments of the Senate Comm. on the Judiciary, vols. I-III, 96th Cong., 2d Sess. (1980)(hereafter "Billy Carter Hearings");Inquiry into the Matter of Billy Carter and Libya, S. Rep. No. 1015, 96th Cong., 2d Sess. (1980)(hereafter "Billy Carter Report"). A significant

portion of this inquiry concerned the Department's handling of its investigation of the Billy Carter matter, in particular whether Attorney General Benjamin R. Civiletti had acted improperly in withholding certain intelligence information about Billy Carter's contacts with Libya from the attorneys in the Criminal Division responsible for the investigation, or had otherwise sought to influence the disposition of the case.

Although there was early disagreement as to the extent of the subcommittee's access to certain information from the White House, there was no attempt by the Department to limit access to its attorneys involved with the Billy Carter case. The subcommittee heard testimony from several representatives of the Department, including Attorney General Civiletti, the Assistant Attorney General in charge of the Criminal Division, Philip B. Heymann, and three of his assistants. These witnesses testified about the general structure of decisionmaking in the Department, the nature of the investigation of Billy Carter's Libyan ties, the Attorney General's failure to immediately communicate intelligence information concerning Billy Carter to the Criminal Division attorneys conducting the investigation, the decision to proceed civilly and not criminally against Carter, and the effect of various actions of the Attorney General and the White House on that prosecutorial decision. Billy Carter Hearings at 116-30, 683-1153. The subcommittee also took depositions from some of these witnesses. Pursuant to a Senate Resolution providing it with such power, subcommittee staff took 35 depositions, totalling 2,646 pages. *Id.* at 1741-42.

The subcommittee also was given access to documents from the Department's files on the Billy Carter case. The materials obtained included prosecutorial memoranda, correspondence between the Department and Billy Carter, the handwritten notes of the attorney in charge of the foreign agents registration unit of the Criminal Division, and FBI investigative reports and summaries of interviews with Billy Carter and his associates. *Id.* at 755-978. Not included in the public record were a number of classified documents, which were forwarded to and kept in the files of the Senate Intelligence Committee. These classified documents were available for examination by designated staff members of the subcommittee and the Intelligence Committee, and some of the documents were later used by the subcommittee in executive session.

Undercover Law Enforcement Activities (ABSCAM)

In 1982, the Senate established a select committee to study the law enforcement undercover activities of the FBI and other components of the Department of Justice. See Law Enforcement Undercover Activities: Hearings Before the Senate Select Comm. to Study Law Enforcement Undercover Activities of Components of the Department of Justice, 97th Cong., 2d Sess. (1982)(hereafter "Abscam Hearings"); Final Report of the Senate Select Comm. to Study Undercover Activities of Components of the Department of Justice, S. Rep. No. 682, 97th Cong., 2d Sess. (1982). Representatives from the Department, including FBI Director William Webster, testified generally about

the history of undercover operations engaged in by the Department, their benefits and costs, and the policies governing the institution and supervision of such operations, including several sets of guidelines promulgated by the Attorney General. These witnesses also testified about Abscam and several other specific undercover operations conducted by the FBI and other units of the Department. Abscam Hearings at 10-85, 153-226, 255-559, 895-924, 1031-70.

In addition to the witnesses from the Department providing public testimony, committee staff conducted interviews with a number of present and former Department attorneys and FBI agents. Abscam Report at 8-10. Among those testifying or interviewed were several present and former members of the Department's Brooklyn Organized Crime Strike Force. The Department wrote the committee that it "does not normally permit Strike Force attorneys to testify before congressional committees [and]....have traditionally resisted questioning of this kind because it tends to inhibit prosecutors from proceeding through their normal tasks free from the fear that they may be second-guessed, with the benefit of hindsight, long after they take actions and make difficult judgements in the course of their duties." *Id.* at 486. The Department, nevertheless, agreed to this testimony, "because of their value to you as fact witnesses and because you have assured us that they will be asked to testify solely as to matters of fact within their personal knowledge and not conclusions or matters of policy." *Id.*

The most extensive focus of the committee's inquiry was on the FBI's Abscam operation, which lasted from early 1978 through January 1980, and resulted in the criminal conviction of one Senator, six Members of the House of Representatives, several local officials, and others. As part of this review, the subcommittee was "given access to almost all of the confidential documents generated during the covert stage of the undercover operation known as Abscam." *Id.* at v. In all, the committee reviewed more than 20,000 pages of Abscam documents, as well as video and audio tapes and tape transcripts, *id.* at 9, provided under the terms of an elaborate access agreement negotiated with the Department.

Pursuant to the agreement, the subcommittee was provided copies of confidential Abscam materials and certain prosecutorial memoranda from the Abscam cases. Under the agreement, the Department was also permitted to withhold from the committee documents that might compromise ongoing investigations or reveal sensitive sources or investigative techniques, though the Department was required to describe each such document withheld, explain the basis of the denial, and give the committee an opportunity to propose conditions under which the documents might be provided. The committee further agreed to a "pledge of confidentiality" under which it could use and publicly disclose information derived from the confidential documents and state that the information came from Department files, but was prohibited from publicly identifying the specific documents from which the information was obtained. All confidential documents were kept in a secure room, with access limited to the committee's members, its two counsel, and several designed document custodians. See generally, *id.* at v, 472-84. Later, DOJ agreed to grant access to those materials by other committee attorneys as well.

In addition to the documents to which it was given direct access, the committee received extensive oral briefings, including direct quotations, on basic factual material from the prosecutorial memoranda that were withheld, as well as from documents prepared or compiled by the Department's Office of Professional Responsibility as part of an internal investigation of possible misconduct in the Abscam operations and prosecutions. *Id.* at v.

Under the general framework established by this agreement, there was considerable give and take between the committee and the Department as to the degree of access that would be provided to specific documents. For example, the committee's counsel and sought access to a report prepared in the Criminal Division on FBI undercover operations. Abscam Hearings at 514. The committee's chairman had also written the Attorney General requesting access to that report. Abscam Report at 485. An agreement was reached whereby the report could be examined by committee members or counsel at the Department and notes taken on its contents, but it could neither be copied or removed from the Department. *Id.* at 494. Committee counsel utilized this procedure, but the committee determined that such limited access made it impractical for its members to personally review the report, and the committee's chairman again wrote the Attorney General asking for release of a copy. *Id.* at 498. The Department ultimately agreed to provide a copy of the report to each member of the committee, with the understanding that the report would not be disseminated beyond the members of the committee and its counsel, no additional copies would be made, and the copies provided by the Department would be returned at the conclusion of the committee's work. *Id.* at 501.

Finally, the committee retained the right under the access agreement to seek unrestricted access to documents if it determined that the limited access set forth in the agreement was insufficient to permit it to effectively conduct its investigation. *Id.* at v, 484. However, the committee ultimately concluded that it was able to adequately perform its mandate with the materials it had obtained pursuant to the access agreement, and thus did not attempt to obtain additional documents by subpoena or litigation. *Id.* at v.

A similar investigation was conducted by the House Judiciary Subcommittee on Civil and Constitutional Rights, which held a total of twenty-one hearings over a period of four years. See FBI Undercover Activities, Authorization;, and H.R. 3232: Oversight Hearings Before the Subcomm. on Civil and Constitutional Rights of the House Comm. on the Judiciary, 98th Cong., 1st Sess. (1983); FBI Undercover Operations: Hearings Before the Subcomm. on Civil and Constitutional Rights of the House Comm. on the Judiciary, 97th Cong., 1st Sess. (1981); FBI Oversight: Hearings Before the Subcomm. on Civil and Constitutional Rights of the House Comm. on the Judiciary, 96th Cong., 1st & 2d Sess. (1979-80). The subcommittee examined in detail the FBI's Operation Corkscrew undercover operation, an investigation of alleged corruption in the Cleveland Municipal Court, with access to confidential Department documents provided to it under an agreement patterned after the access agreement negotiated by the Senate select committee. Subcomm. on Civil and

Constitutional Rights of the House Comm. on the Judiciary, FBI Undercover Operations, 98th Cong., 2d Sess. 91-93 (Comm. Print 1984).

Investigation of Withholding of EPA Documents

One of the most prominent Congressional investigations of the Department grew out of the highly charged confrontation at the end of the 97th Congress concerning the refusal of Environmental Protection Agency Administrator Ann Gorsuch Burford, under orders from the President, to comply with a House subcommittee subpoena requiring the production of documentation about EPA's enforcement of the hazardous waste cleanup legislation. This dispute culminated in the House of Representative's citation of Burford for contempt of Congress, the first head of an Executive branch agency ever to have been so cited by a House of Congress. It also resulted in the filing of an unprecedented legal action by the Department, in the name of the United States, against the House of Representatives and a number of its officials to obtain a judicial declaration that Burford had acted lawfully in refusing to comply with the subpoena.

Ultimately, the lawsuit was dismissed, *U.S. v. House of Representatives*, 557 F.Supp. 150 (D.D.C. 1983), the documents were provided to Congress, and the contempt citation was dropped. However, a number of questions about the role of the Department during the controversy remained: whether the Department, not EPA, had made the decision to persuade the President to assert executive privilege; whether the Department had directed the United States Attorney for the District of Columbia not to present the contempt certification of Burford to the grand jury for prosecution and had made the decision to sue the House; and, generally, whether there was a conflict of interest in the Department's simultaneously advising the President, representing Burford, investigating alleged Executive branch wrongdoing, and enforcing the Congressional criminal contempt statute. These and related questions raised by the Department's actions were the subject of an investigation by the House Judiciary Committee beginning in early 1983. The committee issued a final report on its investigation in December 1985. See Report of the House Comm. on the Judiciary on Investigation of the Role of the Department of Justice in the Withholding of Environmental Protection Agency Documents from Congress in 1982-1983, H.R. Rep. No. 99-435, 99th Cong., 1st Sess (1985) ("EPA Withholding Report").

Although the Judiciary Committee ultimately was able to obtain access to virtually all of the documentation and other information it sought from the Department, in many respects this investigation proved as contentious as the earlier EPA controversy from which it arose. In its final report, the committee concluded that:

> [T]he Department of Justice, through many of the same senior officials who were most involved in the

> EPA controversy, consciously prevented the Judiciary Committee from obtaining information in the Department's possession that was essential to the Committee's inquiry into the Department's role in that controversy. Most notably, the Department deliberately, and without advising the Committee, withheld a massive volume of vital handwritten notes and chronologies for over one year. These materials, which the Department knew came within the Committee's February 1983 document request, contained the bulk of the relevant documentary information about the Department's activities outlined in this report and provided a basis for many of the Committee's findings.

EPA Withholding Report at 1163; *see* also 1234-38. Among the other abuses cited by the committee were the withholding of a number of other relevant documents until the committee had independently learned of their existence, *id.* at 1164, as well as materially "false and misleading" testimony before the committee by the head of the Department's Office of Legal Counsel, *id.* at 1164-65 & 1191-1231.

The committee's initial request for documentation was contained in a February 1983 letter from its chairman, Peter Rodino, to Attorney General William French Smith. The committee requested the Department to "supply all documents prepared by or in the possession of the Department in any way relating to the withholding of documents that Congressional committees have subpoenaed from the EPA." *Id.* at 1167 & 1182-83. The letter also specifically requested, among other things, a narrative description of the activities of each division or other unit of the Department relating to the withholding of the EPA materials, information about the Department's apparent conflict of interest in simultaneously advising the Executive branch while being responsible for prosecuting the Burford contempt citation, and any instructions given by the Department to the United States Attorney for the District of Columbia not to present the Burford contempt to the grand jury.

At first the Department provided only publicly available documents in response to this and other document requests of the committee. *Id.* at 1184. However, after a series of meetings between committee staff and senior Department officials, an agreement was reached whereby committee staff were permitted to review the materials responsive to these requests at the Department to determine which documents the committee would need for its inquiry. *Id.* at 1168 & 1233. Committee staff reviewed thousands of documents from the Land and Natural Resources Division, the Civil Division, the Office of Legal Counsel, the Office of Legislative Affairs, the Office of Legal Counsel, the Office of Legislative Affairs, the Office of Public Affairs, and the offices of the Attorney General, the Deputy Attorney General, and the Solicitor General. *Id.* at 1168.

In July 1983 the committee chairman wrote to the Attorney General requesting copies of 105 documents that committee staff had identified in its review as particularly important to the committee's inquiry. *Id.* at 1169. By May 1984, only a few of those documents had been provided to the committee, and the chairman again wrote to the Attorney General requesting the Department's cooperation in the investigation. In that letter, the chairman advised the Attorney General that the committee's preliminary investigation had raised serious questions of misconduct, including potential criminal misconduct, in the actions of the Department in the withholding of the EPA documents. *Id.* at 1172. The committee finally received all of the 105 documents in July 1984, a full year after it had initially requested access in July 1983. The committee at that time also obtained the written notes and a number of other documents that had been earlier withheld. *Id.* at 1173.

There was also disagreement about the access that would be provided to Department employees for interviews with committee staff. The Department demanded that it be permitted to have one or more Department attorneys present at each interview. The committee feared that the presence of Department representatives might intimidate the Department employees in their interviews and stated that it was willing to permit a Department representative to be present only if the representative was "walled-off" from Department officials involved with the controversy, if the substance of interviews was not revealed to subsequent interviewees, and if employees could be interviewed without a Department representative present if so requested. The Department ultimately agreed to permit the interviews to go forward without its attorneys present. If a Department employee requested representation, the Department employed private counsel for that purpose. In all, committee staff interviewed twenty-six current and former Department employees, including four Assistant Attorney Generals, under this agreement. *Id.* at 1174-76.

Partly as a result of these interviews, as well as from information in the handwritten notes that had been initially withheld, the committee concluded that it also required access to Criminal Division documents concerning the origins of the criminal investigation of former EPA Assistant Administrator Rita Lavelle in order to determine if the Department had considered instituting the investigation to obstruct the committee's inquiry. The committee also requested information about the Department's earlier withholding of the handwritten notes and other documents to determine whether Department officials had deliberately withheld the documents in an attempt to obstruct the committee's investigation. *Id.* at 1176-77 & 1263-64. The Department at first refused to provide the committee with documents relating to its Lavelle investigation "[c]onsistent with the longstanding practice of the Department" not to provide "access to active criminal files." *Id.* at 1265. The Department also refused to provide the committee with access to documentation related to the Department's handling of the committee's inquiry, objecting to the committee's "ever-broadening scope of ... inquiry." *Id.* at 1265.

The committee chairman wrote the Attorney General and objected that the Department was denying the committee access even though no claim of Executive privilege had been asserted. *Id.* at 1266. The chairman also maintained that "[i]n this case, of course, no claim of executive privilege could lie because of the interest of the committee in determining whether the documents contain evidence of misconduct by executive branch officials." *Id.* With respect to the documents relating to the Department's handling of the committee inquiry, the chairman demanded that the Department prepare a detailed index of the withheld documents, including the title, date, and length of each document, its author and all who had seen it, a summary of its contents, an explanation of why it was being withheld, and a certification that the Department intended to recommend to the President the assertion of executive privilege as to each withheld document and that each document contained no evidence of misconduct. *Id.* at 1268-69. With respect to the Lavelle documents, the chairman narrowed the committee's request to "predicate" documents relating to the opening of the investigation and prosecution of Lavelle, as opposed to FBI and other investigative reports reflecting actual investigative work conducted after the opening of the investigation. *Id.* at 1269-70. In response, after a period of more than three months since the committee's initial request, the Department produced those two categories of materials. *Id.* at 1270.

Iran-Contra

Even more recently, in the late 1980s, an intense Congressional investigation focused, in part, on Attorney General Meese's conduct during the Iran-Contra scandal. The House and Senate created their Iran-Contra committees in January, 1987. The Iran-Contra committees demanded the production of the Justice Department's files, to which Assistant Attorney General John Bolton responded, on behalf of Attorney General Meese, by attempting to withhold the documents on the claim that providing them would prejudice the pending or anticipated litigation by the Independent Counsel. The Iran-Contra committees overruled that contention, required the furnishing of all Justice Department documents, and questioned all knowledgeable Justice Department officers up to, and including, Attorney General Meese.

One major aspect of the Iran-Contra Committees' investigation focused on the inadequacies of the so-called "Meese Inquiry," the team led by Attorney General Meese which looked into the NSC staff in late November, 1987. As the Iran-Contra Committees found, this so-called inquiry had the effect that by their questioning, the NSC staff was forewarned to shred their records and fix upon an agreed false story, and by the Meese Team's methods was foreclosed the last vital opportunity to uncover the obscured aspects of the scandal. The Congressional investigation uncovered extensive documentary evidence regarding incompetence, at best, by the Attorney General's inquiry team during the Meese Inquiry. The Congressional report summed up such matters as the Attorney General's taking no notes and remembering no details of his crucial interviews of CIA Director Casey and others, the Justice Department inquiry's

not taking any steps to secure the remaining unshredded documents, and the Justice Department team's even allowing the shredding to occur while the team was in the room; the inquiry team excluded the Criminal Division and the FBI from the case until it was too late, and then the Attorney General gave his press conference of November 25, 1986, with an account that in key respect misstated and concealed embarrassing information which had been furnished to him. See, Report of the Congressional Committees Investigating the Iran-Contra Affair, H.R. Rep. No. 433 and S. Rep. No. 216, 100th Cong., 1st Sess. 310, 317, 314, 317-18, 647 (1987).

Rocky Flats Environmental Crimes Plea Bargain

In June 1992 the Subcommittee on Investigations and Oversight of the House Committee on Science, Space, and Technology commenced a review of the plea bargain settlement by the Department of Justice of the government's investigation and prosecution of environmental crimes committed by Rockwell International Corporation in its capacity as manager and operating contractor at the Department of Energy's (DOE) Rocky Flats nuclear weapons facility. See Environmental Crimes at the Rocky Flats Nuclear Weapons Facility: Hearings Before the Subcomm. on Investigations and Oversight of the House Committee on Science, Space and Technology, 102d Cong., 2d Sess., Vols. I and II (1992) ("Rocky Flats Hearings"); Meetings: To Subpoena Appearance by Employees of the Department of Justice And the FBI and To Subpoena Production Of Documents From Rockwell International Corporation, Before the Subcomm. on Investigations and Oversight of the House Comm. on Science, Space, and Technology, 102d Congress, 2d Sess., (1992)("Subpoena Meetings").

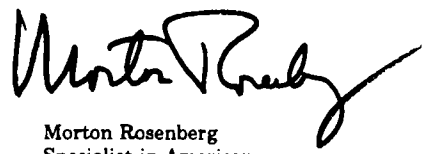
The settlement was a culmination of a five-year investigation of environmental crimes at the facility, conducted by a joint government task force involving the FBI, the Department of Justice, the Environmental Protection Agency (EPA), EPA's National Enforcement Investigation Centers, and the DOE Inspector General. The subcommittee was concerned with the size of the fine agreed to relative to the profits made by the contractor and the damage caused by inappropriate activities; the lack of personal indictments of either Rockwell or DOE personnel despite a DOJ finding that the crimes were "institutional crimes" that "were the result of a culture, substantially encouraged and nurtured by DOE, where environmental compliance was a much lower priority than the production and recovery of plutonium and the manufacture of nuclear 'triggers'"; and that reimbursements provided by the government to Rockwell for expenses in the cases and the contractual arrangements between Rockwell and DOE may have created disincentives for environmental compliance and aggressive prosecution of the case.

The subcommittee held ten days of hearings, seven in executive session, in which it took testimony from the United States Attorney for the District of Colorado; an assistant U.S. Attorney for the District of Colorado; a DOJ line attorney from Main Justice; and an FBI field agent; and received voluminous

FBI field investigative reports and interview summaries, and documents submitted to the grand jury not subject to Rule 6(e). *E.g.*, Rocky Flats Hearing, Vol. I, at 389-1009, 1111-1251; Vol. II.

At one point in the proceedings all the witnesses who were under subpoena upon written instructions from the Acting Assistant Attorney General, Criminal Division, refused to answer questions concerning internal deliberations in which decisions were made about the investigation and prosecution of Rockwell, the DOE and their employees. Two of the witnesses advised that they had information and, but for the DOJ directive, would have answered the subcommittee's inquiries. Faced with the imminent adjournment of the Congress, the subcommittee members unanimously authorized the chairman to send a letter to President Bush requesting that he either personally assert executive privilege as the basis for directing the witnesses to withhold the information or direct DOJ to retract its instructions to the witnesses. The President took neither course and the DOJ subsequently reiterated its position that the matter sought would chill Department personnel. The subcommittee then moved to hold the U.S. Attorney in contempt of Congress.

A last minute agreement forestalled the contempt citation. Under the agreement (1) DOJ issued a new instruction to all personnel under subpoena to answer all questions put to them by the subcommittee, including those which related to internal deliberations with respect to the plea bargain. Those instructions were to apply as well to all Department witnesses, including FBI personnel, who might be called in the future. (2) Transcripts were to be made of all interviews and provided to the witnesses. They were not to be made public except to the extent they needed to be used to refresh the recollection or impeach the testimony of other witnesses called before the subcommittee in a public hearing. (3) Witnesses were to be interviewed by staff under oath. (4) The subcommittee reserved the right to hold further hearings in the future at which time it could call other Department witnesses who would be instructed not to invoke the deliberative process privilege as a reason for not answering subcommittee questions. Rocky Flats Hearings, Vol. I at 9-10, 25-31, 1673-1737; Subpoena Hearings, at 1-3, 82-86, 143-51.



Morton Rosenberg
Specialist in American
Public Law

Office of the Attorney General
Washington, D. C. 20530

December 4, 1997

Honorable Dan Burton
Chairman
Committee on Government
Reform and Oversight
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This letter responds to your letters to FBI Director Freeh and me asking us to provide the Committee with a copy of Director Freeh's recent memorandum to me concerning whether I should request the appointment of an independent counsel with respect to the campaign finance matter.

The Department of Justice, including the FBI, recognizes the Committee's oversight responsibilities in this area and is committed to seeking to satisfy the Committee's legitimate needs for information. As I have done at previous congressional hearings, I will explain at the Committee's hearing next week my decisions regarding appointment of an independent counsel. Because of my responsibility to protect the confidentiality and integrity of our ongoing criminal investigation, however, I must continue to decline to discuss at congressional hearings the evidence developed in our investigation, our investigative strategies, the different views expressed within the Department concerning the many legal and investigative issues we have been considering, or the recommendations I receive regarding issues that arise during this investigation. These issues include, of course, the question continuously before me concerning whether the statutory requirements for appointment of an independent counsel have been triggered.

The memorandum you have requested contains precisely this type of information. Director Freeh has expressed to me his complete agreement with my judgment that our joint responsibility to protect the integrity of ongoing criminal investigations and prosecutorial decisionmaking requires that we decline to provide the memorandum. In fact, Director Freeh informed me that he independently reached the same conclusion before we even discussed the matter.

Our position is based principally on the longstanding Department policy of declining to provide congressional committees with access to open law enforcement files. Congress has been respectful of this policy, which has been applied consistently during Administrations of both parties. Charles J. Cooper, who served as Assistant Attorney General for the Office of Legal Counsel during the Reagan Administration, explained the rationale for this policy in a comprehensive opinion concerning congressional requests for information about decisions under the Independent Counsel Act:

> This policy is grounded primarily on the need to protect the government's ability to prosecute fully and fairly. Attorney General Robert H. Jackson articulated the basic position over forty years ago: "It is the position of this Department . . . that all investigative reports are confidential documents of the executive department of the Government, to aid in the duty laid upon the President by the Constitution to 'take care that the Laws be faithfully executed,' and that congressional or public access to them would not be in the public interest. . . ." 40 Op. Att'y Gen. 45, 46 (1941). Similarly, this Office has explained that "the Executive cannot effectively investigate if Congress is, in a sense, a partner in the investigation. If a congressional committee is fully apprised of all details of an investigation as the investigation proceeds, there is a substantial danger that congressional pressures will influence the course of the investigation." Memorandum for Edward L. Morgan, Deputy Counsel to the President, from Thomas E. Kauper, Deputy Assistant Attorney General, Office of Legal Counsel (Dec. 19, 1969). Other grounds for objecting to the disclosure of law enforcement files include . . . well-founded fears that the perception of the integrity, impartiality, and fairness of the law enforcement process as a whole will be damaged if sensitive material is distributed beyond those persons necessarily involved in the investigation and prosecution process.

Memorandum for the Attorney General from Charles J. Cooper, Assistant Attorney General, Office of Legal Counsel, Re: Response to Congressional Requests for Information Regarding Decisions made Under the Independent Counsel Act, 10 Op. O.L.C. 68, 76 (1986) ("Cooper Opinion").

We have in addition to our immediate concern about compromising the ongoing criminal investigation a more general, but no less substantial, concern that disclosure of such a quintessentially deliberative document "might hamper prosecutorial decision-making in future cases. . . .

Employees of the Department would likely be reluctant to express candidly their views and recommendations on controversial and sensitive matters if those views could be exposed to public scrutiny by Congress upon request." Cooper Opinion, 10 Op. O.L.C. at 77 (emphasis in original).

The need to protect the confidentiality and independence of an ongoing investigation and our prosecutorial decisionmaking is fundamental to the responsibilities Director Freeh and I have under the criminal justice system. We must therefore respectfully decline your request for the memorandum. I am prepared to respond to your questions about my decisions on the appointment of an independent counsel to the fullest extent I can, consistent with my law enforcement responsibilities.

Sincerely,

Janet Reno
Attorney General

cc: The Honorable Henry A. Waxman
Ranking Minority Member

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Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

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BERNARD SANDERS, VERMONT
INDEPENDENT

December 4, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno:

Pursuant to discussions between our counsel, it is my understanding that you still are reviewing the issue of whether to turn over to the Committee the memo provided to you last week by Director Freeh regarding his views on whether or not to appoint an Independent Counsel in the campaign finance investigation. By letter to Director Freeh on Tuesday, December 2, 1997, (see attached) I requested this memo in preparation for our hearing on Tuesday, December 9, 1997.

As you know, I have asked for this memo by close of business today. As my counsel has explained, we understand that Grand Jury material or other sensitive criminal investigatory material may need to be redacted from the memo. However, I would request that in the interest of providing Congress and the American people with as full and complete information as possible in this important matter, that the redactions be kept to those absolutely necessary under law.

I look forward to hearing from you on this matter.

Sincerely,

Dan Burton
Chairman

Office of the Attorney General
Washington, D. C. 20530

December 4, 1997

The Honorable Dan Burton
Chairman
Government Reform and Oversight Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am in receipt of your letter of December 2, 1997, inviting me to testify before the House Committee on Government Reform and Oversight on December 9, 1997. I very much look forward to the opportunity to testify before your Committee and to answer any and all questions about my decision earlier this week not to request the appointment of an independent counsel. In recent months, I have appeared before both the House and Senate Judiciary Committees, as well as the Senate Intelligence and Governmental Affairs Committees, to testify on related matters regarding the campaign finance investigation and my decisions regarding an independent counsel. I respect the oversight role of the Congress in these matters and am happy to cooperate in every way possible consistent with my responsibilities not to compromise pending investigations.

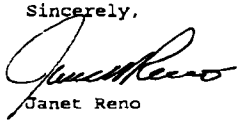
On December 9 and 10, I will be participating in a series of very important bilateral and multi-lateral meetings with Justice and Interior Ministers of "The Eight" countries. These meetings, the result of months of planning and preparation, will address law enforcement issues of critical importance to our nation such as terrorism, drug trafficking, criminal use of the Internet including transmission of child pornography and other transnational crime issues. Beginning at noon on December 9, I will be hosting a series of bilateral meetings here at the Department of Justice with my counterparts from Japan, Italy, Germany and the United Kingdom. Cancellation of these meetings at this last minute would be extremely unfortunate and counterproductive to our efforts to address these important crime issues.

It is equally important, of course, that the Committee hold its hearing and have an opportunity to ask questions about the campaign finance matter. I will be pleased to appear before the Committee on December 9 but wanted to advise the Committee that because of these prior commitments, I should conclude my testimony,

at least for the day, at 11:30 a.m. so that the meetings on transnational crime may proceed as planned during the remainder of the day and on December 10. The Committee's hearing presently is scheduled to begin at 10 a.m, but I would be pleased to begin my testimony at 8:30 or 9:00 a.m. if that would assist the Committee. If these times are not convenient to the Committee, I would be happy to appear at another more appropriate date and time.

Let me reiterate my desire to be fully cooperative with your Committee's efforts and to make myself available to answer every question that you or any Member of the Committee may have. I look forward to working with you to schedule this hearing at a convenient time.

Sincerely,



Janet Reno

cc: The Honorable Henry A. Waxman
Ranking Minority Member

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December 4, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno:

I am in receipt of your letter of December 4, 1997, regarding our invitation to you to testify before the House Committee on Government Reform and Oversight on December 9, 1997. In your letter you explained your need to begin your testimony at an earlier time.

Pursuant to your request, we have rescheduled the Committee's hearing to begin at 9:30 a.m. However, as we are making every effort to accommodate your schedule, we request that you be available to testify until 2 p.m.

I look forward to hearing from you on this matter.

Sincerely,

Dan Burton
Chairman

Office of the Attorney General
Washington, D. C. 20530

December 4, 1997

The Honorable Dan Burton
Chairman
Government Reform and Oversight Committee
U.S. House of Representatives
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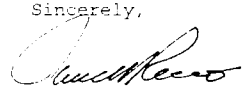

Janet Reno

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Ranking Minority Member

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HAROLD E. FORD JR., TENNESSEE

BERNARD SANDERS, VERMONT
INDEPENDENT

December 3, 1997

Via Facsimile: 514-9149

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Re: Declination Memorandum Relating to Ronald H. Blackley

Dear General Reno:

Pursuant to the Committee on Government Reform and Oversight's oversight responsibilities under House Rule X and XI, I request that you furnish the Committee with a copy of the Department of Justice's declination memorandum relating to Ronald H. Blackley, who served former Secretary of Agriculture Mike Espy as his chief of staff.

I would appreciate your delivering a copy of this memorandum to the Committee office at 2154 Rayburn by 6 p.m. on Thursday, December 3, 1997. If your staff has any questions about this request, they should contact the Committee's Chief Investigative Counsel, Barbara Comstock, at 202-225-5074.

I appreciate your attention to this important request.

Sincerely,

Dan Burton
Chairman

DB/wem
cc: The Honorable Henry Waxman

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ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

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WASHINGTON, DC 20515–6143

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BERNARD SANDERS, VERMONT
INDEPENDENT

December 2, 1997

The Honorable Janet Reno
Attorney General of the United States
Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear Madam Attorney General:

Pursuant to Rule X, clauses 2(b)(1) and 2(b)(2) of the Rules of the House of Representatives, the Committee on Government Reform and Oversight has general oversight responsibilities. In fulfilling our duties under House Rules, the Committee is conducting an investigation into campaign finance improprieties and possible violations of law. The Committee will be convening a hearing entitled "Current Implementation of the Independent Counsel Act" on Tuesday, December 9, 1997, at 10:00 a.m., in room 2154 of the Rayburn House Office building. I would like to request that you appear before the Committee to discuss your recent decision not to appoint an independent counsel.

Please provide 100 copies of your written testimony to the Committee by close of business, Friday, December 5, 1997, to the attention of Teresa Austin. Your entire written testimony will be made part of the hearing record. Furthermore, you will be provided the opportunity to present a preliminary oral statement if you so desire.

Finally, under Section 210 of the Congressional Accountability Act, the House of Representatives must be in compliance with the Americans with Disability Act. If you are in need of special accommodations based on a disability, please contact Judy McCoy, at least four business days prior to the hearing.

The Committee looks forward to hearing your testimony.

Sincerely,

Dan Burton
Chairman

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INDEPENDENT

December 2, 1997

The Honorable Janet Reno
Attorney General of the United States
Department of Justice
950 Pennsylvania Avenue, N.W.
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Dear Madam Attorney General:

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The Committee looks forward to hearing your testimony.

Sincerely,

Dan Burton
Chairman

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BERNARD SANDERS, VERMONT
INDEPENDENT

December 5, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno:

The Committee on Government Reform and Oversight has been conducting an investigation into a dispute over a proposed Native American gaming facility in Hudson, Wisconsin. As you are aware, I have previously written the attached three letters -- dated October 28, November 4, and November 12, 1997 -- requesting information about claims of privilege over documents in this matter. (Tab 1) As you are also aware, you have not answered these letters. Given the extremely questionable claims of executive privilege that are being made regarding Hudson dog track documents, and given new information that has recently come to light, I am very concerned that your Department of Justice is actively involved in both obstruction of Congressional investigations and obstruction of the civil discovery process in a private lawsuit currently in federal court in Wisconsin.

I will not use this space for a recitation of facts that have been in the public domain for a long period of time. You are well aware of the underlying issues. I am troubled, however, that the Department has asserted apparently baseless claims of executive and attorney-client privilege over a series of documents pertaining to this matter.

As you know, earlier this year the Supreme Court unanimously rejected spurious claims of attorney-client privilege made by the White House and supported by your Justice Department. Now we are again confronted by mystifying claims of privilege -- supported by you -- which seemingly are designed to protect the President and his aides. One of the documents kept from the public under claims of privilege is a handwritten note from the President of the United States. (Tab 2) This note indicates that President Clinton had an interest in the status of the Hudson dog

track dispute one year after the decision to reject the application had been made. When juxtaposed with what was known until relatively recently -- that the President's involvement in this matter was restricted to a short encounter with a lobbyist during a visit to Milwaukee -- this document appears relatively innocuous. In the last few weeks, however, it has become clear that not only was the President more involved than previously thought, but that the Vice President was involved as well. If so, Congressional investigators, private litigants and the American people deserve to know the full extent of the President's interest in this matter -- particularly given the involvement of his two close advisors Bruce Lindsey and Harold Ickes, the involvement of a member of his Cabinet, and the newly discovered involvement of Vice President Albert Gore and the Vice President's senior staff.

For example, Washington lobbyist Tom Schneider, a close personal friend of the President and a lobbyist for the opponents of the dog track application, received confirmation from the President himself that he was aware of the dog track issue and that the President would look into the matter, according to records recently obtained by this Committee. (Tab 3) Thus, two well-connected lobbyists had personal contacts with the President on this matter. Furthermore, Mr. Schneider hosted a fundraiser for the President on July 13, 1997. (Tab 4) This event raised $420,000 for the President's re-election campaign. Of particular note is the date of this event. The day after Mr. Schneider and the President sat next to each other at dinner -- and $420,000 was raised for the President's re-election -- a Department of the Interior official was ordered to make a final decision on the dog track permit application. (Tab 5) I might also add that, although ethical standards recently adopted by your Department of Justice apparently permit such conduct, I am personally troubled by your then-Deputy Attorney General Jamie Gorelick attending that same fundraiser. In retrospect, it is even more unfortunate that she was seated next to Mr. Schneider -- who was seated next to the President -- at that evening's dinner. (Tab 4)

Given the reality that the President had a greater involvement in this matter than previously thought, it is troubling to me that the Department and the White House have gone to great lengths to keep a document from the public that indicates an ongoing concern by the President in this matter. Attorneys for both my Committee and the Congressional Research Service, who have examined this document on my behalf, cannot discern any principled rationale for a claim of executive privilege for this document, and I have attached a copy of the CRS analysis for your benefit. (Tab 6) I would consider it a grave injustice if the Department of Justice was using taxpayer dollars to make spurious claims of executive privilege, particularly if the only articulable goal is to cover-up the fact that the President had an ongoing interest in this matter. The same can be said of other Hudson dog track documents that have been withheld subject to privilege.

This brings us to a related point, and a matter of some confusion to this Committee. The Department of Justice is defending the United States against claims brought by civil litigants that improper political influence was brought to bear in the rejection of the Hudson dog track application. It is also investigating the matter in an effort to determine whether an Independent Counsel should be appointed to investigate the conduct of Secretary Babbitt, former Deputy Chief of Staff Harold Ickes and Counselor to the President Bruce Lindsey. Thus, your agency is acting

as both defense and prosecution in the same case. This in itself appears to be an irreconcilable conflict. Equally troubling, however, is the fact that claims of privilege have been asserted against civil litigants and claims of privilege have not been asserted against those within the Department of Justice task force who are seeking information in the investigation of Mssrs. Babbitt, Ickes and Lindsey. It has been my understanding that claims of executive privilege are not made lightly. If these claims are properly made, it would seem to me, they should apply to all who are involved in the pursuit of justice, and not just to selected parties. Thus, I ask again the question that was posed in my last letter to you: please explain why privileges have been asserted in this matter.

In the time since the Senate held hearings on the Hudson dog track issue, we have also learned the following:

(1) Consultant Mark Goff has confirmed the testimony given by Mr. Paul Eckstein at those hearings (Mr. Eckstein related the substance of his conversation with Secretary Babbitt to Mr. Goff within minutes of the July 14, 1995, meeting between himself and Secretary Babbitt). (Tab 7)

(2) Patrick O'Connor's calendars and billing statements have mentioned a dinner with Vice President Gore in connection with a discussion about dog track issues with top Vice Presidential advisers Peter Knight and David Strauss. (Tab 8)

(3) Secretary Babbitt's Chief of Staff -- who now has as a client one of the Native American tribes that successfully opposed the Hudson dog track -- also had a meeting "after hours" to discuss political issues with Democratic National Committee Chairman Don Fowler.

(4) Two weeks after a lawyer for this Committee's Minority staff contacted high level Department of Interior employees earlier this year, lobbyist Patrick O'Connor contacted DNC official David Mercer to arrange a meeting with DNC Chairman Don Fowler. This occurred shortly after O'Connor was attempting to meet with former Babbitt Chief of Staff Tom Collier. (Tab 9)

(5) Lobbyist Patrick O'Connor met with Terry McAuliffe to discuss the dog track matter and McAuliffe was involved in setting up a meeting between O'Connor and Harold Ickes to discuss this matter. In addition, lobbyist Thomas Corcoran also had discussions with Laura Hartigan of the Re-Elect on this issue. (Tab 10)

(6) There was an articulated fundraising strategy to influence the decisionmaking process. (Tab 11)

(7) Lobbyists for the successful tribes had an articulated strategy to have their tribal clients "ask that the case be handled by Department of Justice lawyers." (Tab 12)

(8) Department of Interior career officials have had at least one meeting with members of the

unsuccessful applicant tribes during which the government officials suggested that the decision was political and not based on merits. (Based on Committee Interviews)

(9) At least two opponents of the Hudson dog track application were invited to White House coffees with the President -- one on March 28, 1996, and the other on February 20, 1996. (Tab 13)

(10) The applicant tribes were prepared to negotiate with others to perfect their application, but the Department of Interior failed to consult with them and give them an opportunity to address concerns prior to the rejection of the application. (Based on Committee Interviews)

(11) Notwithstanding the Department of Interior's responsibility to act in the best interest of Native American tribes -- and the income disparity between the applicant tribes (as low as $6,000 per tribal member per annum) and the opponent tribes (as high as $400,000 per tribal member per annum) -- the Department took the side against the interests of the poorer tribes. (Press Accounts) In addition, a report prepared by George Skibine, Director Gaming Management Staff, notes that "only $5 to $40 million of the Hudson revenues would be obtained at the expense of existing casinos. An average revenue reduction of $1 to $8 million per existing casino would not be a detrimental impact. The Mystic Lake Casino was estimated to have had a $96.8 million net profit in 1993. A reduction of $8 million would be about 8%, assuming that net revenue decreased the full amount of the gross revenue reduction. At $96.8 million, the per enrolled member profit at Mystic Lake is $396,700. Reduced by $8 million, the amount would be $363,900. The detrimental effect would not be expected to materially impact Tribal expenditures on programs under IGRA Section 11." (Tab 14)

(12) According to billing statements, memoranda were drafted about the Hudson Dog Track issue by the firm of O'Connor and Hannon to Vice President Gore and to Terence McAuliffe. Notwithstanding document requests, these memoranda have not been produced. (Tab 15)

This Committee is making daily discoveries in this matter. With this in mind, I request that you answer the four outstanding letters that I have sent to you about this matter. The public has a right to know the position taken by the Department of Justice relating to claims of privilege regarding Hudson dog track documents. The public also has a right to know whether you supported this position.

It is my belief that an Independent Counsel should be appointed immediately to investigate general fundraising abuses, including this matter. The Independent Counsel statute calls for the appointment of an Independent Counsel when there is a conflict of interest. The Department of Justice's role as defense attorney in a civil case involving the Hudson dog track and prosecutor in a criminal case involving the Hudson dog track constitutes such a conflict. The Department's still unexplained role in asserting privileges in this matter compounds the problem. To fail to appoint

an Independent Counsel would be to incur unnecessary expenses and to tarnish the name of the Department of Justice. Your failure to appoint an Independent Counsel despite the recommendation of the Director of the F.B.I. is regrettable and continues to impede the orderly review of these matters.

Sincerely,

Dan Burton

Dan Burton
Chairman

cc: The Honorable Henry Waxman
The Honorable Louis Freeh

DAN BURTON, INDIANA
CHAIRMAN
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BERNARD SANDERS, VERMONT
INDEPENDENT

November 12, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno:

On October 28, 1997, I made a request for your views regarding matters related to the Committee on Government Reform and Oversight's subpoena to the White House for documents related to a dispute over a proposed Native American gaming facility in Hudson, Wisconsin. A copy of this letter is attached. On November 4, 1997, I made a follow-up request for an answer to questions asked in my previous letter. A copy of this letter is also attached. To date, you have yet to respond to my inquiries, notwithstanding a verbal assurance from one of your staff that a reply would soon be forthcoming. It is my hope that you will be able to provide a written answer to my questions about the Hudson dog track matter by Friday, November 14, 1997.

I am also attempting to determine whether the Department of Justice task force investigating campaign finance issues has been provided all documents pertaining to the Hudson dog track issue. If the answer is yes, please explain why privileges have been asserted in the civil litigation but have not been asserted in the Department of Justice investigation.

Thank you for your attention to this matter.

Sincerely,

Dan Burton
Chairman

cc: The Honorable Henry Waxman

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515–6143

November 4, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno:

On October 28, 1997, I made a request for your views regarding matters related to the Committee on Government Reform and Oversight's subpoena to the White House for documents related to a dispute over a proposed Native American gaming facility in Hudson, Wisconsin. A copy of this letter is attached. As I noted in my earlier letter, I have grave concerns about casual or abusive claims of privilege made regarding a number of the recently produced documents. Although I requested a response by Tuesday, November 4, 1997, I have yet to receive any communication from the Department of Justice. I would greatly appreciate a response prior to our scheduled hearings on November 6 and 7, 1997.

On a related matter, my staff made a request for a meeting with Office of Legal Counsel staff (or their representatives) to discuss the assertions of privilege made for certain documents pertaining to the Hudson gaming facility. This meeting would involve Majority and Minority staff, if they elect to participate.

Although we requested a meeting for today (Tuesday, November 4, 1997), my staff has yet to hear from those involved with scheduling a meeting. I would appreciate your providing a response as to whether Committee representatives will be permitted to meet with Department of Justice attorneys to discuss document production related to the Hudson gaming issue.

Thank you for your attention to this matter.

Sincerely,

Dan Burton

Dan Burton

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

October 28, 1997

The Honorable Janet Reno
Attorney General
United States Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear General Reno:

The White House and the Democratic National Committee have withheld many documents from the Government Reform and Oversight Committee (the "Committee") under the guise of privilege. As you are aware, it is time-consuming to resolve claims of privilege, and it is my view that such claims, casually made, are abusive.

With this in mind, I would like your view on one issue involving a potential conflict of interest between the Department of Justice's participation in the lawsuit over a proposed Indian casino in Hudson, Wisconsin, and this Committee's August 21, 1997, subpoena to the White House for documents pertaining to this matter. We have been conducting an investigation of the alleged improper influence brought to bear on the casino permitting process for many months, and it has become clear in the last few weeks that a number of significant documents had been withheld from this Committee.

According to an October 21, 1997, article in the *Milwaukee Journal Sentinel*, United States Attorney Peg Lautenschlager stated that decisions to claim privilege regarding a number of White House documents were made after "a group of Justice Department attorneys in Washington and Madison reviewed records." A preliminary review of these records by Committee attorneys leads me to conclude that any claim of privilege for most of these documents is not well-grounded in law. If this is the case, it appears that Department of Justice lawyers may have been involved in an effort that either purposefully or indirectly has kept important documents from Congressional investigators, private litigators and the Department of Justice task force investigating campaign finance improprieties.

I would be grateful if you provided answers to the following questions:

(1) Did Department of Justice attorneys have any input into the decision to assert

claims of privilege regarding any documents pertaining to the Hudson Dog Track litigation?

(2) If the answer is yes, what was their recommendation?

(3) If recommendations were made, do you agree with them?

(4) Did Department of Justice attorneys working on the special campaign finance investigation task force review these documents? If not, were they aware that privileges had been claimed and did they make an effort to contest the claims of privilege?

(5) This Committee recently received documents (attached) for which claims of privilege were not made. I am attempting to determine why these documents were not turned over to this Committee at an earlier date. Did the Department of Justice campaign finance task force have access to these documents prior to October 22, 1997, and if so, when did they obtain these documents?

In addition, I request that you provide a list of every Department of Justice attorney or employee involved in the decision to assert claims of privilege in this matter, and the names of all Department of Justice attorneys or employees who have reviewed any documents pertaining to this matter. Furthermore, I would like your views on whether there is a conflict between the investigators on the special campaign finance task force looking into this matter, and the attorneys at the Department who are representing the Administration's interests in the civil lawsuit alleging improper Administration influence.

Thank you for your attention to these matters. I would appreciate a response by Tuesday, November 4, 1997.

Sincerely,

Dan Burton
Chairman

cc: The Honorable Henry Waxman

MEMORANDUM

August 3, 1995

TO: Ms. Loretta Avent
Special Assistant to the President
for Intergovernmental Affairs

FROM: Arlyn Ackley, Sr.
Tribal Chairman
Sokaogon Chippewa Community

RE: Disapproval of Hudson Application for Trust Status

We have been able to obtain information from the Department of the Interior's Indian Gaming Office that their staff people disagreed with the disapproval of our trust application signed by Michael Anderson of the Department of Interior.

All my information indicates that Interior's staff was disappointed and completely disagreed with this decision. In fact, and I quote "there was no real evidence to support disapproval". The staff tells us that the people who made the final decision did not follow § 20 of the Indian Gaming Regulatory Act of 1988. That this decision was purely a discretionary-/political one.

In the letter, Mr. Anderson stated that there was a problem with the St. Croix Waterway. However, the staff tells us that this small issue could have been explained but we were not given the opportunity to respond to this.

The Department of the Interior staff indicated to us that they could not find anything detrimental in our application either to nearby tribes or to surrounding communities. Moreover, Mr. Anderson states that this property acquisition would be detrimental to a nearby tribe.

Another quote from the Department's staff was "What is the point of § 20 if not to be helpful to remote tribes?". They indicated to us that the extraordinary thirty (30) day period that was provided to our opponents which allowed them to submit an additional

economic study did not provide any substantial information that would point to the proposed facility being detrimental to the surrounding communities or tribes. They commented that there are two criteria. One – it should be in the best interest of the Indian tribe (applicant). Two -- Could not be detrimental to the surrounding communities or nearby tribes. Their indication to us is that they were both disappointed and that they disagreed with the disapproval of the trust application.

As the Chairman of my tribe I must protest the Department of the Interior's treatment of our application for the placing of the Hudson Dog Track into trust status. The Minneapolis BIA Area Director and staff followed the letter of the law in approving our application. The Department of the Interior's staff (per our information) also carefully followed the criteria set out in the Indian Gaming Regulatory Act. However, the people who made the final decision did not.

Finally, if I may reiterate these points which we were able to obtain. (Loretta, they were taken from a telephone conversation, therefore repetitious and redundant.)

1. Staff was disappointed;
2. Decision makers did not fully consider Section 20 IGRA;
3. Staff disagreed with decision;
4. No real evidence;
5. St. Croix waterway question could easily be addressed (We were not given an opportunity to do so.);
6. Staff didn't want to set national precedent of a tribe rejecting another tribe's application;
7. Staff didn't want to set a national precedent of a community rejecting a tribe's application - 6 and 7 would have to be detrimental;
8. Decision makers were worried about being second guessed by the Governor;
9. What is the part of best 20, IGRA if not to helped "remote" tribes?;
10. Political, not factual decision; and
11. Staff could not find anything detrimental to the nearby communities or tribes.

August 17, 1995

URGENT---URGENT---URGENT---URGENT

MEMORANDUM FOR LORETTA T. AVENT

FROM: Ahsha Ali Safai

RE: Hudson

Dwayne Derrickson called and expressed deep concern for the issue his tribe faces on behalf of Chairman Arlyn Ackley . The Chairman is looking for a response to their issue. Chairman Ackley is hoping you will be able to provide some guidance within the next few days because of the fact that he is planned to face his tribal council as well as his tribal community and is expected to have some answers regarding the Hudson case.

Dwayne talked about the importance of this issue being brought to closure. He used the words, "If this issue can't be resolved, then we will have to go to the press, courts, or to the opposition!".

They will be in town next week and were hoping to meet with you. I told them that I expected you to be on travel, but for them to check back with me late today or tomorrow.

Dwayne said that Chairman Ackley hardly asks for help, but in this case they are hoping that you will be able to provide them with some answers. Please advise.

To Martin
check out.

Leon
What's the deal
on the Wisco -- tribe
Indian dispute
BC

SUBSTITUTION

Leon

What's the deal on the
Wisconsin tribe Indian
dispute?

BC

Ann Jablonski • Government Affairs • Public Relations • Research

To: Brady Williamson

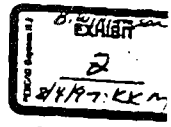
Date: May 23, 1995

Re: Hudson fee to trust proposal

Enclosed please find a letter to Ickes, which is all the written material that may be floating around the White House that we know about. The meeting mentioned at the end of the letter has not yet occurred, but we are told by Tom Corcoran, O'Connor and Hannan, that a letter from several of the Minnesota congressmen will be sent to Ickes tomorrow requesting a meeting.

As for the meeting in the Twin Cities where O'Connor is alleged to have huddled with Clinton on Hudson, Corcoran tells us that O'Connor began to launch into the matter and Clinton called Lindsay over to script the story and operationalize a response or resolution. He apparently was the one who decided it was a problem Ickes would/could/should take care of. Another partner in the O'Connor and Hannan firm, Tom Schneider, allegedly an FOB who socializes with Bill and Hillary, has confirmed in a casual conversation with Clinton that Clinton is aware of the Hudson dog track issue.

By the way, representation of the facts is inaccurate in this letter. I guess I would not say Thompson supports this project because he has not publicly made that statement (far from it). Delaware North does not own St. Croix Meadows. It owns the Kaukauna track and holds a second mortgage on Wisconsin Dells Racing. The connector to St. Croix Meadows is Tom Diehl, who will have a 1.99% share in the Four Feathers project (that's the casino at Hudson) and who owns the Dells track. We also know that Obey, Gunderson, Roth and Barrett are opposed to the Hudson-Four Feathers project. Kohl, Kleczka, and Klug have recently affirmed their neutrality.



Manchester Place • 2 East Mifflin Street • Suite 701 • Madison, Wisconsin 53703
Phone 608-251-0702 FAX 608-251-0704

ATTORNEY'S EYES ONLY

O'CONNOR & HANNAN L.L.P.
ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20006-3483
202-887-1400
FAX (202) 466-2198

June 27, 1995

Hon. Lewis Taylor
Chairman, St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

Dear Lewis:

Enclosed please find our invoice for legal services rendered for May 1995.

If you have any questions, please don't hesitate to call.

Warm personal regards.

Sincerely,

Thomas J. Corcoran

jj
enclosure

Doc 24759

ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N.W
WASHINGTON, D.C. 20006-3483
(202) 887-1400

FED ID NO. 41-0825581

INVOICE

June 27, 1995

32594-0001
******

St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

Hudson Project - Nature of Matter: Dog Track to

Professional services rendered through May 31, 1995

Report to Tom Corcoran regarding Friday meeting at D.N.C. Telephone conference with D. Mercer regarding appointment at White House with Harold Ickes; Finish briefing of T. Corcoran on Friday D.N.C. meeting.
Calls to D.N.C. regarding White House appointment; Long distance telephone conference with Larry Kitto.
Telephone calls to D. Mercer at D.N.C.; Report to Larry Kitto regarding Chairman Fowler's memorandum to Harold Ickes; discussions with P. O'Connor and L. Kitto regarding delivery of materials to White House as requested by D. Fowler, DNC Chairman; discussions regarding meeting with White House Deputy Chief of Staff H. Ickes; discussions with F. Ducheneaux; discussions with aide to Senate Indian Affairs Committee; discussions with Department of Interior officials.
Draft letter to Harold Ickes at White House setting forth reasons to approve creating trust lands for Casino at the Hudson, WI dog track; Discussion with Larry Kitto checking on facts set forth in Ickes letter.
Discussions with P. O'Donnell; review memorandum for White House Deputy Chief of Staff H. Ickes; discussions with P. O'Connor; letter and memorandum to H. Ickes; memorandum to L. Kitto; memorandum to L. Taylor; memorandum to DNC Chairman Fowler and D. Mercer; discussions with F. Ducheneaux; memorandum to P. O'Connor; discussion with Tom Corcoran and editing letter to Harold Ickes; Arranging distribution of letter.
Discussions with F. Ducheneaux; discussions with L. Kitto; discussions with BIA officials; discussion with Tom Corcoran; Long distance telephone conference to Tom Snyder briefing him on problem; Fax to Snyder; Call to D.N.C.

ATTORNEYS AT LAW

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WASHINGTON D C 20006-3483
(202) 887-1400

FED I D NO 41-0825582

INVOICE

June 27, 1995 32594-0001 ******
Hudson Project - Nature of Matter: Dog Track to

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

Long distance discussion with David Mercer regarding follow-up with Harold Ickes; Discussion with Tom Corcoran regarding follow-up with congressional delegations; discussions with P. O'Connor regarding White House involvement in our case at Interior Department; discussions with L. Kitto; review materials from L. Kitto and P. O'Connor; memorandum to L. Kitto.
Meeting with tribal representatives; discussions with F. Ducheneaux; discussions with partners regarding White House actions to stop Hudson project; discussions with BIA officials; discussions with L. Kitto; call to Larry Kitto regarding hearing advising the tribes and Minnesota and Wisconsin delegations regarding my letter to Harold Ickes; Call to David Mercer to get update.
Telephone conference to D. Mercer of D.N.C. regarding status report on meeting with Harold Ickes; Call to Tom Corcoran regarding sending accountant's report to Harold Ickes; discussions with P. O'Connor regarding Deputy White House Chief of Staff H. Ickes; discussions with L. Kitto; memorandum to key White House aides regarding client issues.
Review of Peat Marwick report; letter and memorandum and Peat Marwick report to H. Ickes, Deputy White House Chief of Staff; discussions with White House aides; memorandum to L. Taylor; memorandum to L. Kitto for MIGA; report to L. Kitto regarding President Clinton's comments about "our friends" and racetrack issue; get report from Tom Snyder that he talked to President Clinton regarding status of matter. Report to D. Mercer, Tom Corcoran; Call to John Sutton at Harold Ickes' office; Report to Larry Kitto.
Discussion with David Mercer regarding delay in getting appointment with Harold Ickes.
Meeting with Frank D. and review Wall Street Journal article on Delaware North; Meeting with Tom Corcoran and draft proposed letter to be sent to Minnesota delegation to Harold Ickes regarding Hudson dog track; Long distance telephone conference with Larry Kitto arranging meeting with Minnesota delegation on Wednesday, May 24 in

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FED ID NO 41-0825830

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June 27, 1995 32594-0001 ******
Hudson Project - Nature of Matter: Dog Track to

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

Washington, D.C.; Dinner meeting with David Mercer of the D.N.C.; Report on cause of delay in meeting with Harold Ickes; discussions with P. O'Connor regarding White House strategy and action with Deputy Chief of Staff H. Ickes; discussions with L. Kitto; telephone conference with L. Kitto and P. O'Connor; discussions with P. Taylor of Ducheneaux and Taylor Associates; draft letter for Minnesota Congressional Delegation and send to H. Ickes of White House staff; discussions with P. O'Connor and L. Kitto regarding next meeting, plans and actions.
Preparation of letter for Minnesota Congressional Delegation to send White House aide Harold Ickes, discussion with Pat O'Connor, discussion with Larry Kitto, discussion with T. Krazewiski of Ito-Chunk Nation, report to Larry Kitto; meet with Larry Kitto and Terry MacAuliffe explaining our story.
Trip to the Committee to Re-Elect; (Terry MacAuliffe); Conference with Chairman of National Finance Committee asking him to agree to call Harold Ickes and arrange appointment for Indians; Dinner with Al Gore; Conference with Peter Knight and David Strauss regarding Indian problem regarding Hudson dog track; discussion with Larry Kitto, discussion with Pat O'Connor, delivery of proposed letter by Minnesota Congressional Delegation to Larry Kitto and aides to Congressman Wellstone, Congressmen Oberstar, Vento and Sabo, preparation of draft letter for Senators Daschle and Kerrey for correspondence with White House Deputy Chief of Staff H. Ickes, memorandum to Larry Kitto, discussion with BIA officials.
Discussion with Pat O'Connor, discussion with Larry Kitto, discussions with Pat O'Connor with aide to Vice President Gore, discussion with aide to Clinton/Gore Re-election Committee, finalize letters for Senators Daschle and Kerrey to send to Interior Secretary Babbitt, draft of letters for tribal leaders to send to Secretary Babbitt; reporting to Tom Corcoran on discussions with Peter Knight, David Strauss at Al Gore dinner; Report on meeting with Terry MacAuliffe.

O'CONNOR & HANNAN

[illegible] EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

ATTORNEYS AT LAW

SUITE 800
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FED. ID NO. 41-0825580

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June 27, 1995 32594-0001 ******
Hudson Project - Nature of Matter: Dog Track to

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Discussion with E. Ducherneaux, discussions with aides to House Natural Resource Committee, discussions with T. Glidder, majority counsel to House Subcommittee on Native Americans, discussion with aide to COngressman D. Young, discussion with aide to Congressman Gallegly.
Discussion with Larry Kitto. Discussion with Pat O'Connor. Discussion with David Strauss, aide to Vice President Gore. Memorandum to F. Ducheneaux. Discussion with F. Ducheneaux regarding Delaware North.
Long distance discussion with Tom Corcoran regarding Milbur Wiz Journal article regarding dog track; Read fax; memorandum from T. Krazewski of Ho-Chunk Nation. Memorandum to Don Fowler/David Mercer. Memorandum to Tom Collier. Memorandum to H. Ickes/John Sutlon. Memorandum to L. Taylor. Discussion with Larry Kitto. Discussion with Pat O'Connor. Meetings, discussions and correspondence involving L. Kitto, client, agency representation and Minnesota Members of Congress and their staff assistants on this matter.

Total Services: $7,500.00

O'CONNOR & HANNAN

FEES AND EXPENSES INCURRED DURING THE MONTH COVERED BY THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20006-3483
(202) 887-1400

FED ID NO. 41-0825582

INVOICE

ne 27, 1995 32594-0001 ******
idson Project - Nature of Matter: Dog Track to

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

isbursements:

	Photocopies	111.20
	Long Distance Telephone	40.08
	Postage	3.12
	Facsimiles	88.50
6/27/95	LARRY KITTO - expense for airfare, hotel, parking, meals, etc. (4/18-5/24/95)	1380.00

Total Disbursements: $1,622.90

Total Services and Disbursements: $9,122.90

**********Statement of Account**********

BALANCE DUE FROM PREVIOUS STATEMENT	7783.60
LESS PAYMENT(S)	(7783.60)
BALANCE FORWARD	.00
CURRENT INVOICE	9122.90
BALANCE DUE	$9,122.90

AA 0000274

O'CONNOR & HANNAN

[illegible] REFLECT INCORRECT BALANCES INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

Kitto Depo 5/27/97 SENATE

PAGE 420 SHEET 7

about -- you're one of the lobbyist here. Lobbyists report back who says what to whom and so on. And I'm asking you whether or not you became aware that there had been such meetings in the course of your lobbying effort.

MR. PENTELOVITCH: I'm going to object to the form of the question. Go ahead and answer.

A. I don't remember.

Q. Mr. Kitto, wouldn't contacts with the White House be something you'd take significant to your lobbying effort?

A. Sure.

Q. And it's your testimony that you don't remember that ever happening?

A. I don't remember.

Q. Well, Mr. Kitto, can you testify, to your recollection, that it did not happen, that there were no such meetings between opponents of the Hudson casino and officials of the White House?

A. No.

Q. Okay. Who is Tom Snyder?

A. Tom Snyder is a past associate -- he's a friend of O'Connor's and I think he's a friend of Quinn's, I think. He rented some office space in the Washington office at one time.

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Q. Now, he wasn't officially part of the lobbying effort, was he?

A. No.

Q. But he did in fact have contacts on behalf of the lobbying team, didn't he?

A. I think Tom Snyder had a conversation with the White House, yes. He did have, yes.

Q. Okay. And when you say the White House, you're talking about President Clinton?

A. President Clinton, that's true.

Q. Okay. So Mr. Snyder had a conversation with President Clinton. And I assume that got reported back, didn't it?

A. Sure.

Q. That would be important to your lobbying effort, something you'd want to know about it, wouldn't it?

A. Sure.

Q. Okay. Why don't you tell us what the substance of that conversation was as reported back to you.

A. What was reported back to me was that Snyder talked to the President and the President said he would look into the issue.

MR. PENTELOVITCH: I'm just going to retroactively object to that question as not being very definite.

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A. I mean that's all I recall about it.

Q. That he would look into the issue?

A. Yeah.

Q. Do you recall whether the President indicated something more substantive than just look into it, in fact that he wanted something done?

MR. PENTELOVITCH: Well, I'm going to object to the quest on because you've not established that Mr. Kitto talked to the President himself.

MR. VARDA: No. I'm going -- I do not assume that Mr. Kitto talked to the President. I'm trying to solicit the hearsay with respect to what Mr. Snyder's conversation was as part of the discovery proceeding.

MR. PENTELOVITCH: Right. I understand. The problem with your question is that you've really not done anything to lay down if this is single hearsay, double hearsay, triple hearsay, how he heard it, who he heard it from. I mean you've really made no record on that, so --

MR. VARDA: No, I understand that.

MR. PENTELOVITCH: Okay.

MR. VARDA: It's hearsay. I probably can't get it in anyway, but I do need to take it to

PAGE 423

its logical conclusion so that I can use it for further discovery.

Q. Well, let's go back a minute and you can answer a few questions about that. Did Mr. O'Connor talk directly to Mr. Snyder?

A. I don't know.

Q. Are they friends?

MR. PENTELOVITCH: Objection, asked and answered.

Q. Tom Snyder and Mr. O'Connor, they're friends, aren't they?

A. I would assume that. I've never met Mr. Snyder so I don't know.

Q. Did you speak to Mr. Snyder directly about his conversation with President Clinton?

A. I've never met or talked to Mr. Snyder. Wouldn't know what he looked like.

Q. How was the information with respect to Mr. Snyder's conversation with the President communicated back to you?

A. Through Mr. O'Connor.

Q. So do you know if Mr. O'Connor talked to Mr. Snyder?

A. I'm assuming he did. You'll have to ask Mr. O'Connor.

Q. Did Mr. O'Connor say anything to you to indicate that

Same as previous
invitation except
for time change

JULY 13, 1995

CLINTON/GORE '96
FUNDRAISING DINNER

DATE: July 13, 1995
LOCATION: The Home of Tom and Cynthia Schneider
TIME: 7:30pm
FROM: Laura Hartigan

I. PURPOSE

To raise money for Clinton/Gore '96 Primary Committee

II. BACKGROUND

The Clinton/Gore reelection dinner will be hosted by Tom and Cynthia Schneider who are strong supporters of the President and have attended Renaissance Weekend with the Clinton's. The dinner, honoring The President, will be $1000 per person. There will be approximately 350 people in attendance. The event format will be an interactive discourse with the guests. A large portion of the event will be devoted to questions and answers during the President's remarks.

III. PARTICIPANTS

See attached guest list
See attached private greeting list

IV. PRESS PLAN

The event is closed press

V. SEQUENCE OF EVENTS

6:30 pm	Call Time for Guests/Reception Begins
7:15 pm	Guests seated for dinner

CGRO-013393
Req. 5/28/97

7:30 pm	YOU arrive and enter Schneider home - meet Tom and Cynthia Schneider and their children in library Then proceed to greet steering committee (12 people) across the hall
7:45 pm	YOU are announced offstage into tent ("Hail to the Chief" is played) then proceed to your seat You are seated at table #__2____
8:25 pm	Tentative program begins: Cynthia Schneider welcomes guests and introduces Tom Schneider Tom Schneider gives remarks and explains Q&A forum then introduces YOU YOU deliver remarks and take Q&A
9:30 pm	YOU work ropeline out and depart

VI. REMARKS

Your remarks are provided by the speech writer. A majority of your program is Q&A.

CGRO-01333P4
Req. 5/28/97

Family Greeters(Library)

Tom Schneider
Cynthia Schneider
Tommie(daughter)
Sam(son)

Steering Committee list(living room)

Tom and Cynthia Schneider
John and Ann Schneider(Tom's brother and niece)
John and Anne Schneider(Tom's father and mother)
Bob Barrie
Julie Barrie
Paula Barrie
Al Dwoskin
Phil Vevcer
Gerry Mcgowen

*list incomplete

CGRO-013385
Req. 5/28/97

The President's Table

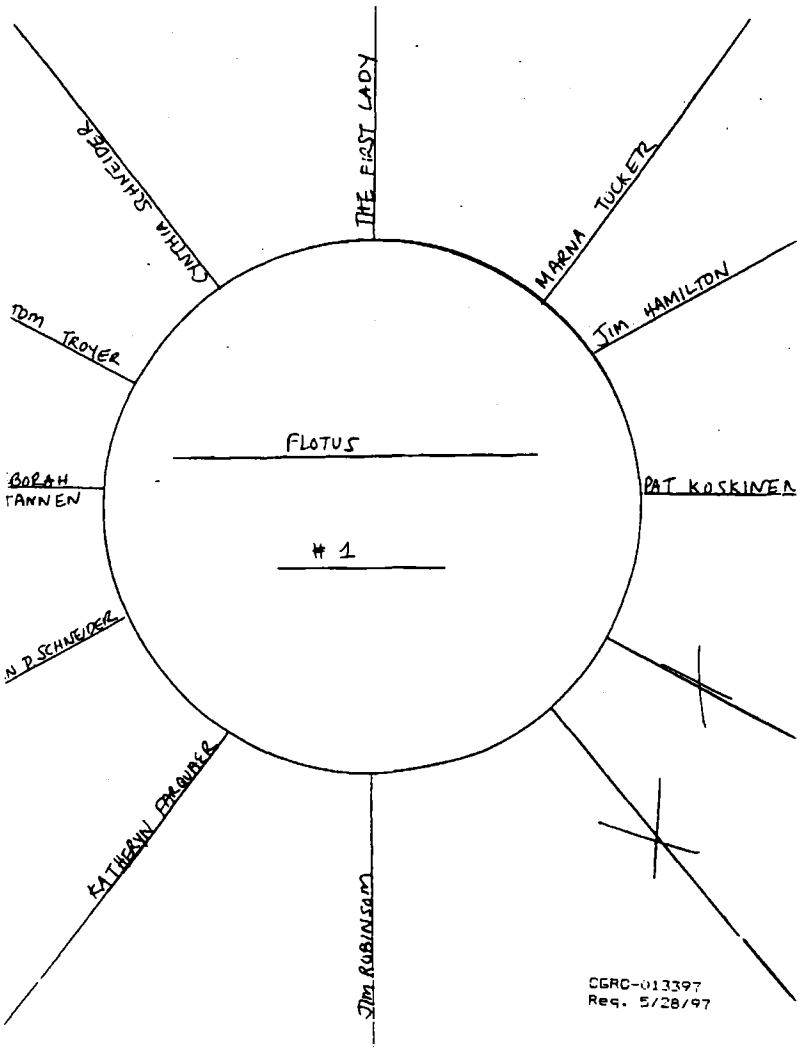
Tom Schneider
Jim Rouse
Phil Verveer
Gerry McGowan
Jane Condon
Eldy Acheson
Jamie Gorelick
Paula Stern
Diane Frankl

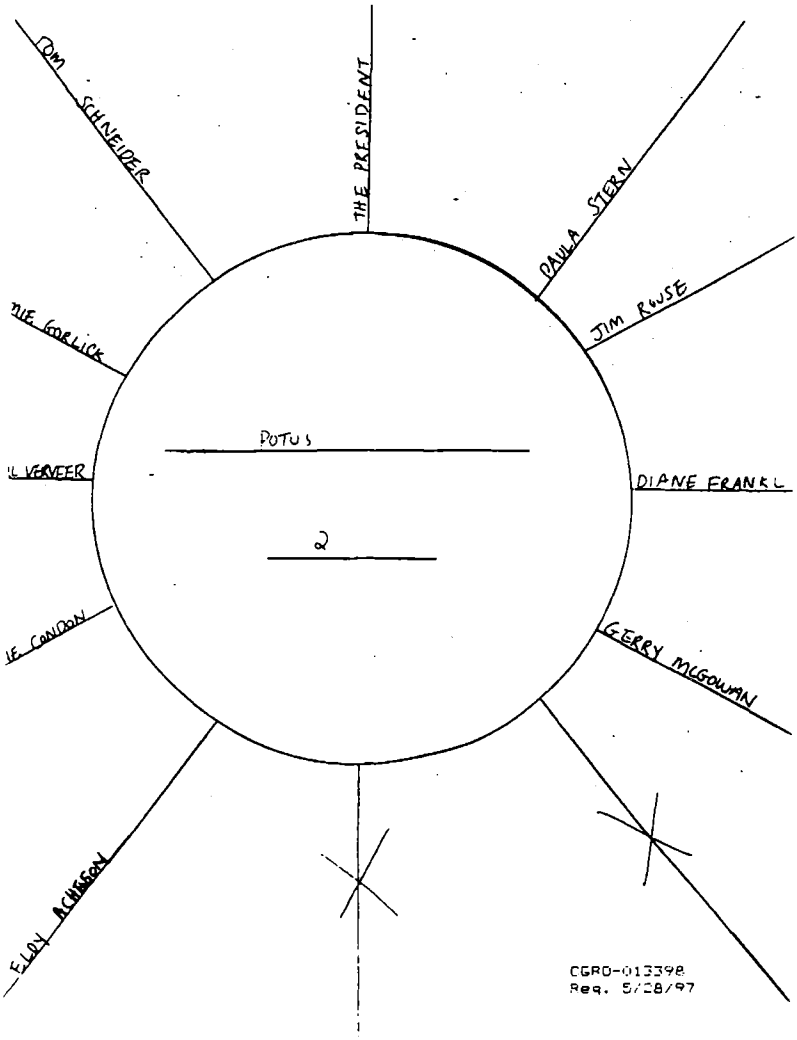
Tentative First Lady's Table

New Mate

Cynthia Schneider
Tom Troyer
Deborah Tannen
John Schneider
Katheryn Earquaer
Jim Robinson
Pat Koskinen
Jim Hamilton
Marna Tucker

CGRD-013396
Reg. 5/28/97


THE FIRST LADY
MARNA TUCKER
JIM HAMILTON
PAT KOSKINEN
JIM ROBINSON
KATHLEEN BRUNNER
N P SCHNEIDER
DEBORAH TANNEN
TOM TROYER
CYNTHIA SCHNEIDER
FLOTUS
1
CGRC-013397
Req. 5/28/97


TOM SCHNEIDER
THE PRESIDENT
PAULA STERN
JIM KUSE
POTUS
2
DIANE FRANKL
GERRY MCGOWAN
CGRD-013398
Req. 5/28/97

Friday, November 21, 1997

A6 FRIDAY, NOVEMBER 21, 1997 THE WASHINGTON POST

White House Releases More Tapes of Political Events

One Shows Fund-Raiser a Day Before Administration's Controversial Rejection of Indian Casino

By Guy Gugliotta and George Lardner Jr.
Washington Post Staff Writers

The White House yesterday released tapes of 24 political events attended by President Clinton and Vice President Gore during their 1996 reelection campaign, all but two of them campaign fund-raisers.

Unlike the events shown in tapes released earlier to the Senate Governmental Affairs Committee, none of the events in the newly released tapes took place at the White House, and the vast majority were plainly campaign fund-raisers where there can be question of wrongdoing by Clinton or Gore in asking for money.

"We didn't find anything that was of that intervening," said Paul Clark, spokesman for the committee, which had subpoenaed the tapes. The committee has now received tapes of 238 events featuring Clinton, Gore or both.

Included in the tapes was one from a July 13, 1996, fund-raiser at the Maryland home of Tom Schneider, partner of the chief lobbyist for a group of Indian tribes that were trying to block plans by rival tribes to open a casino in Hudson, Wis. The Interior Department rejected the casino plan the day after the fund-raiser.

White House special counsel Larry J. Doyle said the administration regarded only two of the tapes as "directly responsive" to the committee's subpoena: a Dec. 6, 1996, Mayflower Hotel event attended by businessman Roger Tamraz and a May 15, 1996, Sheraton Washington Hotel banquet that may shed a fleeting glimmer of Yah Lin "Charlie" Trie. Tamraz and Trie are key figures in the administration's 1996 fund-raising scandals.

Doyle said the White House submitted the 22 other tapes "in a spirit of cooperation," but withheld 43 others, because "they were not about fund-raising." Before releasing further tapes, he added, the White House wanted to establish "reasonable limits" on compliance, not engage in "an open-ended fishing expedition."

Clark said, "We're going to work with the White House to get copies of those tapes we need." Davis said the withheld tapes show state Democratic Party and congressional fund-raisers, policy-oriented briefings for donors and miscellaneous events unrelated to fund-raising. None of the events took place in the White House.

The fund-raiser at Schneider's Sandy Spring home produced $430,000. Schneider, a longtime friend of Clinton's, is also the law partner of Patrick J. O'Connor, a prominent Washington lobbyist who represented the tribes opposing the Hudson casino.

Schneider was mentioned in a May 1995 memo by Ann Jablonski, a lobbyist for the St. Croix Chippewa, one of the opposing tribes, as having spoken to Clinton about the proposal before it was rejected.

The Jablonski memo said Schneider "has confirmed in a casual conversation with Clinton that Clinton is aware of the Hudson deal (such as it was)." She also described how O'Connor had approached Clinton about the matter at a fund-raiser in Minneapolis on April 30, 1996.

According to court records, Clinton told Bruce Lindsey, one of his top aides, to hear O'Connor out and, as Jablonski put it, Lindsey "decided it was a problem [White House deputy chief of staff Harold] Ickes would/could/should take care of."

Schneider has said he did not remember talking to Clinton about the casino, but did tell Ickes at a reception that "this is something you ought to pay attention to."

When the Interior Department rejected the Hudson casino plan on July 14, Interior Secretary Bruce Babbitt told an old friend, Paul F. Eckstein, that Ickes had demanded a decision that day. Babbitt has since said he made the story up to get Eckstein, who had been hired by the losing tribes, out of his office.

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that at the time?
A: No, I don't think so. I think that Ada had really not been involved in the meetings at all, so, her presence or absence from the meetings wouldn't have been noticed, so, but I don't know how Mr. Chapman informed or didn't inform people about that decision. I really think Mr. Chapman could answer that question.
Q: The next sentence of this says this scenario is contrary to our earlier discussions, which indicated that Ada would not formally endorse the proposal. That sentence suggests that Ada Deer had some sort of position on this application.
A: Never discussed with me; I never had a discussion with her about the issue.
Q: And as you sit here today, you have no information at all about whether she was involved in any preliminary discussions about this matter or ever formulated a position.
A: No, the only role I recall Ada having was at the meeting in April with the tribes before the Secretary, and I'm not sure if she articulated anything then, whether she told them she wanted to support tribal economic development or not, so, I don't know.
Q: Before we move on, I just want you to look at Exhibit No. 4 again, which is your letter of July 14. The reasons that you state in that letter, are those the only

Page 56

reasons that the application was denied?
A: Yes, I think we tried to contain within that four corners here, and that's really why I insisted that the original draft I received be expanded to include the St. Croix tribe as a factor, I guess; that's the only rationale I can know of that supported our decision.
Q: And are you comfortable in testifying that this decision to reject this application was decided solely on the merits and without any other outside considerations?
A: Yes, very, very comfortable.
MR. KUPFER: I want you to--actually, I guess we'll just mark it. Let me mark as Exhibit No. 6 a copy of your affidavit, which was submitted in connection with the Federal court litigation.
[Anderson Deposition Exhibit No. 6 was marked for identification.]
BY MR. KUPFER:
Q: Who drafted this affidavit?
A: I believe Scott Keep from the Solicitor's Office, and I believe I edited it.
Q: And this affidavit is truthful and accurate, correct?
A: Yes.
Q: Let me direct your attention to the second page

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and paragraph eight; you write by early July, the issues had been discussed extensively, and the matter was ripe for a decision; do you see that language?
A: Yes.
Q: What do you mean by that, by ripe for decision?
A: The issues of law as to the standards, one, like is there detriment to community? Is there a benefit to the tribe? And also, the application of the 465, which is a more lenient statute, were basically the areas that we discussed, and I can only conclude that we had enough information to make a decision that had been vetted thoroughly through the Department.
Q: Okay; but up until early July, is it your testimony that the decision on this application was not ready to be issued?
A: As I recall, I think there was a consultation period that was ongoing, allowing some of the parties to put information into the record, and I'm not sure when that ended.
Q: Okay; I've seen documents where I believe it was up until April 30--
A: Okay.
Q: --was the consultation period.
A: Yes.
Q: But other than the consultation period, what was

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it that made this matter ripe in July versus the first part of June?
A: Probably enough information was available and had just been sitting around for awhile, I think, that we needed to make a decision in order to, you know, one, give the tribe a chance to resubmit if we denied, but I think mainly just because it had been around for a long time. It had been reopened once. I can think it's just, you know, the Government needs to make timely decisions, and we felt that we had enough information.
Q: Did anyone tell you it was time to make this decision?
A: No; the--no instructions were given on, you know, which week or so. There was, the week of the actual decision, there was direction given from, I believe it was given to me by Mike Chapman that the decision had to be signed on the 14th; they had to go out. So, I did receive that instruction.
Q: Did Mr. Chapman indicate why?
A: No, he didn't. He just said that it needed to be done.
Q: Did you ask him why?
A: No, in fact, I didn't actually want to sign it on Friday the 14th, because Ada was going to a pow wow in Wisconsin, I think at Lac Courte Orilles, that Sunday. So,

Page 59

I did not want to put her in that position. I was going to be out the following week, so, I couldn't have signed it that next week. I was going to be off in Washington State for negotiations. So, if I didn't sign it then, I think this was a Thursday or a Friday; I would have to wait another week. But I was told by Mr. Chapman that it needed to go out that day.
Q: When did he tell you that?
A: I think the day of, the day that it was signed. I mean, I had asked for changes from Phoenix, George and I, to make to this letter. They were incorporated into the letter, and then, the letter was brought to sign, but I wasn't told why. I assume it came from Mr. Duffy's office that the letter needed to be signed that day.
Q: The letter was brought to you on the 14th, and the instructions were sign it today and get it out.
A: Yes, either the 13th or the 14th; either the Thursday--the Wednesday--well, I guess, I don't have the calendar, but this was on a Friday. I was back in the office Thursday and Friday. I was going to be out the following week, so, I was told that it needed to be signed that day.
Q: You never said to Mr. Chapman, hey, what's the deal here? Why do I need to do this today?
A: No.

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Q: Why not?
A: I assumed there was a reason why the Secretary's office wanted to get it out. I didn't really care whether it was the next week; it was ready to go and be signed, so, I would just as soon get it out sooner than later, but I didn't ask him why.
Q: I just want to understand Mr. Chapman's position. He's the special assistant to--at that time, at least--to Ada Deer.
A: Yes.
Q: Correct?
A: Right.
Q: Okay; did he also--was he a special assistant to you as well?
A: Well, he was a special assistant to the Office of the Assistant Secretary, so, he served as a kind of a liaison for our office to other offices. And so, if it was the Secretary's office on correspondence or on phone calls or on scheduling meetings, he kind of served that role as kind of a coordinator-scheduler.
Q: You mean, he reports to you or works for you--
A: Yes.
Q: --in some sense.
A: Yes.
Q: And he came to you and said the Secretary's office

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says this has to go out.
A: He may have said something like they want it signed upstairs today or something like that; I don't think he said the Secretary's office, but upstairs is the Secretary's office so-
Q: And he had the letter ready to go-
A: Yes.
Q: -with him.
A: Yes.
Q: And just signed it and gave it back to him and off he went.
A: Well, I read it first.
Q: Okay; but-
A: But yes; and then, I probably gave it to our Secretary or maybe back to Michael, and then, they did what they would, which I think was mainly to fax it to these three gentlemen here, I guess the gentlelady too but yes.
Q: So, that has to do with the timing of the actual letter. In terms of the actual decision being made, your testimony is just in early July, it seemed like it was ready to go, but there was nothing specific you could point to.
A: No.
MR. CAHN: So, just to understand one thing, you said that these would be faxed out to the relevant parties, or they would be sent out to the relevant parties?

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THE WITNESS: Faxed out, because people wanted a decision. I mean, we were getting calls on this matter from the tribes regularly, and I wasn't getting them directly, but I know the Department was.And so, generally, if we make a decision of this high level of interest, we usually fax it to people.
MR. CAHN: You were getting calls from the three tribes that had applied.
THE WITNESS: Yes.
MR. CAHN: As well as the tribes that were opposing or not.
THE WITNESS: Yes, I believe there were inquiry calls.As I recall, the most persistent caller was the St. Croix tribe calling George's office, but I believe that these others also had an interest in trying to find out the news.
MR. CAHN: Do you recall if you informed Ada Deer of the decision after it was sent out?
THE WITNESS: Yes; after it was sent out or before? No, I just talked to her before it was sent out, because I said the decision is going to be released to not take the land into trust, and we are going to sign a letter, and I think she asked me to hold off for a day or two because she was going to the pow wow.
MR. CAHN: Fair enough.

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THE WITNESS: But I was asked by Mr. Chapman to sign it on the 14th and get it out, and I'm not sure what the rationale was for the urgency.
BY MR. KUPFER:
Q: And have you heard anything since then about what the rationale was?
A: No.
Q: While we're looking at your affidavit, the last sentence of paragraph eight says I was never contacted by Secretary Babbitt or anyone acting on his behalf directing me to deny the application. Taking away the words directing you to deny the application, because those are specific words, I just want to make sure: you were never contacted by Secretary Babbitt or anyone acting on his behalf, to your knowledge, at least, about this application at all; is that your testimony?
A: Well, no; Mr. Duffy and I discussed this extensively. So, obviously, I talked to him, and he is in his office so-
Q: Did Mr. Duffy ever express to you Secretary Babbitt's position on the issue?
A: No, no, I think it was-the way I understood John's view is he was presenting his advice to the Secretary and his advice to my office on these issues, and he wasn't saying Secretary Babbitt wants you to do this, or I talked

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to the Secretary, and this is how it's going to go; it was this is the way John wanted it to go, and if I had- generally, the practice is if I had a problem with that, with that kind of recommendation, then, I could elevate it up, and I could go to Secretary Babbitt. I had always reserved the right to go to the Chief of Staff or Secretary Babbitt on issues that I didn't agree with, and, in fact, if they had not accepted my recommendations on adding these other factors into the letter, I would have went to the Chief of Staff and said I disagree with John on this issue, and we've got to change this, or I refuse to surname this because, you know, this is an area, I think, that I believe, you know, needs to be in there, and if Mr. Collier disagreed with me, I could have gone to Secretary Babbitt ultimately and said-presented my case.
Q: In having these discussions with Mr. Duffy, was it your impression that he had already discussed these issues with either Mr. Collier or Mr. Babbitt, and this was the decision or the view of the Secretary's office?
A: I assumed that John was speaking for the Office; I never heard him say that Babbitt agreed or that Collier agreed. I just assumed that John was speaking for the Office.There are many, many issues where John's office made recommendations to our office, and, you know, 98 percent of the time, we're in full agreement with them. But

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when we had those discussions, he didn't have to use the leverage of saying Babbitt agrees with this, and you've got to do it; or Tom Collier thinks we should do this. I mean, I never knew if he had the full support, or he was on his own or, you know, what.
Q: But his position is within Secretary Babbitt's-
A: Yes.
Q: -office, correct?
A: Yes, that's right.
MR. KUPFER: Let me show you a document which we'll mark as Exhibit No. 7, which is a memorandum for Harold Ickes from Jennifer O'Connor, dated May 18, 1995.
[Anderson Deposition Exhibit No. 7 was marked for identification.]
BY MR. KUPFER:
Q: I want you to take a look at that.And I apologize. Part of the copying didn't all come through.
A: Yes, that's-
Q: I believe that's the way we received it, actually.
A: Right.
Q: It's Bates Number BOP64394, and I will tell you that Jennifer O'Connor is somebody on Harold Ickes' staff, if you didn't know that.

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I want you to take a look at the second paragraph. I'm sorry; third paragraph of this document.
MR. CAHN: Have you got a better copy?
BY MR. KUPFER:
Q: That's it.
Where I believe it reads the or something Department is reviewing the proposal; staff met last night and came up with a preliminary decision which will likely not be final for another month. Staff believes it is probably a bad idea to create the trust land and allow the establishment of the casino. Their reasons are as follows. And then, it goes on to list some reasons.
Are you aware of a staff meeting somewhere around May 17 or so of 1995?
A: I don't recall any; I mean, I was in one or two meetings, and it may have been there; I think it was actually in June, but I don't recall this meeting.
Q: Okay; and the idea that the staff came up with a preliminary decision, what do you know about that?
A: You know, I don't know if this is referring to Gaming Management Staff or whether it is referring to Duffy as staff, so, I don't recall this.
Q: You have a view on which one it refers to, based on the description there?
A: No, I really can't say who made the decision on

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December 3, 1997

TO : Honorable Dan Burton, Chairman, House Committee on Government Reform and Oversight

FROM : American Law Division

SUBJECT : Substantiality of White House Claims of Executive, Attorney-Client and Work Product Privilege for Documents Relating To The Hudson Dog Track Matter

You have asked that we review and comment upon the legal substantiality of tentative claims of executive, attorney-client, and work product privilege by the White House with respect to documents relating to the Hudson Dog Track matter that are presently in the Committee's possession. The White House has requested confidential treatment of the documents, which were turned over to the Committee in compliance with a subpoena, on the ground, among others, that Committee publication could result in waiver of the asserted privileges in pending or future court actions. You have provided us with copies of all but one of the documents listed in an accompanying privilege log.[1] The privilege log indicates the date of the document (in most instances), a brief description of the nature of each document, and the privilege or privileges claimed for each one.

We will proceed by first summarizing and explaining the current law and practice with respect to each of the privileges when asserted before courts and congressional committees, and then apply the pertinent legal principles to the particular documents. We conclude that under the current state of the law, and in light of the nature of the documents and the circumstances under which they were produced, it is likely that a reviewing court would hold that none of the privileges claimed are sustainable before your Committee, but that the White House has not, by their production, waived any assertable privileges it might raise in a court action even if the Committee should publically disclose the material during the course of its proceedings.

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[1]Not included is document number EOP 64985, dated May 25, 1995, described as an "E-mail from the Deputy Assistant to the President for Intergovernmental Affairs to Special Assistant to the Deputy Chief of Staff for Policy and Political Affairs the attendance of possible presidential appointee at political event", for which executive privilege is claimed.

EXECUTIVE PRIVILEGE

Presidential claims of a right to preserve the confidentiality of information and documents in the face of legislative demands have figured prominently, though intermittently, in executive-congressional relations since at least 1792, when President Washington discussed with his cabinet how to respond to a congressional inquiry into the military debacle that befell General St. Clair's expedition. *See* Archibald Cox, *Executive Privilege*, 122 U. of Pa. L. Rev. 1383, 1395-1405 (1979). *See generally*, Mark J. Rozelle, Executive Privilege: The Dilemma of Secrecy and Democratic Accountability (1994)(Rozelle). Few such interbranch disputes over access to information have reached the courts for substantive resolution, the vast majority achieving resolution through political negotiation and accommodation. *See*, Neil Devins, *Congressional-Executive Information Access Disputes: A Modest Proposal-Do Nothing*, 48 Adm. L.Rev. 109 (1996). In fact, it was not until the Watergate-related lawsuits in the 1970's seeking access to President Nixon's tapes that the existence of a presidential confidentiality privilege was judicially established as a necessary derivative of the President's status in our constitutional scheme of separated powers. Of the six court decisions involving interbranch information access disputes,[2] three have involved Congress and the Executive[3] but only one of these resulted in a decision on the merits. One other case, involving legislation granting custody of President Nixon's presidential records to the Administrator of the General Services Administration, also determined several executive privilege issues pertinent to the instant dispute.[4]

The *Nixon* and post-Watergate cases established the broad contours of the presidential communications privilege. Under those precedents the privilege, which is constitutionally rooted, could be invoked by the President when asked to produce documents or other materials or information that reflect presidential decisionmaking and deliberations that he believes should remain confidential. If the President does so, the materials become presumptively privileged. The privilege, however, is qualified, not absolute, and can be overcome by an adequate showing of need. Finally, while reviewing courts have expressed reluctance to balance executive privilege claims against a congressional demand for information, they have acknowledged they will do so if the political branches have tried in good faith but failed to reach an accommodation.

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[2]*United States v. Nixon*, 418 U.S. 683 (1974); *Nixon v. Sirica*, 487 F.2d 700 (D.C. Cir. 1973); *Senate Select Committee v. Nixon*, 498 F.2d 725 (D.C. Cir 1974); *United States v. AT&T*, 551 F.2d 384 (D.C. Cir. 1976), *appeal after remand*, 567 F.2d 121 (D.C. Cir. 1977); *United States v. House of Representatives*, 556 F.Supp. 150 (D.D.C. 1983); *In re Sealed Case*, 116 F.3d 550 (D.C. Cir.), *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir. 1997).

[3]Senate Select Committee, *supra; United States v. House of Representatives, supra;* and *United States v. AT&T, supra.*

[4]*Nixon v. Administrator of General Services*, 433 U.S. 425 (1977).

However, until the District of Columbia Circuit's recent ruling in *In re Sealed Case*, 116 F.3d 550 (D.C. Cir), *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir. 1997), these judicial decisions had left important gaps in the law of presidential privilege which have increasingly become focal points, if not the source, of interbranch confrontations that has made their resolution more difficult. Among the more significant issues left open included whether the President has to have actually seen or been familiar with the disputed matter; whether the presidential privilege encompasses documents and information developed by, or in the possession of, officers and employees in the departments and agencies of the Executive Branch; whether the privilege encompasses all communications with respect to which the President may be interested or is it confined to presidential decisionmaking and, if so, is it limited to any particular type of presidential decisionmaking; and what kind of demonstration of need must be shown to justify release of materials that qualify for the privilege. The unanimous panel in *In re Sealed Case* authoritatively addressed each of these issues in a manner that appears to have drastically altered the future legal playing field in resolving such disputes. It is useful, then, before proceeding with a description and explication of *In re Sealed Case*, to review and understand the prior case law and how it has affected the positions of the disputants.

1. The Watergate Cases

In interbranch information disputes since the early 1980's, executive statements and positions taken in justification of assertions of executive privilege have frequently rested upon explanations of executive privilege made by the courts. To better understand the executive's stance in this area, and the potential impact on those positions of *In re Sealed Case*, we will chronologically examine the development of the judiciary's approach and describe how the executive has adapted the judicial explanations of the privilege to expand the scope of its supporting arguments.

In Nixon v. Sirica, 487 F.2d 750 (D.C. Cir. 1973), the first of the Watergate cases, a panel of the District of Columbia Circuit rejected President Nixon's claim that he was absolutely immune from all compulsory process whenever he asserted a formal claim of executive privilege, holding that while the presidential conversations are "presumptively privileged", 487 F.2d at 717, the presumption could be overcome by an appropriate showing of public need by the branch seeking access to the conversations. In *Sirica*, "a uniquely powerful", albeit undefined, showing was deemed to have been made by the Special Prosecutor that the tapes subpoenaed by the grand jury contained evidence necessary to carrying out the vital function of determining whether probable cause existed that those indicted had committed crimes. *Id.*

The D.C. Circuit next addressed the Senate Watergate Committee's effort to gain access to five presidential tapes in *Senate Select Committee on Presidential Campaign Activites v. Nixon*, 498 F.2d 725 (D.C. Cir. 1974).

The appeals court initially determined that "[t]he staged decisional structure established in *Nixon v. Sirica*" was applicable "with at least equal force here." 498 F.2d at 730-31. Thus in order to overcome the presumptive privilege and require the submission of materials for court review, a strong showing of need had to be established. The appeals court held that the Committee had not met its burden of showing that "the subpoenaed evidence is demonstrably critical to the responsible fulfillment of the Committee's function". *Id.* at 731. The court held that, in view of the initiation of impeachment proceedings by the House Judiciary Committee, the overlap of the investigative objectives of both committees, and the fact that the impeachment committee already had the tapes sought by the Senate Committee, "the Select Committee's immediate *oversight* need for the subpoenaed tapes is, from a congressional perspective, merely cumulative". *Id.* at 732 (emphasis supplied). Nor did the court feel that the Committee had shown that the subpoenaed materials were "critical to the performance of [its] *legislative functions*". *Id.* (emphasis supplied). The court could discern "no specific legislative decisions that cannot responsibly be made without access to materials uniquely contained in the tapes or without resolution of the ambiguities that the [presidentially released] transcripts may contain". *Id.* at 733. The court concluded that the subsequently initiated and nearly complete work of the House Judiciary Committee had preempted the Senate Committee. "More importantly,.., there is no indication that the findings of the House Committee on the Judiciary and, eventually the House of Representatives itself, are so likely to be inconclusive or long in coming that the Select Committee needs immediate access of its own". *Id.*

The D.C. Circuit's failure to explicitly acknowledge the full constitutional value of congressional oversight of executive branch activities in *Senate Select Committee* has been utilized by the Executive as the basis for arguing that the Congress's interest in executive information is less compelling when a committee's function is oversight than when it is considering specific legislative proposals.[5] This approach, however, arguably misreads the carefully circumscribed holding of the court's ruling, and would seem to construe too narrowly the plenary scope of Congress's investigatory powers which has been recognized since the founding of the republic and is firmly established by innumerable Supreme Court decisions.

The *Senate Select Committee* court's opinion took great pains to underline the unique and limiting nature of the case's factual and historical context. Thus it emphasized the overriding nature of the "events that have occurred since this litigation was begun and, indeed, since the District Court

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[5]The proposition has been a persistent characteristic of the statements of the Reagan, Bush and Clinton Administrations. See, *e.g.*, Letter from Attorney General William French Smith to President Reagan, October 31, 1981, *reprinted in* 5 Op. OLC 27, 30 (1981) (Smith Letter/Watt); Memorandum to General Counsels' Consultative Group Re: Congressional Requests for Confidential Executive Branch Information, 13 Op. OLC 185, 192 (1989)(Barr Memo); Letter from Attorney General Janet Reno to President Clinton, September 20, 1996, at 2-3 (Reno Letter/Haiti).

issued its decision". *Id.* at 731. These included the commencement of impeachment proceedings by the House Judiciary Committee, a committee with an "express constitutional source", whose "investigative objectives substantially overlap" those of the Senate Committee; that the House Committee was presently in possession of the very tapes sought by the Select Committee, making the Senate Committee's need for the tapes "from a congressional perspective, merely cumulative"; the lack of "evidence indicating that Congress itself attached any particular value to "having the presidential conversations scrutinized by two committees simultaneously"; that the necessity for the tapes in order to make "legislative judgments has been substantially undermined by subsequent events", including the public release of transcripts of the tapes by the President; the transfer of four of five of the original tapes to the district court; and the lack of any "indication that the findings of the House Committee on the Judiciary and, eventually, the House of Representatives itself, are so likely to be inconclusive or long in coming that the Select Committee needs immediate access of its own". *Id.* at 732-33. The appeals court concluded by reiterating the uniqueness of the case's facts and temporal circumstances: "We conclude that the need demonstrated by the Select Committee in the peculiar circumstances of this case, including the subsequent and on-going investigation of the House Judiciary Committee, is too attenuated and too tangential to its functions to permit a judicial judgment that the President is required to comply with the Committee's subpoena". *Id.* at 733. Thus the ruling is likely to be limited by future courts to its special historical facts and context.

The Executive's position also ignores the unassailable roots of Congress's broad investigatory powers that reach back to the establishment of the Constitution and which has been continually reaffirmed by the Supreme Court. As George Mason recognized at the Constitutional Convention, Congress "are not only Legislators but they possess inquisitorial power. They must meet frequently to inspect the Conduct of the public offices." 2 The Records of the Constitutional Convention of 1787, at 206 (Max Farrand, ed., 1966). Woodrow Wilson remarked:

> Quite as important as legislation is vigilant oversight of administration; and even more important than legislation is the instruction and guidance in political affairs which the people might receive from a body which kept all national concerns suffused in a broad daylight of discussion. . . . The informing functions of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration is the only pure and efficient administration, but, more than that, that the only really self-governing people is that people which discusses and interrogates its administration.

Woodrow Wilson, Congressional Government 195, 198 (Meridian Books 1956)(1885). The Supreme Court has cited Wilson favorably on this point. See, *e.g., Hutchinson v. Proxmire,* 443 U.S. 111, 132 (1979). Moreover, the Court has failed to make any distinction between Congress's right to executive branch information in pursuit of its oversight function and in support of its responsibility to enact, amend, and repeal laws. In fact, the Court has recognized that Congress's investigatory power "comprehends probes into departments of the Federal Government to expose corruption, inefficiency or waste." *Watkins v. United States,* 354 U.S. 173, 187 (1957). See also, *McGrain v. Daugherty,* 272 U.S. 135, 177 (1926); *Eastland v. U.S. Servicemen's Fund,* 421 U.S. 491, 504 n. 15(1975)

Two months after the ruling in *Senate Select Committee,* the Supreme Court issued its unanimous ruling in *United States v. Nixon,* 418 U.S. 683 (1974)(*Nixon* I), which involved a judicial trial subpoena to the President at the request of the Watergate Special Prosecutor for tape recordings and documents relating to the President's conversations with close aides and advisors. For the first time, the Court found a constitutional basis for the doctrine of executive privilege in "the supremacy of each branch within its own assigned area of constitutional duties" and in the separation of powers. 418 U.S. 705, 706. *See also, id.* at 708, 711. But although it considered presidential communications with his close advisors to be "presumptively privileged", the Court rejected the President's contention that the privilege was absolute, precluding judicial review whenever it is asserted. *Id.* at 705, 706, 708. Also, while acknowledging the need for confidentiality of high level communications in the exercise of Article II powers, the Court stated that when the privilege depends solely on the broad, undifferentiated claim of public interest in the confidentiality of such communications," a confrontation with other values arises". *Id.* at 706. It held that "absent a need to protect military, diplomatic, or sensitive national security secrets, we find it difficult to accept the argument that even the very important interest in confidentiality of presidential communications is significantly diminished by production of" materials that are essential to the enforcement of criminal statutes. *Id.*

Having concluded that the claim of privilege was qualified, the Court resolved the "competing interests" -- the President's need for confidentiality vs. the judiciary's need for materials in a criminal proceeding – "in a manner that preserves the essential functions of each branch", *id.* at 707, holding that the judicial need for the tapes" shown by a demonstrated, specific need for evidence in a pending criminal trial" outweighed the President's "generalized interest in confidentiality . . .". *Id.* at 713. The Court was careful, however, to limit the scope of its decision, noting that "we are not here concerned with the balance between the President's generalized interest in confidentiality . . . and congressional demands for information". *Id.* at 712 n. 19.

In the last of the *Nixon* cases, *Nixon v. Administrator of General Services,* 433 U.S. 425 (1977)(*Nixon* II), the Supreme Court again balanced competing interests in President Nixon's White House records. The Presidential Recordings and Materials Preservation Act granted custody of President Nixon's

presidential records to the Administrator of the General Services Administration who would screen them for personal and private materials, which would be returned to Mr. Nixon, but preserve the rest for historical and governmental objectives. The Court rejected Mr. Nixon's challenge to the Act, which included an argument based on the "presidential privilege of confidentiality". *Id.* at 439. Although *Nixon* II did not involve an executive response to a congressional probe, several points emerge from the Court's discussion that bear upon Congress's interest in confidential executive branch information. First, the Court reiterated that the executive privilege it had announced in *Nixon* I was not absolute, but qualified. *Id.* at 446. Second, the Court stressed the narrow scope of that privilege. "In [*Nixon* I] the Court held that the privilege is limited to communications 'in performance of [a President's] responsibilities' . . . 'of his office' . . . and made in the process of shaping policies and making decisions.'" *Id.* at 449 (citations omitted). Third, the Court found that there was a "substantial public interest[]" in preserving these materials so that Congress, pursuant to its "broad investigative power," could examine them to understand the events that led to President Nixon's resignation" in order to gauge the necessity for remedial legislation". *Id.* at 453.

2. Post-Watergate Cases

Two post-Watergate cases, both involving congressional demands for access to executive information, demonstrate both the judicial reluctance to involve itself in the essentially political confrontations such disputes represent but also the willingness to intervene where the political process appears to be failing.

In *United States v. AT&T*, 567 F.2d 121 (D.C. Cir. 1977), the D.C. Circuit was unwilling to balance executive privilege claims against a congressional demand for information unless and until the political branches had tried in good faith but failed to reach an accommodation.[6] In that case, the Ford Justice Department had sought to enjoin AT&T's compliance with a subpoena issued by a House subcommittee. The subcommittee was seeking FBI letters requesting AT&T's assistance with warrantless wiretaps on U.S. citizens allegedly made for national security purposes. The Justice Department argued that the executive branch was entitled to sole control over the information because of "its obligation to safeguard the national security". *Id.* at 127 n.17. The House of Representatives, as intervenor, argued that its rights to the information flowed from its constitutionally-implied power to investigate whether there had been abuses of the wiretapping power. The House also argued that the court had no jurisdiction over the dispute because of the Speech or Debate Clause.

The court rejected the "conflicting claims of the [Executive and the Congress] to absolute authority". *Id.* at 128. With regard to the executive's

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[6] This was the second time the case was before the court. After its initial review it was remanded to the district court to allow the parties further opportunity to negotiate an accommodation. *See* 551 F.2d 384 (D.C. Cir. 1976).

claim, the court noted that there was no absolute claim of executive privilege against Congress even in the area of national security.

> The executive would have it that the Constitution confers on the executive absolute discretion in the area of national security. This does not stand up. While the Constitution assigns to the President a number of powers relating to national security, including the function of commander in chief and the power to make treaties and appoint Ambassadors, it confers upon Congress other powers equally inseparable from the national security, such as the powers to declare war, raise and support armed forces and, in the case of the Senate, consent to treaties and the appointment of ambassadors.

Id. at 128. Likewise, the court rejected the congressional claim that the Speech or Debate Clause was "intended to immunize congressional investigatory actions from judicial review. Congress' investigatory power is not, itself, absolute". *Id.* at 129.

According to the court, judicial intervention in executive privilege disputes between the political branches is improper unless there has been a good faith but unsuccessful effort at compromise. *Id.* at 127-28. There is in the Constitution, the court held, a duty that the executive and Congress attempt to accommodate the needs of each other:

> The framers, rather than attempting to define and allocate all governmental power in minute detail, relied, we believe, on the expectation that where conflicts in scope of authority arose between the coordinate branches, a spirit of dynamic compromise would promote resolution of the dispute in the manner most likely to result in efficient and effective functioning of our governmental system. Under this view, the coordinate branches do not exist in an exclusively adversary relationship to one another when a conflict in authority arises. Rather, each branch should take cognizance of an implicit constitutional mandate to seek optimal accommodation through a realistic evaluation of the needs of the conflicting branches in the particular fact situation.

Id. at 127 (footnote omitted). The court refused to resolve the dispute because the executive and the Congress had not yet made that constitutionally-mandated effort at accommodation. Instead, the court "encouraged negotiations in order to avoid the problems inherent in [the judiciary] formulating and applying standards for measuring the relative needs of the [executive and legislative branches]". *Id.* at 130. The court suggested, however, that it would resolve the dispute if the political branches failed to reach an accommodation. *Id.* at 123, 126. The court-encouraged negotiations ultimately led to a compromise. Subcommittee staff was allowed to review some unedited memoranda describing the warrantless wiretaps and report orally to subcommittee members. The Justice Department retained custody of the documents. *Id.* at 131-32.

The federal district court in the District of Columbia displayed the same reluctance to intervene in an executive privilege dispute with Congress in *United States v. House of Representatives*, 556 F.Supp. 150 (D.D.C. 1983). There the court dismissed a suit brought by the Justice Department seeking a declaratory judgment that the Administrator of the Environmental Protection Agency (EPA) "acted lawfully in refusing to release certain documents to a congressional subcommittee" at the direction of the President. *Id.* at 151. The Administrator based her refusal upon President Reagan's invocation of executive privilege against a House committee probing the EPA's enforcement of hazardous waste laws. The court dismissed the case, without reaching the executive privilege claim, on the ground that judicial intervention in a dispute "concerning the respective powers of the Legislative and Executive Branches . . . should be delayed until all possibilities for settlement have been exhausted". *Id.* at 152. "Compromise and cooperation, rather than confrontation, should be the aim of the parties". *Id.* at 153. As the Court of Appeals had done in *United States v. AT&T*, the district court in *United States v. House of Representatives* encouraged the political branches to settle their dispute rather than invite judicial intervention. Only if the parties could not agree, would the court intervene and resolve the interbranch dispute. *Id.* at 152. Ultimately the branches did reach an agreement and the court did not need to balance executive and congressional interests. *See* Devins, *supra*, at 118-120.

3. Executive Branch Positions On The Scope of Executive Privilege

Not surprisingly, the executive branch has developed an expansive view of executive privilege in congressional investigations, taking maximum advantage of the vague and essentially undefined terrain within the judicially recognized contours of the privilege. Thus executive branch statements have identified four areas that are asserted to be presumptively covered by executive privilege: foreign relation and military affairs, two separate topics that are sometimes lumped together as "state secrets", law enforcement investigations, and confidential information that reveals the executive's "deliberative process" with respect to policymaking. Typically, the executive has asserted executive privilege based upon a combination of the deliberative process exemption and one or more of the other categories. As a consequence, much of the controversy

surrounding invocation of executive privilege has centered on the scope of the deliberative process exemption. The executive has argued that at its core this category protects confidential predecisional deliberative material.[7] Justifications for this exemption often draw upon the language in *United States v. Nixon* that identifies a constitutional value in the President receiving candid advice from his subordinates and awareness that any expectation of subsequent disclosure might temper needed candor.[8] The result has been a presumption by the executive that its predecisional deliberations are beyond the scope of congressional oversight. "Congress will have a legitimate need to know the preliminary positions taken by Executive Branch officials during internal deliberations only in the rarest of circumstances".[9] According to this view, the need for the executive to prevent disclosure of its deliberations is at its apex when Congress attempts to discover information about ongoing policymaking within the executive branch. In that case, the executive has argued, the deliberative process exemption serves as an important boundary marking the separation of powers. When congressional oversight "is used as a means of participating directly in an ongoing process of decisionmaking within the Executive Branch, it oversteps the bounds of the proper legislative function".[10]

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[7]See Smith letter, *supra* note 5, 5 Op. OLC at 28-31; Barr Memo, *supra* n.5, 13 Op. OLC at 187-190.

[8]See, *e.g.*, 418 U.S. at 705. See also, Smith Letter, *supra*, note 5, 5 Op. OLC at 29; Memorandum for All Executive Department and Agency General Counsel's Re: Congressional Requests to Departments and Agencies Protected By Executive Privilege, September 28, 1994, at 1, 2 (Cutler Memo); Letter from Jack Quinn to Hon. William A. Zellif, Jr., Oct. 1, 1996, at 1 (Quinn Letter/FBI); Memorandum from President Bush to Secretary of Defense Richard Cheney Re: Congressional Subpoena for an Executive Branch Document, August 8, 1991, at 1 (Bush Memo).

[9]Smith Letter/Watt, *supra* n. 5 at 31; see also *id.* at 30 ("congressional oversight interest will support a demand for predecisional, deliberative documents in the possession of the Executive Branch only in the most unusual circumstances"). *Accord*, Barr Memo, *supra* n. 5 at 192 ("Congress will seldom have any legitimate legislative interest in knowing the precise predecisional positions and statements of particular Executive Branch officials".).

[10]Smith Letter/Watt, *supra* n. 5 at 30; *see also* Statement of Assistant Attorney General William H. Rehnquist, reprinted in Executive Privilege: The Withholding of Information by the Executive: Hearings Before the Subcommittee on Separation of Powers of the Senate Committee on the Judiciary, 92d Cong. 1st Sess. 424 (Rehnquist Statement). ("The notion that the advisors whom he has chosen should bear some sort of a hybrid responsibility to opinion makers outside of the government, which notion in practice would inevitably have the effect of diluting their responsibility to him, is entirely inconsistent with our tripartite systems of government. The President is entitled to undivided and faithful advice from his subordinates, just as Senators and Representatives are entitled to the same sort of advice from

The executive has also argued that because candor is the principal value served by the exemption, its protection should extend beyond predecisional deliberations to deliberations involving decisions already made. "Moreover, even if the decision at issue had already been made, disclosure to Congress could still deter the candor of future Executive Branch deliberations".[11] Executives have also taken the position that the privilege covers confidential communications with respect to policymaking well beyond the confines of the White House and the President's closest advisors. The Eisenhower Administration took the most expansive approach, arguing that the privilege applied broadly to advice on official matters among employees of the executive branch.[12] The Nixon Administration appears to have taken a similar view, arguing that the privilege applied to decisionmaking at a "high governmental level", but conceding that the protected communication must be related to presidential decisionmaking.[13] The Reagan Justice Department appears to have taken a slightly narrower view

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their legislative and administrative assistants, and judges to the same sort of advice from their law clerks".).

[11]Smith Letter/Watt, *supra* n. 5, 5 Op. OLC at 29.

[12]See Rozelle, *supra*, at 44-46.

[13]In his prepared statement to the Subcommittee on Separation of Powers of the Senate Judiciary Committee, Assistant Attorney General Rehnquist distinguished between "those few executive branch witnesses whose sole responsibility is that of advising the President" who "should not be required to appear [before Congress] at all, since all of their official responsibilities would be subject to a claim of privilege" and "the executive branch witness . . . whose responsibilities include the administration of departments or agencies established by Congress, and from whom Congress may quite properly require extensive testimony," subject to "appropriate" claims of privilege. Rehnquist Statement, *supra* n. 10 at 427. Moreover, in colloquy with Senator Helms, Mr. Rehnquist seemed to accept that the privilege protected only communications with some nexus to presidential decisionmaking:

> SENATOR ERVIN: As I construe your testimony, the decisionmaking process category would apply to communications between presidential advisers and the President and also to communications made between subordinates of the President when they are engaged in the process of determining what recommendations they should make to the President in respect to matters of policy.
>
> MR. REHNQUIST: It would certainly extend that far, yes.

Id. at 439-40.

of the scope of the privilege, requiring that the protected communications have some nexus to the presidential decisionmaking process.[14]

The Bush Administration took the position that recommendations made to senior department officials and communications of senior policymakers throughout the executive branch were protected by executive privilege without regard to whether they involved communications intended to go to the President.[15] Finally, the Clinton administration has taken the similarly expansive position that all communications within the White House[16] or between the White House and any federal department or agency[17] are presumptively privileged.

The executive has acknowledged some limits to its use of executive privilege. Thus, presidents have stated they will not use executive privilege to block congressional inquiries into allegations of fraud, corruption, or other illegal or unethical conduct in the executive branch. The Clinton Administration has announced that "[i]n circumstances involving communications relating to investigations of personal wrongdoing by government officials, it is our practice not to assert executive privilege, either in judicial proceedings or in congressional investigations and hearings".[18] Similarly, the Reagan Administration policy was to refuse to invoke executive privilege when faced with allegations of illegal or unethical conduct: "[T]he privilege should not be invoked to conceal evidence of wrongdoing or criminality on the part of executive officers".[19] A significant application of this policy came in the Iran/Contra investigations when President Reagan did not assert

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[14]See Memorandum for the Attorney General Re: Confidentiality of the Attorney General's Communications in Counseling the President, 6 Op. OLC 481, 489 (1982)(Olson Memo).

[15]Bush Memo, *supra* n. 8 at 1. Letter from General Counsel, DOD, Terrence O'Donnell to Hon. John Conyers, Jr., Oct. 8, 1991, at 5 (O'Donnell Letter).

[16]See, *e.g.*, Cutler Memo, *supra* no. 8 at 2.

[17]See, *e.g.*, Cutler Memo, *supra* n. 8 at 2 (Communications between White House and departments or agencies, including advice to or from to White House).

[18]Cutler Memo, *supra* n. 8 at 1.

[19]Congressional Subpoenas of Department of Justice Investigative Files, 8 Op. OLC 315 (1984). *Accord* Smith Letter/EPA, *supra* n. 5 at 36 ("These principles will not be employed to shield documents which contain evidence of criminal or unethical conduct by agency officials from proper review".).

executive privilege and even made "relevant excerpts" of his personal diaries available to congressional investigators.[20]

The executive has often tied its willingness to forego assertion of privilege claims to the recognized exceptions to the deliberative process exemption, stating that it would not seek to protect materials whose disclosure "would not implicate or hinder" the executive decisionmaking processes.[21] Thus, factual, nonsensitive materials -- communications from the Attorney General [or other executive branch official] which do not contain advice, recommendations, tentative legal judgments, drafts of documents, or other material reflecting deliberative or policymaking processes -- do not fall within the scope of materials for which executive privilege may be claimed as a basis of nondisclosure.[22]

Recent administrations have stated that their policy "is to comply with congressional requests for information to the fullest extent consistent with the constitutional and statutory obligations of the Executive Branch".[23] Executive privilege will be invoked only after "careful review",[24] in the "most compelling circumstances",[25] and only after the executive has done "the utmost to reach an accommodation" with Congress.[26] The Bush Administration limited the formal claims of executive privilege to those instances where the effort to accommodate had failed and Congress had issued a subpoena.[27] The duty to seek an accommodation is the result of the uncertain boundaries between

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[20]*See* David Hoffman, "President Offers to Share Iran Sales Notes with Hill; Aides Reversed on Memoir Materials", *Washington Post*, February 3, 1987, at A1.

[21]Olson Memo, *supra* n. 14 at 486.

[22]*Id.*; see also Smith Letter/EPA, *supra* n. 5 at 32 ("policy does not extend to all material contained in investigative files. . . The only documents which have been withheld are those which are sensitive memoranda or notes by . . . attorneys and investigators reflecting enforcement strategy, legal analysis, lists of potential witnesses, settlement considerations, and similar materials the disclosure of which might adversely affect a pending enforcement action, overall enforcement policy, or the rights of individuals".).

[23]Cutler Memo, *supra* n. 5 at 1. *Accord* Memorandum from President Reagan for the Heads of Executive Departments, and Agencies Re: Procedures for Governing Responses to Congressional Requests for Information, November 4, 1982 (Reagan Memo).

[24]Cutler Memo, *supra* n. 5 at 1.

[25]Reagan Memo, *supra* n. 23, at 1.

[26]Barr Memo, *supra* n. 5, at 185.

[27]*Id.* at 185, 186.

executive and legislative interests.[28] This uncertainty imposes upon each of the branches an "obligation. . . to accommodate the legitimate needs of the other",[29] and a duty to conduct "good faith negotiations."[30] Avoiding the disclosure of embarrassing information is not a sufficient reason to withhold information from Congress.[31] In fact it has been averred that invocation of the privilege should not even be considered in the absence of a "demonstrable justification that Executive withholding will further the public interest".[32]

Where negotiations have faltered and the President has made a formal claim of executive privilege, the executive will likely argue (as the Clinton Administration has in its two latest invocations of executive privilege[33]) that the investigating committee has not made the showing required under *Senate Select Committee v. Nixon* that the subpoenaed evidence is "demonstrably critical to the responsible fulfillment of the Committee's functions". 498 F.2d at 731. As has been indicated above, since at least the Reagan Administration, each executive has argued that Congress's interest in executive information is less compelling when the Committee's function is oversight than when it is considering specific legislative proposals.

In sum, then, in the absence of further judicial definition of executive privilege since the Nixon cases, the executive, through presidential statements, Office of Legal Counsel Opinions, and, most recently, White House Counsel directives, has attempted to effect a practical expansion of the scope of the privilege. The key vehicle has been the notion of deliberative process. Developed under the Freedom of Information Act to provide limited protection for the predecisional considerations of agency officials, it has been melded with the recognized presidential interest in confidentiality of his communications with his close advisors to include pre-and post-decisional deliberations and the factual underpinnings of those decisional processes, and is argued to reach policy deliberations and communications of department and agency officials and employees in which the President may have an interest. The Clinton Administration has sought to make this doctrinal expansion effective by centralizing scrutiny and control of all potential claims of executive privilege in the White House Counsel's Office. In a memorandum dated September 28, 1994, from White House Counsel Lloyd Cutler to all department and agency general

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[28]Rehnquist Statement, *supra* n. 10, at 420.

[29]Smith Letter/Watt, *supra* n. 5, at 31.

[30]Reagan Memo, *supra* n. 23, at 1.

[31]Rehnquist Statement, *supra* n. 10, at 422.

[32]*Id.*

[33]Letter from Attorney General Janet Reno to President Clinton, September 20, 1996, at 2-3 (Reno Letter/Haiti); Letter from Attorney General Reno to President Clinton, September 30, 1996, at 2 (Reno Letter/FBI).

counsels, agency heads were instructed to directly notify the White House Counsel of any congressional request for "any document created in the White House . . . or in a department or agency, that contains deliberations of, or advice to or from the White House" which may raise privilege issues. The White House Counsel is to seek an accommodation and if that does not succeed, he is to consult with the Attorney General to determine whether to recommend invocation of privilege to the President. The President then determines whether to claim privilege, which is then communicated to the Congress by the White House Counsel.[34]

The Cutler memo modifies President Reagan's 1982 establishment of a more decentralized procedure. Under the Reagan memorandum if the head of an agency, with the advice of agency counsel, decided that a substantial question was raised by a congressional information request, the Attorney General, through the Office of Legal Counsel, and the White House Counsel's Office, were promptly notified and consulted. If one or more of the presidential advisors deemed the issue substantial, the President was informed and decided, and the decision was to be communicated by the agency head to the Congress. The Reagan memo also contrasts with the Cutler memo in that it had a far narrower definition of what the privilege covered. The Reagan memo pinpointed national security, deliberative communications that form part of the decisionmaking process, and other information important to the discharge of Executive Branch constitutional responsibilities.[35]

In addition, recent administrations have aggressively challenged congressional efforts to engage in oversight, often based on the *Senate Select Committee* decision, but also on a broad view of the insulation presumed to be provided by prosecutorial discretion when congressional investigations of agency law enforcement activities is involved.

Establishing the White House Counsel's Office as a central clearinghouse and control center for presidential privilege claims appears to have had the effect of diminishing the historic role of the Justice Department's Office of Legal Counsel as the constitutional counselor to the President and limiting agencies ability to deal informally with their congressional overseers, which is likely to have been its principal objective. An apparent consequence has been a more rapid escalation of individual interbranch information clashes, a widening and hardening of the differences in the legal positions of the branches on privilege issues, and an increased difficulty in resolving disputes informally and quickly. President Clinton has formally asserted executive privilege three times and has resolved a number of disputes under the pressure of imminent committee actions on contempt citations and subpoena issuances. In addition, the Clinton Administration has litigated, and lost, four significant

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[34]Cutler Memo, *supra* n. 5 at 2-3.

[35]Reagan Memo, *supra* n. 23 at 2.

immunity privilege cases in the last year.[86] One, *In re Sealed Case*, to which we now turn, contradicts many of key executive assumptions about the privilege just detailed and thus may reshape the nature and course of future presidential privilege disputes.

4. Implications and Potential Impact of *In Re Sealed Case* on Executive Branch Positions on Executive Privilege

In *In re Sealed Case*, 116 F.3d 550, *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir. 1997), the appeals court addressed several important issues left unresolved by the Watergate cases: the precise parameters of the presidential executive privilege; how far down the chain of command the privilege reaches; whether the President has to have seen or had knowledge of the existence of the documents for which he claims privilege; and what showing is necessary to overcome a valid claim of privilege.

The case arose out of an Office of Independence Counsel (OIC) investigation of former Agriculture Secretary Mike Espy. When allegations of improprieties by Espy surfaced in March of 1994, President Clinton ordered the White House Counsel's Office to investigate and report to him so he could determine what action, if any, he should undertake. The White House Counsel's Office prepared a report for the President, which was publically released on October 11, 1994. The President never saw any of the underlying or supporting documents to the report. Espy had announced his resignation on October 3, to be effective on December 31. The Independent Counsel was appointed on September 9 and the grand jury issued a subpoena for all documents that were accumulated or used in preparation of the report on October 14, three days after the report's issuance. The President withheld 84 documents, claiming both the executive and deliberative process privileges for all documents. A motion to compel was resisted on the basis of the claimed privileges and after *in camera* review the district court quashed the subpoena, but in its written opinion did not discuss the documents in any detail and provided no analysis of the grand jury's need for the documents. The appeals court reversed.

At the outset, the court's opinion carefully distinguishes between the "presidential communications privilege" and the "deliberative process privilege". Both, the court observed, are executive privileges designed to protect the confidentiality of executive branch decisionmaking. But the deliberative process privilege applies to executive branch officials generally, is a common law privilege which requires a lower threshold of need to be overcome, and

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[86] *Clinton v. Jones*, 117 S Ct. 1636 (1997)(no temporary presidential immunity from civil suit for unofficial acts); *In re Grand Jury Subpoena Duces Tecum*, 112 F.3d 910 (8th Cir. 1997), cert. denied 117 S.Ct. 2487 (1997)(claims of attorney-client and work product privilege denied); *In re Sealed Case* 116 F.3d 550, *reissued in unredacted form*, 121 F.3d 729 (D.C. Cir 1977)(claims of executive privilege rejected); *In re Sealed Case*, 124 F.3d 230 (D.C. Cir. 1997)(claims of attorney-client and work product privilege denied).

"disappears altogether when there is any reason to believe government misconduct has occurred". 121 F.3d at 745, 746; see also *id.* at 737-738 ("[W]here there is reason to believe the documents sought may shed light on government misconduct, the [deliberative process] privilege is routinely denied on the grounds that shielding internal government deliberations in this context does not serve 'the public interest in honest, effective government'").

On the other hand, the court explained, the presidential communications privilege is rooted in "constitutional separation of powers principles and the President's unique constitutional role" and applies only to "direct decisionmaking by the President". *Id.* at 745, 752. See also *id.* at 753 ("...these communications nonetheless are ultimately connected with presidential decisionmaking".). The privilege may be overcome only by a substantial showing that "the subpoenaed materials likely contain[] important evidence" and that "the evidence is not available with due diligence elsewhere". *Id.* at 754. See also *id.* at 757. The presidential privilege applies to all documents in their entirety[87] and covers final and post-decisional materials as well as pre-deliberative ones. *Id.* at 745.

Turning to the chain of command issue, the court held that the presidential communications privilege must cover communications made or received by presidential advisers in the course of preparing advice for the President even if those communications are not made directly to the President. The court rested its conclusion on "the President's dependence on presidential advisers and the inability of the deliberative process privilege to provide advisers with adequate freedom from the public spotlight" and "the need to provide sufficient elbow room for advisers to obtain information from all knowledgeable sources". *Id.* at 752. Thus the privilege will "apply both to communications which these advisers solicited and received from others as well as those they authored themselves. The privilege must also extend to communications authored or received in response to a solicitation by members of a presidential adviser's staff". *Id.*

The court, however, was acutely aware of the dangers to open government that a limitless extension of the privilege risks and carefully cabined its reach by explicitly confining it to White House staff, and not staff in the agencies, and then only to White House staff that has "operational proximity" to direct presidential decisionmaking.

> We are aware that such an extension, unless carefully circumscribed to accomplish the purposes of the privilege, could pose a significant risk of expanding to a large swath of the executive branch

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[87] In contrast, the deliberative process privilege does not protect documents that simply state or explain a decision the government has already made or material that is purely factual, unless the material is inextricably intertwined with the deliberative portions of the materials so that disclosure would effectively reveal the deliberations. 121 F.3d at 737.

a privilege that is bottomed on a recognition of the unique role of the President. In order to limit this risk, the presidential communications privilege should be construed as narrowly as is consistent with ensuring that the confidentiality of the President's decisiomaking process is adequately protected. Not every person who plays a role in the development of presidential advice, no matter how remote and removed from the President, can qualify for the privilege. In particular, the privilege should not extend to staff outside the White House in executive branch agencies. Instead, the privilege should apply only to communications authored or solicited and received by those members of an immediate White House advisor's staff who have broad and significant responsibility for investigation and formulating the advice to be given the President on the particular matter to which the communications relate. Only communications at that level are close enough to the President to be revelatory of his deliberations or to pose a risk to the candor of his advisers. *See* AAPS, 997 F.2d at 910 (it is "operational proximity" to the President that matters in determining whether "[t]he President's confidentiality interests" is implicated)(emphasis omitted).

Of course, the privilege only applies to communications that these advisers and their staff author or solicit and receive in the course of performing their function of advising the President on official government matters. This restriction is particularly important in regard to those officials who exercise substantial independent authority or perform other functions in addition to advising the President, and thus are subject to FOIA and other open government statutes. See *Armstrong v. Executive Office of the President*, 90 F.3d 553, 558 (D.C. Cir. 1996), *cert denied* – U.S. —, 117 S.Ct. 1842, 137 L. Ed.2d 1046 (1997). The presidential communications privilege should never serve as a means of shielding information regarding governmental operations that do not call ultimately for direct decisionmaking by the President. If the government seeks to assert the presidential communications privilege in regard to particular communications of these "dual hat" presidential advisers, the government bears the burden proving

> that the communications occurred in conjunction with the process of advising the President.

Id. (footnote omitted).

The appeals court's limitation of the presidential communications privilege to "direct decisionmaking by the President" makes it imperative to identify the type of decisionmaking to which it refers. A close reading of the opinion makes it readily apparent that it is meant to encompass only those functions that form the core of presidential authority, involving what the court characterized as "quintessential and non-delegable Presidential power". *Id.* at 752. In the case before it the court was specifically referring to the President's Article II appointment and removal power which was the focal point of the advice he sought in the Espy matter. But it is clear from the context of the opinion that the description was meant to be in juxtaposition with the appointment and removal power and in contrast with "presidential powers and responsibilities" that "can be exercised or performed without the President's direct involvement, pursuant to a presidential delegation of authority or statutory framework". *Id.* at 752-53. The reference the court uses to illustrate the latter category is the President's Article II duty "to take care that the laws are faithfully executed", a constitutional direction that the courts have consistently held not to be a source of presidential power but rather an obligation on the President to see to it that the will of Congress is carried out by the executive bureaucracy. See, *e.g., Kendall ex rel. Stokes v. United States,* 37 U.S. (12 Pet.) 522, 612-613 (1838); *Youngstown Sheet & Tube Co. v. Sawyer,* 343 U.S. 579, 587 (1952); *Myers v. United States,* 272 U.S. 52, 177 (1926)(Holmes, J., dissenting); *National Treasury Employees Union v. Nixon,* 492 F.2d 587, 604 (D.C. Cir. 1974).

The appeals court, then, would appear to be confining the parameters of the newly formulated presidential communications privilege by tying it to those Article II functions that are identifiable as "quintessential and non-delegable", which would appear to include, in addition to the appointment and removal powers, the commander-in-chief power, the sole authority to receive ambassadors and other public ministers, the power to negotiate treaties, and the power to grant pardons and reprieves. On the other hand, decisionmaking vested by law in agency heads such as rulemaking, environmental policy, consumer protection, workplace safety and labor relations, among others, would not be covered. Of course, the President's role in supervising and coordinating (but not displacing) decisionmaking in the executive branch remains unimpeded. But his communications would presumably not be cloaked by constitutional privilege.[35]

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[35] When *In re Sealed Case* was decided, the House Resources Committee was in the midst of an inquiry of President Clinton's utilization of the Antiquities Act of 1906, 16 U.S.C. 431 (1994), which authorizes the President, in his discretion, to declare by public proclamation objects of historic or scientific interest on federal lands to be national monuments, by reserving parcels that "shall be confined to the smallest area compatible with the proper care and

Such a reading of this critical passage is consonant with the court's view of the source and purpose of the presidential communications privilege and its expressed need to confine it as narrowly as possible. Relying on *Nixon I*, the *In re Sealed Case* court identifies "the President's Article II powers and responsibilities as the constitutional basis of the presidential communications privilege. . . Since the Constitution assigns these responsibilities to the President alone, arguably the privilege of confidentiality that derives from it also should be the President's alone". *Id.* at 748. Again relying on Nixon I the court pinpoints the essential purpose of the privilege: "[T]he privilege is rooted in the need for confidentiality to ensure that presidential decisionmaking is of the highest caliber, informed by honest advice and knowledge. Confidentiality is what ensures the expression of 'candid, objective, and even blunt or harsh opinions' and the comprehensive exploration of all policy alternatives before a presidential course of action is selected". *Id.* at 750. The limiting safeguard is that the privilege will apply in those instances where the Constitution provides that the President alone must make a decision. "The presidential communications privilege should never serve as a means of shielding

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management of the objects to be protected." The Act establishes no special procedures for the decision to declare a national monument and contains no provision for judicial review. Shortly before the 1996 presidential election President Clinton reserved 1.7 million acres in Utah by proclamation. Central to the Committee's inquiry as to the propriety and integrity of the decisionmaking process that lead to the issuance of the presidential proclamation were the actions of the Council on Environmental Quality (CEQ), an office within the Executive Office of the President with, concededly, about the same degree of advisory proximity as that of the White House Counsel's Office. Requests for physical production of documents from CEQ met with limited compliance: an offer to view 16 documents at the White House. The Committee believed that it required physical possession in order to determine the propriety of the process and issued a subpoena which was not complied with on the return date. During intense negotiations, the White House claimed the documents were covered by the presidential communications privilege, even as defined by *In re Sealed Case*. In a letter to the Committee the White House Counsel's Office argued that the opinion did not confine the privilege to just core Article II powers, but included presidential decisionmaking encompassed within the Article II duty to take care that the laws be faithfully executed. It asserted that since the President had the sole authority to designate a monument by law, that decision process, including deliberations among and advice of White House advisers, was covered. The Committee in reply letters disagreed, arguing that *In re Sealed Case* would not encompass a statutory delegation of decisional authority. On the eve of a scheduled Committee vote on a resolution of contempt the White House produced all the documents. *See* 143 Cong. Rec. E2259-2272 (daily ed. Nov. 9, 1997)(Remarks of Hon. James V. Hansen presenting staff study of committee actions and documents in regard to the establishment of the Grand Staircase-Escalante National Monument). *See also* Ruth Larson, "White House Yields Papers On Utah Wilderness Decision," Wash. Times, October 23, 1997, A3.

information regarding governmental operations that do not call ultimately for direct decisionmaking by the President". *Id.* at 752.

Having found that the presidential privilege applied to the withheld documents, the court considered whether the Independent Counsel had made a substantial demonstration that the subpoenaed documents likely contained important evidence and that the evidence was not readily available elsewhere. The OIC made two arguments on need, one general, the other more focused. The general claim contended that since the White House had investigated the same subject matter as the grand jury, that is, whether Espy accepted improper gifts or otherwise abused his position, the White House documents will be clearly relevant. The court found the claim insufficient, holding that while the material would likely be relevant, the OIC had not shown that it would be unable to obtain the information from alternative sources or given an adequate explanation as to why it particularly needed to know what evidence was in the White House files. *Id.* at 760.

The second argument was more focused, claiming that, the grand jury was investigating whether Espy made false statements to the White House during its investigation and that evidence of statements made by Espy or his attorneys to the White House were essential in determining whether such false statements were made. The court found this contention sufficiently powerful since the material would provide the precise evidence the grand jury needed and would not be available elsewhere. The court therefore directed the district court on remand to review the 84 documents and provide the Independent Counsel all evidence that might reasonably be relevant to the question whether Espy made false statements.

5. Application of *In re Sealed Case* to the Hudson Dog Track Documents

The White House has raised tentative claims of executive privilege with respect to six documents in the Committee's possession: EOP 69070-71, dated April 24, 1995; EOP 69076-78, dated April 24, 1995; EOP 69082-89, dated August 23, 1996; EOP 690.92-97, undated; EOP 69098-99, dated October 23, 1996; and EOP 69102-05, dated August 1, 1996. There is little need to discuss the details of each of the documents other than to acknowledge that all deal, in one degree or another, with the Hudson Dog Track matter and all the communications involve at least one White House Office official. We need not go into greater detail because on their face the documents do not meet the threshold test of *In re Sealed Case* for coming within the presidential communications privilege: none of the documents involve a matter that will "call ultimately for direct decisionmaking by the President".

A cursory reading of the communications reflects an awareness on the part of both White House and agency officials that the ultimate federal government decisionmaker on the application of the three Indian tribes to establish a casino in Hudson, Wisconsin is the Secretary of the Interior. See 25

U.S.C. 2719(b)(1)(the Secretary is vested with authority, after consultation with the Indian tribe and appropriate State and local officials, including officials of other nearby Indian tribes, to determine that a gaming establishment on newly acquired lands would be in the best interest of the Indian tribe and its members, and would not be detrimental to the surrounding community). The concern of White House and agency officials reflected in the documents is essentially a political one: that the White House could be seen as interfering with a decision statutorily committed to the discretion of the head of an executive agency. The *In re Sealed Case* court enjoined that "[t]he presidential communications privilege should never serve as a means of shielding information regarding governmental operations that do not call for direct decisionmaking by the President". 121 F.3d at 742. It is, therefore, likely that a reviewing court would find that the communications do not warrant even a "presumptive privilege" under standards established by *In re Sealed Case*, and if tested under the less demanding deliberative process privilege the claim would also likely be denied on the basis of the Committe's showing of substantial need or, more probably, that the privilege has been vitiated by the Committee's reasonable belief of the existence of government misconduct.

CLAIMS OF COMMON LAW PRIVILEGES BEFORE CONGRESSIONAL COMMITTEES

The White House has asserted tentative claims of attorney-client and work product privilege with respect to seven of the Hudson Dog Track documents. Under the analytic framework establish by *In re Sealed Case*, the inapplicability of the presidential communications privilege to the contested material allows a court to reach and assess common law privilege claims.[39]

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[39]The Office of Legal Counsel has consistently maintained that the attorney-client and work product privileges are subsumed under the executive privilege doctrine: "Although the attorney-client privilege may be invoked by the government in litigation and under the Freedom of Information Act separately from any 'deliberative process' privilege, it is not generally considered to be distinct from the executive privilege in any dispute between the executive and legislative branches. The interests implicated under common law by the attorney-client privilege generally are subsumed by the constitutional considerations that shape executive privilege, and therefore it is not usually considered to constitute a separate basis for resisting congressional demands for information. As this Office has previously noted, for the purpose of responding to congressional requests, communications between the Attorney General, his staff, and other Executive Branch "clients" that might otherwise fall within the common law attorney-client privilege should be analyzed in the same fashion as any other intra-Executive Branch communications. *See* Confidentiality of the Attorney General's Communications in Counseling the President, 6 Op. OLC 481, 490 & n. 17, 494 & n. 24 (1984)". 10 Op. OLC 91, 103-104 (1986). While it could be argued that these common law claims now appear to be moot, we will address them as if they were presented independently before a committee.

That case, which held the deliberative process privilege to be a common law privilege which is more easily overcome by a showing of need, and which "disappears" upon the reasonable belief by an investigating body that government misconduct has occurred, together with the Eighth Circuit's recent ruling casting doubt on the availability of any common law privilege to government officials in *In re Subpoena Duces Tecum*, 112 F.3d 910 (8th Cir. 1997), cert. denied 117 S.Ct. 2487 (1997), appears to reinforce the historic practice of congressional committees with respect to such claims. We will review that practice and the law on which it is based, and then examine and assess the substantiality of the claims of privilege raised.

It is well established by congressional practice that acceptance of a claim of attorney-client or work product privilege before a committee rests in the sound discretion of that committee. Neither can be claimed as a matter of right by a witness, and a committee can deny them simply because it believes it needs the information sought to be protected to accomplish its legislative functions. *See* Morton Rosenberg, "Investigative Oversight: An Introduction to the Law, Practice, and Procedure of Congressional Inquiry", CRS Report No. 95-464A, at 43 (April 7, 1995).(CRS Report).

In actual practice, all committees that have denied claims of privilege have engaged in a process of weighing considerations of legislative need, public policy, and the statutory duties of congressional committees to engage in continuous oversight of the application, administration and execution of the laws that fall within its jurisdiction, against any possible injury to the witness. Committees, among other factors, have considered whether a court would have recognized the claim in the judicial forum. See, *e.g.*, "Proceedings Against John M. Quinn, David Watkins, and Matthew Moore (Pursuant to Title 2, United States Code, Sections 192 and 194)", H. Rept. No. 104-598, 104th Cong., 2d Sess. 40-54 (1996); "Refusal of William H. Kennedy, III, To Produce Notes Subpoenaed By The Special Committee to Investigate Whitewater Development Corporation and Related Matters," Sen. Rept. No. 104-191, 104th Cong. 1st Sess. 9-19 (1995); "Proceedings Against Ralph Bernstein and Joseph Bernstein", H. Rept. No. 99-462, 99th Cong. 2d Sess. 13, 14 (1986); Hearings, "International Uranium Control", Before the Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce, 95th Cong., 1st Sess. 60, 123 (1977). Moreover, the conclusion that recognition of non-constitutionally based privileges is a matter of congressional discretion is consistent with both traditional British parliamentary and the Congress' historical practice. See CRS Report, *supra*, at 44-49.

The legal basis for Congress's prerogative in this area is based upon its inherent constitutional prerogative to investigate which has been long recognized by the Supreme Court as extremely broad and encompassing, and which is at its peak when the subject is fraud, abuse, or maladministration within a government department. *McGrain v. Dougherty*, 272 U.S. 135, 177 (1926); *Watkins v. United States*, 354 U.S. 178, 187 (1957); *Eastland v. United States Servicemen's Fund*, 421 U.S. 491, 504 n.15 (1975). The attorney-client privilege is, on the other hand, a judge-made exception to the normal principle

of full disclosure in the adversary process which is to be narrowly construed and has been confined to the judicial forum. *Westinghouse Electric Corporation v. Republic of the Philippines*, 951 F.2d 1414, 1423 (3d Cir. 1991). The privilege has been deemed subject to a variety of exceptions, including communications between a client and attorney for the purpose of committing a crime or perpetrating a fraud or other obstruction of law at some future time, and to a strict standard of waiver.[40] See generally, Paul R. Rice, Attorney-Client Privilege in the United States, chaps. 8:2-8:15 and 9 (1993)(Rice). Indeed, in reviewing the proliferation of exceptions to the privilege, a panel of the District of Columbia Circuit commented that "any belief in an absolute attorney-client privilege is illusory". *In re Sealed Case*, 124 F.3d 230, 234 (D.C. Cir. 1997) (holding that attorney-client privilege is qualified after death of client and may yield to the need for use of confidential communications in criminal proceedings). *See also In re Grand Jury Subpoena Duces Tecum, supra*, 112 F.3d at 921 ("the White House assumes the attorney-client privilege is more predictable than it actually is".).

Moreover, the work product privilege,[41] another judge-made evidentiary exception, has always been recognized as a qualified privilege which may be overcome by a sufficient showing of need. The Supreme Court indicated, in the very case in which it created the doctrine, that "[w]e do not mean to say that all [ ] materials obtained or prepared with an eye toward litigation are necessarily free from discovery in all cases."[42] Thus the courts have repeatedly held that the work product privilege is not absolute, but rather is only a

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[40] However, at least two federal circuits have held that disclosures to congressional committees do not waive claims of privilege elsewhere. See, *Florida House of Representative v. Dept. of Commerce*, 961 F.2d 941, 946 (11th Cir. 1992); *Murphy v. Department of the Army*, 613 F.2d 1151, 1155 (D.C. Cir. 1979).

[41] Some courts refuse to call the doctrine a privilege at all. In *City of Philadelphia v. Westinghouse Electric Corp.* 210 F.Supp. 483, 485 (E.D. Pa. 1962), *mandamus and prohibition denied sub nom. General Electric Corp. v. Kirpatrick*, 312 F.2d 742 (3d Cir. 1962), the court stated that the work product principle "is not a privilege at all; it is merely a requirement that very good cause be shown if the disclosure is made in the course of a lawyer's preparation of a case."

[42] *Hickman v. Taylor*, 329 U.S. 495, 511 (1974).

qualified protection against disclosure,[43] and that the burden is on the party asserting it to establish its applicability.[44]

Claims of Attorney-Client Privilege

More particularly, with respect to the attorney-client privilege, a claimant must establish (1) a communication, (2) made in confidence, (3) to an attorney, (4) by a client, (5) for the purpose of seeking or obtaining legal advice. See, *e.g.*, 8 Wigmore, Evidence, Sec. 2292, at 554 (McNaughton rev. ed 1964); *United States v. United Shoe Machinery Corp.*, 89 F.Supp. 357, 358-359 (D. Mass. 1950). "The privilege does not extend, however, beyond the client's confidential communication to the attorney." *In re Fishel*, 557 F.2d 209, 211 (9th Cir. 1977). The only communications protected by the privilege, then, are those that will disclose what the client said in confidence to the lawyer. But it does not protect the *information* contained within communications. *Upjohn v. United States*, 449 U.S. 384, 395 (1981) ("The privilege only protects disclosure of communications; it does not protect disclosure of the underlying facts by those who communicated with the attorney."); Rice, *supra*, 5:1, at 288.

The burden of establishing the existence of the attorney-client privilege rests with the party asserting the privilege, *See, e.g., In re Grand Jury Investigation No. 83-2-35*, 737 F.2d 497, 450-51 (67th Cir. 1983). Blanket assertions of the privilege have been deemed "unacceptable", *SEC v. Gulf & Western Industries, Inc.*, 518 F.Supp. 675, 682 (D.D.C. 1981), and are strongly disfavored. *In re Grand Jury Investigation No. 83-2-35, supra*, 737 F.2d at 454. The proponent must conclusively prove each element of the privilege, but the mere fact that an individual communicates with an attorney does not make his communication privileged.[45]

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[43] See, e.g., *Central National Insurance Co. v. Medical Protective Co. of Forth Worth*, 107 F.R.D. 393, 395 (E.D. Mo. 1985); *Chepanno v. Champion International Corp.*, 104 F.R.D. 395, 396 (D. Ore. 1984).

[44] *Barclaysamerican Corp. v. Kane*, 746 F.2d 653, 656 (10th Cir. 1984); *Nutmeg Insurance Co. v. Atwell Vogel & Sterling*, 120 F.R.D. 504, 510 (W.D. La 1988).

[45] *In re Grand Jury Subpoena Duces Tecum*, 112 F.3d 912 (8th Cir. 1997)(rejecting applicability of common interest doctrine to communications at a meeting with White House Counsel's Office attorneys and private attorneys for the First Lady.); *United States v. Tedder*, 801 F.2d 1437, 1442-43 (4th Cir. 1986)(friend's communication with attorney held not privileged despite the fact that friend was both lawyer and colleague in the same firm when he spoke to her not as a professional legal advisor, did not seek legal advice from her, and did not expect communications to remain confidential); *United States v. Costanzo*, 625 F.2d 465, 468 (3d Cir. 1980)("[I]t is true that '[a] communication is not privileged simply because it is made by or to a person who happens to be

Moreover, courts have held that communications by an attorney in response to the client are not automatically privileged. These courts have reasoned that an attorney's communication can be privileged only derivatively, if the disclosure of the attorney's communication would reveal the content of the client's communication to the attorney. *Rice, supra*, at 5:2, 306-312. Also, when advice to a client is based on information supplied to the attorney from the public record it has been held to be non-privileged:

> The attorney-client privilege does not extend to correspondence from an attorney to a client when that correspondence contains advice based upon public information rather than confidential information provided by the client . . . . In this case, it appears that the information which was sent to the office of the General Counsel consisted almost entirely of material which was in the public record. Therefore, the General Counsel's opinion is not protected from discovery by the attorney-client privilege.

Community Savings and Loan Ass'n v. Federal Home Loan Bank Board, 68 F.R.D. 378, 382 (E.D. Wisc. 1975). *See also In re Underwriters at Lloyds*, 666 F.2d 55, 57 (14th Cir. 1981)("Advice given by [the attorney was] based on information from non-privileged documents and therefore was not privileged".) *In re Sealed Case*, 737 F.2d 94, 99 (D.C. Cir. 1984)("It remains the client's burden, however, to present to the court sufficient facts to establish the privilege; the claimant must demonstrate with reasonable certainty . . . that the lawyer's communications rests in significant and inseparable part on the client's confidential disclosure."); *Thomas v. Pansy Ellen Products; Inc.*, 672 F.Supp. 237, 243 (W.D. N.C. 1987)("It is client confidences, not attorney advice that are protected by the privilege."). Similarly, documents not prepared by the client for the purpose of communicating with an attorney confidentially do not acquire protection simply by turning them over to an attorney. *Colton v. United States*, 306 F.2d 633, 639 (2d Cir. 1962) *cert. denied* 371 U.S. 951 (1963)("[P]re-existing documents and financial records not prepared by the [clients] for the purpose of communicating with their lawyer in confidence . . . have acquired no special protection from the simple fact of being turned over to an attorney."); *Cosgrove v. Sears, Roebuck & Co.*, No. 81 Civ. 3482-CSH (SDNY, Mar. 30, 1982)(LEXIS, Genfed library, Dist. file)(diary not privileged because it was not made for the purpose of communicating with the attorney).

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a lawyer.'").

The foregoing brief summary of pertinent case law raises substantial questions whether the subject claims of attorney-client privilege would be held applicable to some of the documents listed in the privilege log.

Attorney-client privilege is claimed for six documents. EOP 69070-71, dated April 24, 1995 is a memo to Harold Ickes, then Deputy Chief of Staff to the President, from Loretta Avent, a Special Assistant to the President for Intergovernmental Affairs. Contrary to the privilege log entry for this item, it contains no "legal advice" for Ickes but is rather a recounting of attempts by a lobbyist to contact her on the Hudson Dog Track matter and the reasons, political and legal, for her reluctance to talk with him. Avent was not seeking or giving legal advice nor is there any indication that Avent and Ickes were in an attorney-client relationship at all.

EOP 67076-78, dated April 24, 1995, from Michael T. Schmidt, Senior Policy Analyst, White House Office of Policy Development, to White House Associate Counsel Cheryl D. Mills is a report on the details of a telephone conversation he and Loretta Avent had with lobbyist Pat O'Connor. While it is apparent that it is meant to be a confidential communication with an attorney it is not so clear that its purpose was to obtain legal advice.

EOP 69079-81 (undated) contains handwritten notes by Associate Counsel Mills on press accounts and recollections of government officials on the Hudson Dog Track matter. The courts have not extended the protection of the attorney-client privilege to an attorney's notes or memoranda to the file, particularly where there is no evident intent to communicate with the client. *Leybold-Heraeus Technologies, Inc. v. Midwest Instrument Co.*, 118 F.R.D. 609, 613 (E.D. Wisc. 1987); *National Corn Growers Assoc. v. Baker*, 623 F.Supp. 1262, 1277 (Ct. of Interna'tl Trade 1985); *Sneider v. Kimberly Clark Corp.*, 190 F.R.D. 1, 6 (N.D. Ill. 1980).

EOP 69098-99, dated October 23, 1996, is a transmittal by Chief of Staff Leon Panetta to the President of a status report on the Hudson Dog Track litigation prepared by an attorney in the White House Counsel's Office. The transmittal was not in response to a request for legal advice nor does it purport to be anything other than a status report based on information on the public record, which is normally not held to be privileged. EOP 69100, dated October 22, 1996, is a transmittal by the same White House Counsel Office attorney reporting to his superior how and what he found out about the status of the dog track litigation. For the same reasons, it would not likely be held privileged by a reviewing court.

Even assuming any or all the documents are deemed covered by attorney-client privilege, it is likely that a reviewing court would hold that the privilege has been overcome. The *In re Sealed Case* court made it clear that the common law deliberative process privilege "disappears altogether when there is any reason to believe government misconduct [has] occurred". 121 F.3d at 738. See also *id.* at 746. ("Where there is reason to believe the documents sought shed light on government misconduct, 'the privilege is routinely denied', on the

grounds that shielding internal government deliberations in this context does not 'serve the public's interest in honest, effective government'"). In the instant situation the documents are sought to be utilized by a congressional committee with clear jurisdiction over the subject matter and the documents appear to shed light on the question of misconduct. It is therefore likely that a reviewing court would find the *In re Sealed Case* court's rationale with respect to overcoming the deliberative process privilege in the face of a congressional investigation of misconduct applicable as well to a claim of attorney-client privilege. See also *In re Grand Jury Subpoena Duces Tecum,supra*, 112 F.3d at 917-18 (holding that the White House could not invoke any form of governmental attorney-client privilege to withhold relevant information concerning conversations between attorneys representing the White House and the wife of the President from a grand jury conducting a criminal investigation.).

Claims of Work Product Protection

The qualified immunity from discovery of an attorney's work product recognized by the Supreme Court in *Hickman v. Taylor*, 329 U.S. 495 (1947), is now codified in Rule 23(b)(3) of the Federal Rules of Civil Procedure.[46] The Rule provides that in a civil action there is qualified immunity from discovery when materials are:

> 1. "documents and tangible things;"
> 2. "prepared in anticipation of litigation or for trial;" and
> 3. "by or for another party or for that other party's representative."

To overcome the qualified immunity, the party seeking discovery must make a showing of: (1) substantial need for the materials; and (2) inability to obtain the substantial equivalent of the information without undue hardship. Upon such a showing, the qualified immunity from discovery is overcome and the

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[46] Rule 26(b)(3) provides in pertinent part: "Trial Preparation: Materials .. . .[A] party may obtain discovery of documents and tangible things . . . prepared in anticipation of litigation or for trial by or for another party or by or for that other party's representative (including the other party's attorney, consultant, surety, indemnitor, insurer, or agent) only upon a showing that the party seeking discovery has substantial need of the materials in the preparation of the party's case and that the party is unable without undue hardship to obtain the substantial equivalent of the materials by other means. In ordering discovery of such materials when the required showing has been made, the Court shall protect against disclosure of the mental impressions, conclusions, opinions, or legal theories of an attorney or other representative of a party concerning the litigation."

court will order the materials produced. See, generally 8 Wright, Miller and Marcus, Federal Practice and Procedure, Sections 2021-2028 (1994).

The federal rules do not define what is meant by the term "litigation" or "in anticipation of." However, the Special Masters' Guidelines for the Resolution of Privilege Claims, approved and adopted by the court in *United States v. American Telephone & Telegraph Co.*, 86 F.R.D. 603 (D.D.C. 1980), contain a detailed discussion of both phrases that reflects precedent to that time and has been influential since then. The Special Master defined "litigation" as including "a proceeding in a court or administrative tribunal in which the parties have the right to cross-examine witnesses or to subject an opposing party's presentation of proof to equivalent disputation." 86 F.R.D. at 627. On its face, the definition would not apply to Congress, which of course is not a court or administrative tribunal, or to a congressional investigative hearing which, while often confrontational, does not afford an opportunity for witnesses to cross-examine other witness or present rebuttal testimony as would be the case in the adversarial adjudicative forum. We are aware of no court that has held the work product doctrine applicable to a legislative proceeding. A recent appellate court ruling, discussed below, directly holds that it is not applicable. The definition is also consonant with the language of Rule 26(b)(3) which exclusively uses terms such as "party", "litigation", "trial" and "discovery" which are alien to the legislative hearing process. Wright, Miller and Marcus, *supra*, Section 2024 at 338-357; 86 F.R.D. at 627-30.

The "in anticipation" element was defined by the Special Master to mean

> any time after initiation of the proceeding or such earlier time as the party who normally would initiate the proceeding had tentatively formulated a claim, demand, or charge. When the material was prepared by a party who normally would initiate such a proceeding, that person must establish the date when the claim, demand, or charge was tentatively formulated. When the material was prepared by a potential defendant or respondent, that person must establish the date when he received a demand or warning of charges or information from an outside source that a claim, demand, or charge was in prospect.

86 F.R.D. at 627. The courts have made it clear that while there is no requirement that litigation have already commenced in order for the work product doctrine to be operative, there must be "a more immediate showing than the remote possibility of litigation". *Garfinkle v. Arcada National Corp.*, 64

F.R.D. 688, 690 (SDNY 1974). "[F]or documents to qualify as attorney work product, there must be an identifiable prospect of litigation (*i.e.*, specific claims that have already arisen) at the time the documents were prepared". *Fax v. California Sierra Financial Services*, 120 F.R.D. 520, 525 (N.D. Calif. 1988). One appellate court recently recognized that "because litigation is an ever present possibility in American life, it is more often the case than not that events are documented with the general possibility of litigation in mind. Yet '[t]he mere fact that litigation does ensue does not, by itself, cloak materials' with work product immunity. The document must be prepared because of the prospect of litigation when the preparer faces an actual claim or potential claim following an actual event or serves of events that reasonably could result in litigation". *National Union Fire Ins. Co. v. Murray Sheet Metal Co.*, 967 F.2d 980, 984 (4th Cir. 1992). Materials prepared in the ordinary cause of business will not be protected from production, even if the party is aware that the document may also be useful in the event of litigation. *Smith v. Conway Organization*, 154 F.R.D. 73, 78 (SDNY 1994). *See also Litton Industries v. Lehman Bros. Kuhn Loeb, Inc.*, 125 F.R.D. 51, 54-55 (SDNY 1989). Similarly, "[t]he acts performed by a public employee in the performance of his official duties are not 'prepared in anticipation of litigation or for trial' merely by virtue of the fact that they are likely to be the subject of later litigation". *Grossman v. Schwartz*, 125 F.R.D. 376, 388 (SDNY 1989); *Department of Economic Development v. Arthur Anderson & Co.*, 139 F.R.D. 295, 700 (SDNY 1991).

In a recent Eighth Circuit decision, *In re Grand Jury Subpoena Duces Tecum, supra*, involving, *inter alia*, a White House claim of work product immunity in the face of a grand jury subpoena for notes taken by White House Counsel's Office attorneys during meetings with First Lady Hillary Rodham Clinton, a divided panel rejected the applicability of the work product doctrine on the ground that it had not been shown that the attorneys involved were preparing for or anticipating some sort of "adversarial proceeding" involving the First Lady. It held that neither the independent counsel investigation then in progress nor a possible congressional investigative hearing provided the element of "anticipation of litigation or trial" necessary to invoke the immunity:

> The White House's argument that its lawyers were preparing for the OIC's investigation is simply unpersuasive; as we have stated previously, the OIC is not investigating the White House, nor could it do so. White House officials may be under investigation on account of their individual acts, but we know of no authority allowing a client such as the White House to claim work product immunity for materials merely because they were prepared while some other person, such as Mrs. Clinton, was anticipating litigation. Cf. *In re*

> *California Pub. Utils. Comm'n*, 892 F.2d 778, 781 (9th Cir. 1989) (concluding that non-party to litigation may not assert work product doctrine).
>
> As a fall-back position, the White House suggests that anticipated congressional hearings will suffice as well as anticipated litigation. The Restatement seems to agree with the White House. See Restatement § 136 cmt. h (stating that litigation "includes a proceeding such as a grand jury or a coroner's inquiry or an investigative legislative hearing"). Neither the White House, Mrs. Clinton, nor the Restatement cites any authority for this proposition, however, and we have discovered none. *Cf. P. & B. Marina, L.P. v. Logrande, 136* F.R.D. 50, 58-59 (E.D.N.Y. 1991) (finding letters from lobbyist to client not protected work product), aff'd, 983 F.2d 1047 (2d Cir. 1992) (table). Even if it could be said that the White House anticipated a congressional investigation of the White House itself, rather than merely of individuals who work at the White House, and even if we consider a congressional investigation to be an adversarial proceeding, the only harm that could come to the White House as a result of such an investigation is political harm. As in our discussion of the common-interest doctrine, we decline to endorse the position of the White House where it is based on nothing more than political concerns.

112 F.3d at 924-925.

Rule 26(b)(3) provides heightened protection for "mental impressions, conclusions, opinions or legal theories of an attorney or other representative of a party concerning the litigation". This protection against disclosure, however is not absolute and has been held to yield in appropriate circumstances. *In re John Doe Corporation*, 675 F.2d 482, 492 (2d Cir. 1982). Thus when mental impressions are *at issue* in the case and the need for the material is compelling, they have been held discoverable. *Holmgren v. State Farm Mutual Ins. Co.*, 976

F.2d 573, 577 (9th Cir. 1992)(claim of bad faith in the settlement process); *Handguards Inc. v. Johnson & Johnson*, 413 F.Supp 926, 931-31 (N.D. Calif. 1976)(bad faith in instituting litigation). Courts have consistently denied the protection in such "at issue" cases where complete or partial lack of recollection of critical meetings or events has been claimed. *Erlich v. Howe*, 848 F.Supp 842, 492-93 (SDNY 1994); *Redvanly v. NYNEX Corp.*, 152 F.R.D. 460, 468-69 (SDNY 1993); *Doubleday v. Ruh*, 149 F.R.D. 601, 608 (E.D. Cal. 1993); *In re Worlds of Wonder Securities Litigation*, 147 F.R.D. 208, 212 (N.D. Cal. 1992). The protection has been denied where what was at issue was the reason a government prosecutor instituted an action. *Doubleday v. Ruh, supra*, 149 F.R.D. at 608 ("Here, plaintiff asserts that the main issue of her case is the affect [sic] defendants had on the district attorney's decision to prosecute".); *EEOC v. Anchor Continental, Inc.*, 74 F.R.D. 523, 526-28 (D.S.C. 1977)("However, there must be an exception to this [work product] rule when the Court's in camera inspection reveals that the plaintiff, a branch of the United States government, has little faith in its case, has little evidence to go on and hopes to be able to prove the case through discovery or force a settlement upon a defendant who might not be able to stand the financial burden of defending itself".).

Work product protection is claimed for four documents: EOP 69079-81 (undated) containing handwritten notes by a White House Counsel Office attorney on press accounts and recollections of government officials on the Hudson Dog Track matter; EOP 69098-99, dated October 23, 1996, a transmittal by the President's Chief of Staff of a status report on the dog track litigation prepared by a White House Office attorney; EOP 69100, dated October 22, 1996, a transmittal by the same White House Counsel attorney reporting to his superior as to how and what he found about the status of the dog track litigation; and EOP 69101, dated October 23, 1996, another copy of the status report attached to the Chief of Staff's transmittal noted in EOP 69098-99.

In the Eight Circuit's decision in *In re Grand Jury Subpoena Duces Tecum, supra*, similar claims of work product privilege by the White House were rejected, the appeals court holding the doctrine inapplicable where it was not shown that the White House Counsel's Office attorneys involved were preparing for some sort of "adversarial proceedings". It ruled that neither an ongoing independent counsel investigation or a congressional oversight hearing provided the necessary element of "anticipation of litigation or trial" necessary to invoke the immunity. 112 F.3d 924-925. The court also held that the privilege would not apply even if a committee investigative hearing was deemed to be an adversarial proceeding since "the only harm that could come to the White House as a result of such an investigation is political harm. As in our discussion of the common interest doctrine, we decline to endorse the position of the White House where it is based on nothing more than political concerns". *Id.* at 925. As indicated above, work product claims have been denied where the documents were prepared by public employees in the performance of their official duties and in cases in which mental impressions are "at issue" and partial or complete lack of recollection of critical meetings and events is claimed and the need for the material is compelling. In the present circumstances, where similar claims

are being made, and the Committee is of the reasonable belief that misconduct has occurred and the subject documents or pertinent to that concern, it is likely that a court would deny the privilege.

Finally, the White House raises the question whether publication of the documents in question during the course of your investigation will have the effect of waiving any privileges that might otherwise be asserted in any pending or future litigation. Our review of the applicable case law, and the constitutional principles underlying congressional oversight and investigations, lead us to conclude that a reviewing court is not likely to find that disclosure by your Committee under the circumstances now obtaining would effect a waiver of any privileges that might be asserted in a related court proceeding.

There is no need to rehearse the constitutional basis for Congress's broad and encompassing authority to engage in oversight and investigation discussed above. Suffice to say, that power reaches all sources of information that enable it to carry out its legislative function, and in the absence of a countervailing constitutional privilege or a self-imposed statutory restriction on its authority, Congress and its committees have virtually plenary power to compel information needed to discharge its legislative function from executive agencies, private persons and organizations, and, within certain constraints, the information so obtained may be made public.

More particularly, once documents are in congressional hands, the courts have held that they must presume that the committees of Congress will exercise their powers responsibly and with due regard for the rights of effected parties. *FTC v. Owens-Corning Fiberglass Corp.*, 626 F.2d 966, 970 (D.C. Cir. 1980); *Exxon Corp. v. FTC*, 589 F.2d 582, 589 (D.C. Cir. 1978), *cert. denied*, 441 U.S. 943 (1979); *Ashland Oil Corp. v. FTC*, 458 F.2d 977, 979 (D.C. Cir. 1976). Nor may a court block congressional disclosure of information obtained from an agency or private party, at least where disclosure would serve a valid legislative purpose. *Doe v. McMillan*, 412, U.S. 306 (1973); *FTC v. Owings-Corning Fiberglass Corp., supra*, 626 F.2d at 970.

It is also well established that when the production of privileged communications is judicially compelled, compliance with the order does not waive the applicable privilege in another litigation, as long as it is demonstrated that the compulsion was resisted. See, *e.g., U.S. v. De La Jara*, 973 F.2d 746, 749-50 (9th Cir. 1992)("In determining whether the privilege should be deemed waived, the circumstances surrounding the disclosure are to be considered. *Transamerica Computer*, 573 F.2d at 652; U.S. Zolin, 809 F.2d 1411, 1415 (9th Cir. 1987), *aff'd in part, vacated in part*, 491 U.S. 554 (1989) (. . . When the disclosure is involuntary, we will find the privilege preserved if the privilege holder has made efforts 'reasonably designed' to protect and preserve the privilege. *See Transamerica Computer*, 573 F.2d at 650".); *Westinghouse Electric Corp. v. Republic of the Philippines*, 951 F.2d 1414, 1427 n. 14 (3d Cir. 1991)("We consider Westinghouse's disclosure to the DOJ to be voluntary even though it was prompted by a grand jury subpoena. Although Westinghouse

originally moved to quash the subpoena, it later withdrew the motion and produced the documents pursuant to the confidentially agreement. *Had Westinghouse continued to object to the subpoena and produced the documents only after being ordered to so so, we could not consider the disclosure to do so to be voluntary".)* (emphasis supplied); *Jobin v. Bank of Boulder (In re M&L Business Machines Co.)*, 167 B.R. 631 (D. Colo. 1994)("Production of documents under a grand jury subpoena does not automatically vitiate the attorney-client privilege, much less in an unrelated civil proceeding brought by a non-governmental entity. This is especially true in a case such as this, where the record demonstrates that the Bank has consistently sought to protect its privilege".). Some courts have even refused to find waiver when the client's production, although not compelled, is pressured by the court. *Transamerica Computer Corp. v. IBM*, 576 F.2d 646, 651 (9th Cir. 1978). Similarly, another court found that a client's voluntary production of privileged documents during discovery did not effect a waiver because it was done at the encouragement of the presiding judge. *Duplan Corp. v. Deering Milliken, Inc.*, 397 F.Supp 1146, 1163 (S.D.S.C. 1974)(finding no waiver "where voluntary waiver of some communications was made upon the suggestion of the court during the course of the in camera proceedings".).

Moreover, at least two federal circuits have held that disclosures to congressional committees do not waive claims of privilege elsewhere. *See, Florida House of Representatives v. Dept. of Commerce*, 961 F.2d 941, 946 (11th Cir. 1992); *Murphy v. Department of the Army*, 613 F.2d 1151, 1155 (D.C. Cir. 1979).

In the current circumstances, the White House has vigorously attempted to protect its claims of privilege from the outset of the Committee's investigation. It has, in apparent good faith, resisted pressure to produce the subjects documents until the Committee issued a subpoena. It has continued to assert claimed privileges in an effort to forestall committee disclosure. We believe the case law just recounted provides sufficient support for the White House to successfully argue in an appropriate judicial forum that its conduct in the face of the Committee's demands demonstrates that its production was involuntary and does not waive any legitimate claim it might have.

It should also be noted that acceptance of the White House's request for non-disclosure would effectively vitiate Congress's constitutionally-based prerogative to inform not only itself but the public as well, through its hearing and report processes, about the functioning of its governmental apparatus. *See e.g., Nixon v. Administrator of General Services*, 433 U.S. 425, 453 (1977)(rejecting President Nixon's claim of executive privilege against congressional cooption of his presidential papers, finding that there was a "substantial public interest" [] in preserving those materials so that Congress, pursuant to its "broad investigative power", could examine them to understand the events that led to the President's resignation in order to guage the necessity for remedial legislation".). The court in *Murphy v. Department of the Army*, 613 F.2d 1131, 1155 (D.C. Cir. 1979), stated that Freedom of Information Act exemptions were no basis for withholding documents from Congress, explaining

that: "The obvious purpose of the Congress was to carve out for itself a special right of access to privileged information not share by others. Congress, whether as a body, through Committees, or otherwise, must have the widest possible access to executive branch information, if it is to perform its manifold responsibilities effectively. If one consequence of the facilitation of such access is that some information will be disclosed to congressional authorities but not to private persons, that is but an incidental consequence of the need for informed and effective lawmakers".

Murphy cannot be read to simply allow Congress to get information and then not be able to utilize it in the manner and by means it believes most effective for accomplishing its legitimate legislative functions. The Supreme Court and federal appellate tribunals have consistently ruled that pending civil and criminal proceedings are no impediments to congressional exercise of its oversight and investigative prerogative, no matter the consequence of possible impeding the successful governmental prosecution or defense of such actions. See CRS Report, *supra*, at 23-30. As was succinctly observed by Iran-Contra Independent Counsel Lawrence E. Walsh, "The legislative branch has the power to decide whether it is more important perhaps even to destroy a prosecution than to hold back testimony that they need. They make that decision. It is not a judicial decision or a legal decision but a political decision of the highest importance". Walsh, The Independent Counsel and the Separation of Powers, 25 Hous. L. Rev. 1, 9 (1988).

We conclude that, under the circumstances of the instant situation, if the Committee discloses any or all the documents during the pendency of a related judicial proceeding, it is likely that the court will hold the White House's compliance with the Committee's demand to be involuntary and not to effect the waiver of any applicable privileges. *Compare Garrity v. New Jersey*, 385 U.S. 493 (1967).

CONCLUSION

The District of Columbia Circuit's ruling in *In re Sealed Case* has established a new standard for assessing the substantiality of claims of presidential communications privilege. That privilege, which is constitutionally-based, applies only to direct presidential decisionmaking, a term that the court indicates limits the privilege to decisionmaking with respect to the core constitutional authorities vested in the President of Article II, such as appointment and removal, foreign relations, military affairs, national security, and the pardon power. The court also distinguished the deliberative process privilege from the presidential communications privilege, holding that it is a common law privilege applicable executive officials generally whose negation by courts or congressional committees is subject to less demanding scrutiny and which "disappears altogether when there is any reason to believe government misconduct has occurred". Applying the *In re Sealed Case* principles to the

3 THOMPSON: "You Do Big Jobs, You Get Big Critics"

NBC's Myers interviewed Sen. **Fred Thompson** (R-TN) on "Today." Thompson, on the hearings: "I think the president could have done a lot more in explaining [alleged campaign finance abuses] and encouraging ... people to come forward" and testify. Thompson, on the hearings proceeding and simultaneous calls for campaign finance reform: "I disagree clearly with my leadership on this issue, but they shouldn't take the total rap on this thing. We had difficulties all the way around, because many of the Democrats would not face up to the gross misconduct that we were seeing. Some of the people on our side didn't feel that they ought to consider reform until we'd totally vented and made the Democrats pay for what they had done." On his being subject to bipartisan criticism toward his direction of the hearings: "You do big jobs, you get big critics. It's not that big of a deal." On WH 2000: "I'm not thinking about. I'm not going to think about it at least for a long time. [If] those circumstances came together where I wanted to take a look at that a year or so down the road, ... I'd have to think about it then. But until then I won't." Myers: "One thing Thompson seems certain of is that some of the witnesses who testified before his committee committed perjury. He'll ask the Justice Department to consider criminal charges. Sources say when he does Interior Secretary Bruce Babbitt and former Democratic chairman Don Fowler are at the top of his list" (11/7).

4 BABBITT: Goff Confirms Eckstein Story

Human Events' Chapman reports, DC consultant **Mark Goff**, who drove atty/lobbyist **Paul Eckstein** "to and from" a 7/14/95 meeting with Interior Sec. **Bruce Babbitt**, "confirmed that Eckstein told him the substance of his fateful conversation with Babbitt in the car shortly after Eckstein emerged from the secretary's office." The conversation "is now the focal point" of a preliminary DoJ investigation to determine whether to name an ind. counsel to investigate Babbitt. Goff "backs Eckstein's claim that Babbitt told the lobbyist" that ex- WH CoS **Harold Ickes** "had ordered him to make a decision that day on whether to allow a group of" WI Indian tribes to open a casino (11/14 issue).

▶ NATIONAL BRIEFING

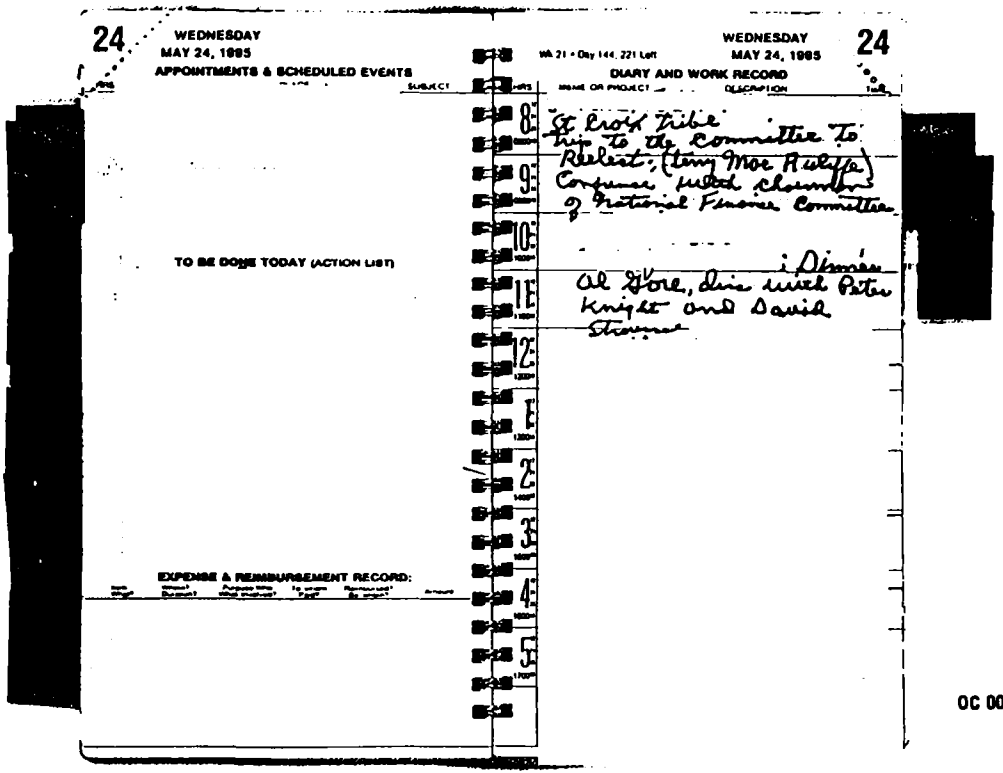
5 CLINTON AND ELLEN: Saturday Night Gay-La

Christian Science Monitor's Thurman writes on Pres. Clinton's "historic first," - speaking at an 11/8 gala thrown by the Human Rights Campaign, the "nation's largest homosexuals lobbying organization." Actress **Ellen Degeneres**, who portrays the gay lead character on the ABC sitcom "Ellen," will be on hand to receive an achievement award (11/7).

PRO: HRC's Elizabeth Birch, asked how hard it was to get Clinton to speak: "It wasn't that hard at all. ... It comes on the heels of a well established relationship on a number of policy fronts with the Clinton administration." Asked if this is a significant step for him to take: "Absolutely. This is absolutely historic and wonderful, but he will not just be speaking to the Human Rights Campaign and the group in that room, but he will be speaking to the families of America and the nation as a whole" ("IP," 11/6).

CON: FRC's Kristi Hamrick, on why Clinton's speaking: "It shows the power of the almighty dollar. Commentators have talked a lot about the fact that a small group of people Americans fear are pushing their values on the rest of us. I'm assuming they are talking about homosexual activists, because there is no group, if you look at the polls or even the voting numbers, so small and yet with their dollars making such a loud voice. And it's not just dollars in Washington, as the president's presence at that dinner shows, it's their presence in Hollywood as their unrepresentative numbers appear on television." Hamrick, on the political impact of the speech: "The Clinton Administration will suffer and continue to suffer and we'll see how in the future" ("IP," 11/6).

6 GOP: Hook, Hopper Resign From RNC



24 WEDNESDAY
MAY 24, 1995

APPOINTMENTS & SCHEDULED EVENTS

TO BE DONE TODAY (ACTION LIST)

EXPENSE & REIMBURSEMENT RECORD:

WA 21 • Day 144, 221 Left

WEDNESDAY
MAY 24, 1995 24

DIARY AND WORK RECORD

HRS	NAME OR PROJECT / DESCRIPTION
8	St Croix Tribe
	trip to the Committee to
	Reelect, (Terry Moe Ruliffe)
9	Confrence with chairman
	of National Finance Committee
10	
	; Dinner
11	Al Gore, dis with Peter
	Knight and David
	Strauss
12	
1	
2	
3	
4	
5	

OC 000032

O'CONNOR & HANNAN, L L P
ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N W
WASHINGTON D C 20006-3483
(202) 887-1400
FAX (202) 466-2198

June 27, 1995

Hon. Lewis Taylor
Chairman, St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

Dear Lewis:

Enclosed please find our invoice for legal services rendered for May 1995.

If you have any questions, please don't hesitate to call.

Warm personal regards.

Sincerely,

Thomas J. Corcoran

jj
enclosure

SUITE 800
1919 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20006-3483
(202) 887-1400

FED. ID NO. 41-0825580

INVOICE

June 27, 1995

32594-0001
******

St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

Hudson Project - Nature of Matter: Dog Track to

Professional services rendered through May 31, 1995

Report to Tom Corcoran regarding Friday meeting at D.N.C.
Telephone conference with D. Mercer regarding appointment at White House with Harold Ickes; Finish briefing of T. Corcoran on Friday D.N.C. meeting.
Calls to D.N.C. regarding White House appointment; Long distance telephone conference with Larry Kitto.
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Hudson Project - Nature of Matter: Dog Track to

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Discussion with David Mercer regarding delay in getting appointment with Harold Ickes.
Meeting with Frank D. and review Wall Street Journal article on Delaware North; Meeting with Tom Corcoran and draft proposed letter to be sent to Minnesota delegation to Harold Ickes regarding Hudson dog track; Long distance telephone conference with Larry Kitto arranging meeting with Minnesota delegation on Wednesday, May 24 in

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Discussion with Pat O'Connor, discussion with Larry Kitto, discussions with Pat O'Connor with aide to Vice President Gore, discussion with aide to Clinton/Gore Re-election Committee, finalize letters for Senators Daschle and Kerrey to send to Interior Secretary Babbitt, draft of letters for tribal leaders to send to Secretary Babbitt; reporting to Tom Corcoran on discussions with Peter Knight, David Strauss at Al Gore dinner; Report on meeting with Terry MacAuliffe.

AA 0000272

O'CONNOR & HANNAN

FEES AND EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

ATTORNEYS AT LAW

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Hudson Project - Nature of Matter: Dog Track to

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Discussion with E. Ducherneaux, discussions with aides to House Natural Resource Committee, discussions with T. Glidder, majority counsel to House Subcommittee on Native Americans, discussion with aide to COngressman D. Young, discussion with aide to Congressman Gallegly.
Discussion with Larry Kitto. Discussion with Pat O'Connor. Discussion with David Strauss, aide to Vice President Gore. Memorandum to F. Ducheneaux. Discussion with F. Ducheneaux regarding Delaware North.
Long distance discussion with Tom Corcoran regarding Milbur Wiz Journal article regarding dog track; Read fax; memorandum from T. Krazewski of Ho-Chunk Nation. Memorandum to Don Fowler/David Mercer. Memorandum to Tom Collier. Memorandum to H. Ickes/John Sutlon. Memorandum to L. Taylor. Discussion with Larry Kitto. Discussion with Pat O'Connor. Meetings, discussions and correspondence involving L. Kitto, client, agency representation and Minnesota Members of Congress and their staff assistants on this matter.

Total Services: $7,500.00

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O'CONNOR & HANNAN

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Hudson Project - Nature of Matter: Dog Track to

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Disbursements:

	Photocopies	111.20
	Long Distance Telephone	40.08
	Postage	3.12
	Facsimiles	88.50
06/27/95	LARRY KITTO - expense for airfare, hotel, parking, meals, etc. (4/18-5/24/95)	1380.00

Total Disbursements: $1,622.90

Total Services and Disbursements: $9,122.90

**********Statement of Account**********

BALANCE DUE FROM PREVIOUS STATEMENT	7783.60
LESS PAYMENT(S)	(7783.60)
BALANCE FORWARD	.00
CURRENT INVOICE	9122.90
BALANCE DUE	$9,122.90

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EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

:889] From: Heather Sibbison at ~IOS 4/9/97 3:58PM (1475 bytes: 1 ln)
:o: David Hayes, JOHN LESHY at ~DOI/SOL_HQ
;ubject: Congressional Investigation
---------- Forwarded ----------
'rom: Michael Anderson at ~IIAOIRM 4/8/97 12:57PM (1198 bytes: 1 ln)
:: ANNE SHIELDS at ~ISOL, Heather Sibbison at ~IOS, SCOTT KEEP at ~ISOL,
Susan Kaslow at ~IOS
;ubject: Congressional Investigation
---------- Message Contents ----------

I was contacted yesterday by Ken Ballen, a staff investigator for Henry Waxman. Waxman's staff is doing the minority work on the DNC investigation and Rep. Burton the majority work. Ken's inquiry related to the Hudson dog track case and the role of the DNC. I mentioned that the matter was in federal court in Wisconsin and that discovery issues were being discussed including the possible deposition of Fowler. This seem to satisfy Ken (who coincidentally is someone I worked with on the Hill). I do not know whether Burton's staff will make an inquiry but will refer them to Scott Keep if they do.

Susan - could you give this to Anne? I can't access her e-mail.

Heather -- could you give to David H.? He's not on my system.

FF&SJ
S. Todd Farris
Attorney at Law

Telephone
(414) 271-0130
Telecopier
(414) 272-8191

Friebert, Finerty & St. John, S.C.
Two Plaza East - Suite 1250
330 East Kilbourn Avenue
Milwaukee, Wisconsin 53202

ROBERT H. FRIEBERT
ATTORNEY AT LAW

FRIEBERT, FINERTY & ST. JOHN, S.C.
TWO PLAZA EAST - SUITE 1250
330 EAST KILBOURN AVENUE
MILWAUKEE, WISCONSIN 53202

TELEPHONE
(414) 271-0130
TELECOPIER
(414) 272-8191

025056

EXHIBIT
160-1

843] From: SCOTT KEEP 4/8/97 2:18PM (1069 bytes: 1 ln)
'riority: Urgent
'o: JOHN LESHY, EDWARD COHEN
ubject: Congressional Investigation
---------- Message Contents ----------

I was contacted yesterday by Ken Ballen, a staff investigator for Henry Waxman. Waxman's staff is doing the minority work on the DNC investigation and Rep. Burton the majority work. Ken's inquiry related to the Hudson dog track case and the role of the DNC. I mentioned that the matter was in federal court in Wisconsin and that discovery issues were being discussed including the possible deposition of Fowler. This seem to satisfy Ken (who coincidentally is someone I worked with on the Hill). I do not know whether Burton's staff will make an inquiry but will refer them to Scott Keep if they do.

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025020

O'CONNOR & HANNAN, L.L.P.
Attorneys at Law
700 Baker Building
706 2nd Avenue South
Minneapolis, MN 55402
(612) 341-3800
FAX (612) 343-1256

TELECOMMUNICATION COVER PAGE

PLEASE DELIVER THE FOLLOWING PAGE(S) TO:

NAME: Pat O'Connor

FAX NUMBER: 871-5449

FROM: Mary Jo

TOTAL NUMBER OF PAGES 7

DATE: April 23, 1997

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL BACK AS SOON AS POSSIBLE TO: (612) 341-3800

Client/Matter No.: ____ Transmission Ended: _____

COMMENTS: Pat: David Mercer returned your call regarding you and Larry. He wanted to know if 3:00 would be O.K. to meet with Chairman Fowler at the D.N.C., which he thought would be after your meeting with Collier.

Please call him at:

202-544-0471 - Home
or 202-863-7105 - Office

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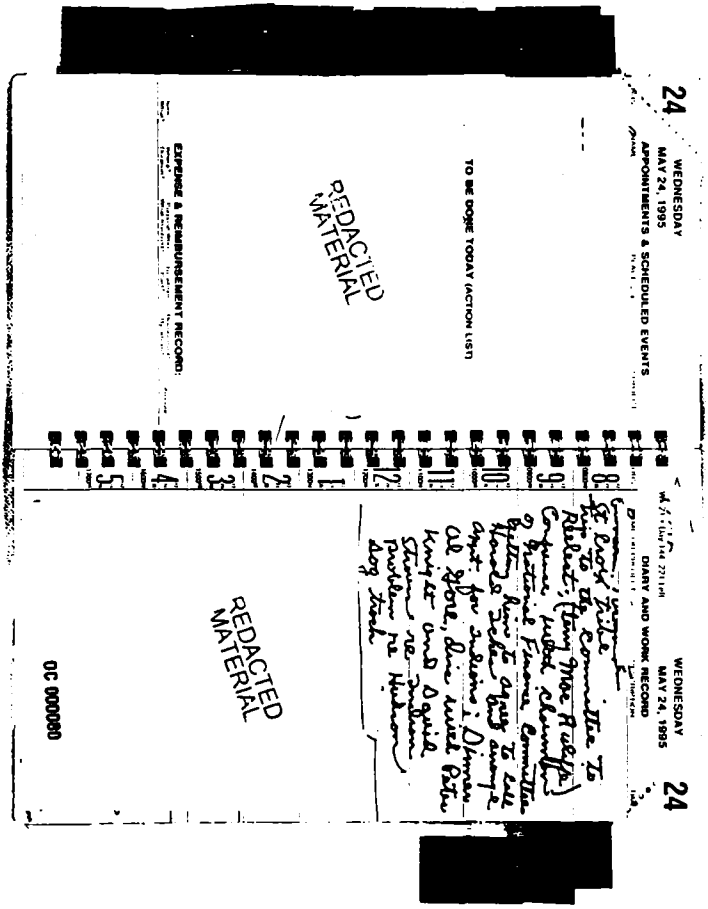

ATTORNEY'S
EYES ONLY

O'CONNOR & HANNAN, L L P
ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N W
WASHINGTON, D.C. 20006-3483
(202) 887-1400
FAX (202) 466-2198

June 27, 1995

Hon. Lewis Taylor
Chairman, St. Croix Tribe
P.O. Box 287
Hertell, Wisconsin 54845

Dear Lewis:

Enclosed please find our invoice for legal services rendered for May 1995.

If you have any questions, please don't hesitate to call.

Warm personal regards.

Sincerely,

Thomas J. Corcoran

/jj
enclosure

Doc 24750

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June 27, 1995

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St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

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Hudson Project - Nature of Matter: Dog Track to

Professional services rendered through May 31, 1995

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Discussions with F. Ducheneaux; discussions with L. Kitto; discussions with BIA officials; discussion with Tom Corcoran; Long distance telephone conference to Tom Snyder briefing him on problem; Fax to Snyder; Call to D.N.C.

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Discussion with David Strauss, aide to Vice President Gore.
Memorandum to F. Ducheneaux. Discussion with F. Ducheneaux regarding Delaware North.
Long distance discussion with Tom Corcoran regarding Milbur Wiz Journal article regarding dog track; Read fax; memorandum from T. Krazewski of Ho-Chunk Nation. Memorandum to Don Fowler/David Mercer. Memorandum to Tom Collier. Memorandum to H. Ickes/John Sutlon. Memorandum to L. Taylor. Discussion with Larry Kitto. Discussion with Pat O'Connor. Meetings, discussions and correspondence involving L. Kitto, client, agency representation and Minnesota Members of Congress and their staff assistants on this matter.

Total Services: $7,500.00

AA 0000273

O'CONNOR & HANNAN

COSTS AND EXPENSES INCURRED BUT NOT COLLECTED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

SUITE 800
1919 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20006-3483
(202) 887-1400

FED ID NO. 41-0825580

INVOICE

June 27, 1995 32594-0001 ******
Hudson Project - Nature of Matter: Dog Track to

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

Disbursements:

	Photocopies	111.20
	Long Distance Telephone	40.08
	Postage	3.12
	Facsimiles	88.50
06/27/95	LARRY KITTO - expense for airfare, hotel, parking, meals, etc. (4/18-5/24/95)	1380.00

Total Disbursements: $1,622.90

Total Services and Disbursements: $9,122.90

**********Statement of Account**********

BALANCE DUE FROM PREVIOUS STATEMENT	7783.60
LESS PAYMENT(S)	(7783.60)
BALANCE FORWARD	.00
CURRENT INVOICE	9122.90
BALANCE DUE	$9,122.90

AA 0000274

O'CONNOR & HANNAN

COSTS AND EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

O'CONNOR & HANNAN, L.L.P
ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20006-3483
(202) 887-1400
FAX (202) 466-2198

May 9, 1995

Hon. Lewis Taylor
Chairman, St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

Dear Lewis:

Enclosed please find O'Connor & Hannan's bill for services rendered in April. We are pleased to be of service to you.

If you have any questions, please don't hesitate to call.

Sincerely,

Thomas J. Corcoran

/jj
enclosure

ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N.W
WASHINGTON, D.C. 20006-3483
(202) 887-1400

FED. ID NO. 41-0825580

May 9, 1995

INVOICE

32594-0001
******

St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

Hudson Project - Nature of Matter: Dog Track to Casino Conversion

Professional services rendered through April 30, 1995

Meeting with T. Glidden of Department of Interior Insular Affairs; review letter from J. Diffy, aide to Sec. Babbitt, to Sen. Wellstone; discussions with BIA officials; discussions with L. Kitto; discussions with L. Kitto; memorandum to L. Kitto regarding letter for L. Taylor and J. Jones; discussions with aides to Members of the Wisconsin Congressional delegation; discussions with L. Collette; discussions with aides to Members of Congress from Wisconsin; discussion with Tom Corcoran regarding need to call White House on Hudson Dog Track. Discussion with Larry Kitto; discussions with L. Kitto; discussions with F. Ducheneaux; report on April 6 meeting of L. Kitto and L. Taylor; discussions with P. O'Connor regarding Sen. D'Amato's involvement in Hudson Dog Track Company and need to communicate this fact to White House and Sec. Babbitt of Interior Department; call to Loretta Avent at White House. Report to Tom Corcoran; meeting with M. Colopy; discussions by teleconference with m. Colopy and P. Babcock of Washington Post; discussions with F. Ducheneaux, L. Taylor and L. Kitto regarding the Washington Post investigation, development of Hudson projects newspaper clips for Washington Post reporter; review documents from L. Taylor; review of Ho Chuck Nation resolution approving Hudson project and Oneida's statement of opposition; review public statements regarding Milwaukee baseball stadium statements by tribes involved in Hudson project application; preparation of memorandum and delivery of same and local newspaper clips regarding Hudson project to Washington Post; call to White House to Loretta Avent's office; discussions with L. Kitto; review MIGA file for September 14, 1994 involving studies by Dr. Murray and Arthur Anderson, Inc.; review file on "Finding of No Significant Impact"; discussions with aide to Interior Secretary Babbitt; discussions with L. Kitto; draft letter for Sen. Wellstone; memorandum to L. Kitto; discussion with Tom Corcoran regarding fax to Loretta Avent. Drafting and sending fax to Ms. Avent; discussions regarding White House with P. O'Connor; memorandum to white House aide L. Avert for P. O'Connor; memorandum to L. Taylor; memorandum to L. Kitto in Green Bay, Wisconsin; discussions with H. Sibbison, deputy to Interior Counselor J. Duffy; letter and

O'CONNOR & HANNAN

COSTS AND EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

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FED ID NO 41-0825580

INVOICE

May 9, 1995 32594-0001 ******
Hudson Project - Nature of Matter: Dog Track to

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

documents to H. Sibbison and Counselor Duffy; discussions with L. Kitto; discussions with BIA regarding September 14, 1994 correspondence with Minnesota tribes; discussion with Larry Kitto regarding setting up appointments with D.N.C. and White House; long distance calls to Loretta Avent office regarding my decision to raise the Hudson Race Track issue with President Clinton in Minneapolis if I did not hear from her. Meeting with the President on the Hudson Race Track issue with Bruce Lindsey and Linda Moore of the White House staff answering call from Loretta Avent and her staff regarding Hudson Dog Track. Reporting to Larry Kitto; plan strategy for final week before T. Collier deadline for "consultation" ends at Department of Interior, memorandum fo J. Blodjet and Mr. Epstein, top aides to Senator Wellstone, discussions with Larry Kitto; meeting in St. Paul with Larry Kitto and discussing meeting on Friday with Don Fowler of the D.N.C. Long distance telephone conversation with Lora Hartigan of the Presidential Committee to Re-elect; discussion with Pat O'Connor regarding his meeting with President Clinton and impact of L. Avert of President's staff, arrangements for Washington meeting this week for Tribal Indians from Wisconsin and Minnesota, meetings with staff aides to House and Senate hearing committees, discussions with M. Epstein top aide to Senator Wellstone, several discussions with H. Sibbison, aide to Secretar Babbitt, discussions with G. Skibine; discussions with Larry Kitto, discussions with T. Krewjewish. M. Butterfield of Ho Chunk Tribe, discussion with S. Liable of Peat Marwick, discussion with M. Gaber of Coopers & Lybriand, call to L. Taylor, discussions with aides to Interior Security Bobbitt, discussions with aides to Senator Wellstone; calls to the White House and the D.N.C. regarding tribe's meeting with Chairman Fowler. Call to Tom Corcoran regarding same. Call to Larry Kitto in Washington, D.C; discussions with M. Epstein top aide to Senator Wellstone, discussions with H. Sibberson aide to Secretary Babbitt, call to L. Taylor, discussions and memorandum to Coopers & Lybrand, discussions and memorandum to Peat Marwick, strategy discussions with M. Epstein legislative director for Senator Wellstone and Mr. Butterfield, tribal attorney for Ho Chunk Nation, discussions with Larry Kitto; meeting with Larry Kitto and David Mercer at D.N.C. discussing contributions program for the Indians; Meeting with Chairman Fowler, David.

Services: $7,500.00

O'CONNOR & HANNAN

COSTS AND EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

ATTORNEYS AT LAW

SUITE 800
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FED ID NO 41-0825523

INVOICE

May 9, 1995 32594-0001 ******
Hudson Project - Nature of Matter: Dog Track to

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Disbursements:

Photocopies	50.60
Long Distance Telephone	5.48
Postage	43.52
Word Processing	90.00
Facsimiles	94.00

Total Disbursements: $283.60

Total Amount Due: $7,783.60

O'CONNOR & HANNAN
COSTS AND EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

O'CONNOR & HANNAN, L L P
ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N W
WASHINGTON D C 20006-3483
(202) 887-1400
FAX (202) 466-2198

August 9, 1995

Hon. Lewis Taylor
Chairman, St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

Dear Lewis:

Enclosed please find our invoice for legal services rendered for July 1995.

If you have any questions, please don't hesitate to call.

Warm personal regards.

Sincerely,

Thomas J. Corcoran

/jj
enclosure

Doc 24750

O'CONNOR & HANNAN, L.L.P.
ATTORNEYS AT LAW

SUITE 800
1919 PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20006-3483
(202) 887-1400

FED. ID NO. 31-0825580

August 9, 1995

INVOICE

32594-0001
******

St. Croix Tribe
P.O. Box 287
Hertel, Wisconsin 54845

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

udson Project - Nature of Matter: Dog Track to

rofessional services rendered through July 31, 1995

Discussions with L. Kitto; discussions with P. O'Connor; discussions with aides to House of Representatives Native American Subcommittee. Discussions with L. Kitto; review story in Minneapolis Star Tribune regarding Hudson project; discussions with Bureau of Indian Affairs officials; discussions with legislative aides to members of the Wisconsin Congressional delegation and the Minnesota Congressional delegation.

Discussions with L. Kitto; discussions with Dan Theno of Fort Howard Corporation in Wisconsin; discussions with aides to Senate Indian Affairs Committee and House Subcommittee on Native Americans.

Discussions with L. Kitto; discussions with Frank Ducheneaux; development of strategy on Hudson involving contact with George Skivine, key official in the Gaming Office at the Department of Interior in order to get status report for client.

Discussions with L. Kitto; work on Hudson project with Congressional aides from Minnesota and Wisconsin; discussions with BIA officials; meeting with aides to Senator McCain regarding Department of Justice inquiry; discussions with aides to House Native American Subcommittee.

Discussions with L. Kitto; discussions with aides to House Native American Subcommittee; discussions with partners regarding further involvement of White House and Secretary Babbitt; discussions with Frank Ducheneaux regarding George Skivine, head of the relevant agency within the Interior Department involved with the Hudson project; discussions with aides to Minnesota Congressional delegation; meeting with Larry Kitto in Minneapolis; Discussion regarding need to go to Hudson, WI and visit with city council members and city attorney; Discussion regarding necessity to follow-up with Harold Ickes at the White House, D. Fowler at DNC and Terry Mac at the Committee to Re-elect, outlining fund raising strategies.

O'CONNOR & HANNAN, L.L.P.
ATTORNEYS AT LAW

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ugust 9, 1995 32594-0001 ******
udson Project - Nature of Matter: Dog Track to

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Discussions with P. O'Connor; discussions with L. Kitto; discussions with aides to Congressman Longley; discussions with aide to Congressman Metcalf; memorandum to L. Kitto.
Memorandum to Lewis Taylor; memorandum to L. Kitto; discussions with BIA public information officials; discussions with aides to BIA gaming office; discussions with Lewis Taylor; meeting with Tim Glidden, Counsel to the House Native American Subcommittee.
Discussions with P. O'Donnell; memorandum to Don Fowler, Chairman of the Democratic National Committee; meeting with aides to Congressman Jack Metcalf and Congressman Jones; long distance discussions with Chairman Fowler regarding Department of Interior decision to reject an application for a casino at the Hudson, WI dog track; Sending faxes to Chairman Fowler; Reporting to T. Corcoran and L. Kitto regarding criteria voiced b y opposition.
Briefing Larry Kitto on my conversations with Chairman Fowler of the DNC. Discussion regarding thank you letters to White House and members of the congress; Discussion regarding fund raising; memorandum to L. Kitto; discussions with aide to House Native American Subcommittee; letter to Senator McCain regarding favorable Hudson decision for client.
Discussions with L. Kitto; review draft thank-you letters for tribal leaders; review memorandum from L. Kitto; discussions with general counsel of Senate Indian Affairs Committee; review ruling by Interior Department declining request for certification via assistance given by Senator McCain; cosign thank-you letter to Senator McCain for his assistance thereon.
Discussions with Pat O'Connor regarding follow up on Hudson project; discussions with L. Kitto; meeting with Lewis Taylor, L. Kitto and tribal representative.
Meeting with tribal leaders regarding S. 487 and scheduled hearing by Senator McCain of the Senate Committee on Indian Affairs today, July 25; discussions with L. Taylor; discussions with L. Kitto to get debriefing on today's hearing on the Senate hearing; discussions with L. Kitto regarding plan of action for S. 487 and during mark up by committee and during August; memorandum to Lewis Taylor.

AA 0000281

O'CONNOR & HANNAN, L.L.P.
ATTORNEYS AT LAW

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FED. ID NO. 41-0825580

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ugust 9, 1995 32594-0001 ******
idson Project - Nature of Matter: Dog Track to

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Discussions with L. Kitto; discussions with aides to Senate Committee on Indian Affairs regarding timing and policy issues relative to mark up of Senate bill for S. 487; discussions regarding S. 487 with aides to Senators Coverdell, Thomas and Hatch; discussion with KLarry Kitto regarding arranging meeting in Washington, D.C. with senators; discussion regarding status of work up on Indian legislation.
Discussion with Larry Kitto, review of reports on July 25 hearing regarding S487 memoranda to Lewis Taylor, call to Lewis Taylor, additional memoranda to Lewis Taylor, discussion with aids to Senate Indian Affairs Committee, discussions with aids to Sen. Coverdell, Sen. Thomas, Sen. Hatch and Sen. Nickles, meeting with Tom Corcoran and call Senator McCain for appointment with Lewis Taylor, Chairman of St. Croix Tribe of Wisconsin, on S. 487, hopefully prior to scheduled markup. Receive word that he will try to accommodate during week of July 31.
Discussio with T. Corcoran regarding need to set up appointment with Senators Conrad, Dorgan, and Inouye; prepare correspondence regarding same; telephone conferences making appointments; discussions with Larry Kitto, discussions with Pat O'Connor, discussions with Pat O'Donnell, discussions with aids to Senate Indian Affairs Committee, discussion with legislative aid to Sen. Mikulski, discussion with legislative aids to Sen. Domenici, Sen. Kassebaum, Sen. Thomas, Sen. Coverdell, Sen. Hatch, Sen. Nickles, and Sen. Dorgan, follow up discussions to arrange meeting for client on August 3 at 3:00 p.m. Ryan Leonard aid to Sen. Nickles, follow up discussion with Rob Foreman aid to Sen. Hatch for meeting on August 3 at 2:00 p.m.
Calls to Corcoran and Kitto working on appointment in Washington with U.S. Senators; faxes to Senators Conrad, Dorgan and Inouye; discussion with Larry Kitto, discussions with Larry Kitto and Lewis Taylor regarding the development of the Congressional meeting schedule for Monday, July 31 and discussion with legislative aids to

O CONNOR & HANNAN, L.L.P.
ATTORNEYS AT LAW

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udson Project - Nature of Matter: Dog Track to

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Sen. Mikulski, Sen. Domenici, Sen. Thomas, Sen. Coverdell, discussion with Larry Kitto regarding this week's meeting with Sen. Simon, discussions with aids to Senate Indian Affairs Committee, fax to Lewis Taylor, memorandum from Lewis Taylor, work and representation of tribe by Larry Kitto during month of July involving meetings and discussions with client representatives, discussions, research and meetings with aids and members of the Minnesota Congressional delegation, discussions and representation before agencies of U.S. Government on behalf of client.

Total Services: $7,500.00

sbursements:

Photocopying, postage, messengers, local transportation, courier charges and miscellaneous out-of-pocket expenses. $633.95

Total Services and Disbursements: $8,133.95

AA 0000283

O'CONNOR & HANNAN

[illegible] EXPENSES INCURRED BUT NOT INCLUDED IN THIS INVOICE WILL BE SUBMITTED AT A LATER DATE

5 FRIDAY

MENTS & SCHEDULED EVENTS

HRS	PLACE	SUBJECT
8		
9		
10		
11		
12		
1		
2		
3		
4		
5		

2 Hudson Sog Trocks

TO BE DONE TODAY (ACTION LIST)

Loretta Advent

the Press, Bruce Lindsey

Harold Ickes - Don Fowler

Interior

Indiana - 50 DNC - Larry Kitto

committee to Re Elect

Wk 18 • Day 125, 240 Left

FRIDAY

MAY 5, 1995

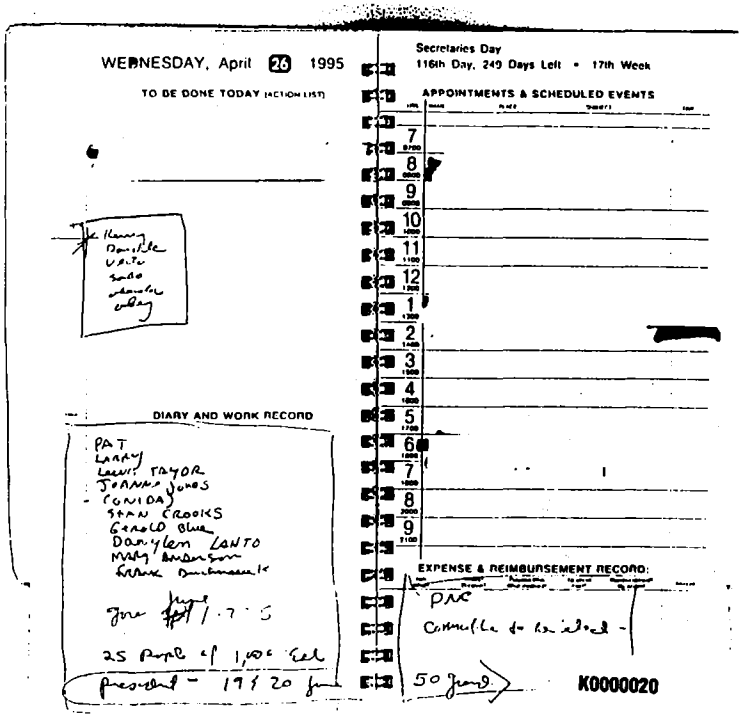
5

DIARY AND WORK RECORD

HRS	NAME OR PROJECT	DESCRIPTION	TIME
8			
9			
10			
11			
12			
1			
2			
3			
4			
5			

2/0

OC 000021



WEDNESDAY, April 26 1995

Secretaries Day
116th Day, 249 Days Left • 17th Week

TO BE DONE TODAY (ACTION LIST)

Kenny
Danville
Vette
Sado
[illegible]
[illegible]

APPOINTMENTS & SCHEDULED EVENTS

7	
8	
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12	
1	
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DIARY AND WORK RECORD

PAT
LARRY
LEWIS TAYOR
JOANNE JONES
- CONIDA
STAN CROOKS
GERALD BLUE
DANYLEN LANTO
MARY ANDERSON
FRANK [illegible]

Jose [illegible] / 7 5

25 Pop of 1,000 Ed

President - 19 & 20 [illegible]

EXPENSE & REIMBURSEMENT RECORD:

PAC

Committee to be [illegible] -

50 [illegible]

K0000020

MEMO TO : TRIBAL CLIENTS
MEMO FROM : LARRY KITTO & TOM CORCORAN
DATE : 12 NOVEMBER 1995
REASON : HUDSON DOG TRACK UPDATE

1. Federal officials have until the end of November 1995 to respond to the lawsuit filed by the Lac Courte Oreilles, Red Cliff and Sokaogon bands of Chippewa. It appears that the options they are considering include:

- Vigorous defense of the Secretary of Interior's right to make such decisions
- Giving the issue limited attention and put up a luke-warm defense
- Suggest that the issue be sent back to the Interior Department for review

2. We have been informed that the U.S. Attorney's office in Madison, WI, is considering a request that they be allowed to argue the case there, rather than it being argued by attorneys from the Justice Department in Washington, D.C. She may also suggest that the Department of Interior review the issue again.

3. The case is further complicated by the fact that the three Tribes filing the lawsuit have hired large, well-connected law firms to represent them. One of these firms has contributed heavily to the U.S. Attorney in Madison when she ran for public office.

4. The Indian Rights office within the Justice Department, indicated that

- This is not an issue that the Secretary of Interior will want to review...

However, there may be some reluctance in the Indian Rights Office to become involved because this is a case of one group of Tribes vs. another group of Tribes.

5. For the Minnesota and Wisconsin Tribes who were against turning the Hudson Dog Track into a casino, it is in their best interest to see that:

- The case is defended vigorously by lawyers from the Department of Justice in Washington, D.C. who are experienced and learned in Indian law.
- That this case not be sent back to the Department of Interior for review and reconsideration.

6. As we know, this issue became very political and neither the White House or those in Congress who supported us, will want this issue to come up again during the 1996 election year.

7. We have begun to make contacts with the Congress, the Administration and the White House to alert them about our concerns. Additionally, we suggest that Tribal attorneys, on behalf of their clients, contact the Department of Justice and the Department of Interior to:

- Find out the status of the situation
- Ask that the case be handled by Department of Justice lawyers
- Convey that you do not want the case returned to the Secretary of the Interior for a second review.

8. Finally, if and when this case goes to court, Tribes need to decide how they will support the Government and the defense of the prior ruling.

Marvin Rosen
Richard Sullivan
Robert Shenefield
Lenard Rothberg
Barrie Wigmore
Dan Fowler
Marvin Rosen
Jerry Pasternak
Richard Sullivan
Marvin Israel

APR 30, 1996
Mrs. Tipper Gore
Barbara B. Barnes
Dan Rather
Anne Rathe
Greg Berman
Bruce Chapman
Paul Griffin
Jason Hanna
Douglas Duster
Michael and Jessie Cohen
Tom Hanks
Jeff Watson
Marvin McLeod
Terrance Cardinal Wolf

APR 30th 1996
Dorian Bastian
Lois Brown
Edwin Crawford
Marvin Davidson
Christopher W. Hamm
Tom Hagy
John J. Roth
Gerald McCormick

COFFEE APR 9th 1996
Mrs. Tipper Gore
Marvin Rosen
Bruce Chapman
Greg Berman
Paul Griffin
Douglas Duster
Michael and Jessie Cohen
Tom Hanks
Marvin McLeod
Terrance Cardinal Wolf

COFFEE APR 15, 1996
Tim Berge
Marvin Rosen
Karen Cohen
Douglas Duster
Michael and Jessie Cohen
Tom Hanks
Jeff Watson
Marvin McLeod
Terrance Cardinal Wolf

COFFEE APR 18, 1996
Tim Berge
Karen Cohen
Douglas Duster
Michael and Jessie Cohen
Tom Hanks
Jeff Watson
Marvin McLeod
Terrance Cardinal Wolf

COFFEE Tuesday APR 30 1996
Marvin Rosen
Richard Sullivan
Jerry Pasternak
Lenard Rothberg
Barrie Wigmore
Dan Fowler
Marvin Rosen
Richard Sullivan
Marvin Israel

APR 30, 1996
Mrs. Tipper Gore
Barbara B. Barnes
Dan Rather
Anne Rathe
Greg Berman
Bruce Chapman
Paul Griffin
Jason Hanna
Douglas Duster
Michael and Jessie Cohen
Tom Hanks
Jeff Watson
Marvin McLeod
Terrance Cardinal Wolf

APR 30th 1996
Dorian Bastian
Lois Brown
Edwin Crawford
Marvin Davidson
Christopher W. Hamm
Tom Hagy
John J. Roth
Gerald McCormick

COFFEE APR 9th 1996
Mrs. Tipper Gore
Marvin Rosen
Bruce Chapman
Greg Berman
Paul Griffin
Douglas Duster
Michael and Jessie Cohen
Tom Hanks
Marvin McLeod
Terrance Cardinal Wolf

COFFEE APR 15, 1996
Tim Berge

Hudson Dog Track Application

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DRAFT

DRAFT

Indian Gaming Management
MS-2070

To: Assistant Secretary - Indian Affairs

Through: Deputy Commissioner of Indian Affaris

From: George T. Skibine
Director, Indian Gaming Management Staff

Subject: Application of the Sokaogon Community, the Lac Courte Oreilles Band, and the Red Cliff Band to Place Land Located in Hudson, Wisconsin, in Trust for Gaming Purposes

The staff has analyzed whether the proposed acquisition would be in the best interest of the Indian tribes and their members. However, addressing any problems discovered in that analysis would be premature if the Secretary does not determine that gaming on the land would not be detrimental to the surrounding community. Therefore, the staff recommends that the Secretary, based on the following, determine that the proposed acquisition would not be detrimental to the surrounding community prior to making a determination on the best interests.

FINDINGS OF FACT

The Minneapolis Area Office ("MAO") transmitted the application of the Sokaogon Chippewa Community of Wisconsin, the Lac Courte Oreilles Band of Lake Superior Chippewa Indians of Wisconsin, and the Red Cliff Band of Lake Superior Chippewa Indians of Wisconsin ("Tribes") to the Secretary of the Interior ("Secretary") to place approximately 55 acres of land located in Hudson, Wisconsin, in trust for gaming purposes. The proposed casino project is to add slot machines and blackjack to the existing class III pari-mutuel dog racing currently being conducted by non-Indians at the dog track. (Vol. I, Tab 1, pg. 2)[1]

The Tribes have entered into an agreement with the owners of the St. Croix Meadows Greyhound Park, Croixland Properties Limited Partnership ("Croixland"), to purchase part of the land and all

[1] References are to the application documents submitted by the Minneapolis Area Office.

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of the assets of the greyhound track, a class III gaming facility. The grandstand building of the track has three floors with 160,000 square feet of space. Adjacent property to be majority-owned in fee by the Tribes includes parking for 4,000 autos. The plan is to remodel 50,000 square feet, which will contain 1,500 slot machines and 30 blackjack tables. Another 20,000 square feet will be used for casino support areas (money room, offices, employee lounges, etc.). Vol. I, Tab 3, pg. 19)

The documents reviewed and analyzed are:

1. Tribes letter February 23, 1994 (Vol. I, Tab 1)
2. Hudson Casino Venture, Arthur Anderson, March 1994 (Vol. I, Tab 3)
3. An Analysis of the Market for the Addition of Casino Games to the Existing Greyhound Race Track near the City of Hudson, Wisconsin, James M. Murray, Ph.D., February 25, 1994 (Vol. I, Tab 4)
4. An Analysis of the Economic Impact of the Proposed Hudson Gaming Facility on the Three Participating Tribes and the Economy of the State of Wisconsin, James M. Murray, Ph.D., February 25, 1994 (Vol. I, Tab 5)
5. Various agreements (Vol. I, Tab 7) and other supporting data submitted by the Minneapolis Area Director.
6. Comments of the St. Croix Chippewa Indians of Wisconsin, April 30, 1995.
7. KPMG Peat Marwick Comments, April 28, 1995.
8. Ho-Chunk Nation Comments, May 1, 1995.

The comment period was extended to April 30, 1995, by the Office of the Secretary. These additional comments were received after the Findings of Fact by the MAO, and were not addressed by the Tribes or MAO.

Comments from the public were received after the MAO published a notice of the Findings Of No Significant Impact (FONSI). The St. Croix Tribal Council provided comments on the draft FONSI to the Great Lakes Agency in a letter dated July 21, 1994. However, no appeal of the FONSI was filed as prescribed by law.

NOT DETRIMENTAL TO THE SURROUNDING COMMUNITY

CONSULTATION

To comply with Section 20 of the Indian Gaming Regulatory Act. 25 U.S.C. §2719 (1988), the MAO consulted with the Tribes and appropriate State and local officials, including officials of

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other nearby Indian tribes, on the impacts of the gaming operation on the surrounding community. Letters from the Area Director, dated December 30, 1993, listing several suggested areas of discussion for the "best interest" and "not detrimental to the surrounding community" determination, were sent to the applicant Tribes, and in letters dated February 17, 1994, to the following officials:

Mayor, City of Hudson, Wisconsin (Vol. III, Tab 1*)
Chairman, St. Croix County Board of Supervisors, Hudson, WI (Vol. III, Tab 2*)
Chairman, Town of Troy, Wisconsin (Vol. III, Tab 3*)

*response is under same Tab.

The Area Director sent letters dated December 30, 1993, to the following officials of federally recognized tribes in Wisconsin and Minnesota:

1) President, Lac du Flambeau Band of Lake Superior Chippewa Indians of Wisconsin (Vol. III, Tab 5**)
2) Chairman, Leech Lake Reservation Business Committee (Vol. III, Tab 6**)
3) President, Lower Sioux Indian Community of Minnesota (Vol. III, Tab 7**)
4) Chairperson, Mille Lacs Reservation Business Committee (Vol. III, Tab 8**)
5) Chairperson, Oneida Tribe of Indians of Wisconsin (Vol. III, Tab 9**
6) President, Prairie Island Indian Community of Minnesota (Vol. III, Tab 10**)
7) Chairman, Shakopee Mdewakanton Sioux Community of Minnesota (Vol. III, Tab 11**)
8) President, St. Croix Chippewa Indians of Wisconsin (Vol. III, Tab 12**)
9) Chairperson, Wisconsin Winnebago Tribe of Wisconsin (Vol. III, Tab 13**)
10) Chairman, Bad River Band of Lake Superior Chippewa Indians of Wisconsin (Vol. III, Tab 16***)
11) Chairman, Bois Forte (Nett Lake) Reservation Business Committee (Vol. III, Tab 16***)
12) Chairman, Fond du Lac Reservation Business Committee (Vol. III, Tab 16***)
13) Chairman, Forest County Potawatomi Community of Wisconsin (Vol. III, Tab 16***)
14) Chairman, Grand Portage Reservation Business Committee (Vol. III, Tab 16***)

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15) Chairman, Red Lake Band of Chippewa Indians of Minnesota (Vol. III, Tab 16***)
16) President, Stockbridge Munsee Community of Wisconsin (Vol. III, Tab 16***)
17) Chairperson, Upper Sioux Community of Minnesota (Vol. III, Tab 16***)
18) Chairman, White Earth Reservation Business Committee (Vol. III, Tab 16***)
19) President, The Minnesota Chippewa Tribe (Vol. III, Tab 14**).

**response is under same Tab
***no response

A. Consultation with State

There has been no consultation with the State of Wisconsin. The Area Director is in error in stating that "it is not required by the Indian Gaming Regulatory Act until the Secretary makes favorable findings." (Vol. I, Findings of Fact and Conclusions, pg. 15)

On January 2, 1995, the Minneapolis Area Director was notified by the Acting Deputy Commissioner of Indians Affairs that consultation with the State must be done at the Area level prior to submission of the Findings of Fact on the transaction. As of this date, there is no indication that the Area Director has complied with this directive for this transaction.

No consultation with other State officials was solicited by the MAO. Shiela E. Harsdorf, State Representative, and twenty-eight other Representatives and State Senators sent a letter to the Secretary, dated March 28, 1995, expressing "strong opposition to the expansion of off-reservation casino-style gambling in the State of Wisconsin." The letter addresses four areas of detrimental impact.

First, the signatories cite the removal of land from the local property tax rolls. In the Findings of Fact, the MAO cites the Agreement for Government Services as evidence that the detrimental impact of placing land in trust has been mitigated. The applicant Tribes assert that the track will close, if it is not purchased by Indians, and all revenue to the local governments will cease, a potential detrimental effect of not acquiring the land in trust.

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Second, the representatives assert that "expansion of gambling is contrary to public will in Wisconsin." Elections in 1993 are cited in support. However, the 1993 referenda were primarily technical in nature, to bring the State constitution into conformance with the State-operated lottery. The representatives' letter states, "This advisory referendum showed strong support for limiting gambling to . . . dog tracks, state lottery games and existing tribal casinos." Public policy in Wisconsin embraces a State lottery and several types of Class III gaming.

Third, the letter says that off-reservation gambling may not foster economic development within the tribal nations. "People will be unwilling to travel long distances to casinos and bingo halls located in less-populous regions," says the letter. While the competitive impact of another casino is expected to affect existing Indian gaming operations, the three applicant Tribes are among those tribes in less-populous regions, who cannot draw significant customers from the market area of tribes with more urban locations. They seek to promote economic development by improving their business location.

Last, Representative Harsdorf states, "Many municipalities feel that the expansions have created tense racial atmospheres and that crime rates have increased. It is also unclear whether all tribes have benefitted from the IGRA." The Agreement for Government Services specifically addresses the impact of crime, and its mitigation. No information on racism or the disparate impact of IGRA is supplied. It is not clear that racism is impacted either by approval or disapproval of the application.

B. Consultation with City and Town

The property, currently a class III gaming facility, is located in a commercial area in the southeast corner of the City of Hudson. Thomas H. Redner, Mayor, states "...the City of Hudson has a strong vision and planning effort for the future and that this proposed Casino can apparently be accommodated with minimal overall impact, just as any other development of this size."

The City of Hudson passed Resolution 2-95 on February 6, 1995 after the Area Office had submitted its Findings Of Facts, stating "the Common Council of the City of Hudson, Wisconsin does not support casino gambling at the St. Croix Meadows site". However, the City Attorney clarified the meaning of the resolution in a letter dated February 15, 1995 stating that the resolution "does not retract, abrogate or supersede the April 18, 1994

Agreement for Government Services." No evidence of detrimental impact is provided in the resolution.

The Town of Troy states that it borders the dog track on three sides and has residential homes directly to the west and south. Dean Albert, Chairperson, responded to the consultation letter stating that the Town has never received any information on the gaming facility. He set forth several questions the Town needed answered before it could adequately assess the impact. However, responses were provided to the specific questions asked in the consultation.

The Supervisors of the Town of Troy passed a resolution on December 12, 1994 in response to the Finding Of No Significant Impact (FONSI). The resolution restated the town's "vigorous objection to casino gambling at the St. Croix Meadows Facility," and reasserted "that casino gambling at the St. Croix Greyhound Racing Facility will be detrimental to the surrounding community." No evidence of detrimental impact was included in the resolution. The resolution was not submitted to the Department Interior in the application package, but was an attachment to a letter to the Secretary from William H.H. Cranmer, February 28, 1995. Neither the Town of Troy or Dr. Cranmer appealed the FONSI.

Letters supporting the application were received from Donald B. Bruns, Hudson City Councilman; Carol Hansen, former member of the Hudson Common Council; Herb Giese, St. Croix County Supervisor; and John E. Schommer, Member of the School Board. They discuss the changing local political climate and the general long-term political support for the acquisition. Roger Breske, State Senator, and Barbara Linton, State Representative also wrote in support of the acquisition. Sandra Berg, a long-time Hudson businessperson, wrote in support and states that the opposition to the acquisition is receiving money from opposing Indian tribes.

Several thousand cards, letters, and petition signatures have been received in support of an Indian casino at the Hudson dog track.

C. Consultation with County

The St. Croix County Board of Supervisors submitted an Impact Assessment on the proposed gaming establishment. On March 13, 1994 a single St. Croix County Board Supervisor wrote a letter to Wisconsin Governor Tommy Thompson that stated his opinion that

the Board had not approved "any agreement involving Indian tribes concerning gambling operations or ownership in St. Croix County."

On April 15, 1994 the Chairman of the St. Croix County Board of Supervisors indicated that "we cannot conclusively make any findings on whether or not the proposed gaming establishment will be detrimental to the surrounding community. . . Our findings assume that an Agreement for Government Services, satisfactory to all parties involved, can be agreed upon and executed to address the potential impacts of the service needs outlined in the assessment. In the absence of such an agreement it is most certain that the proposed gaming establishment would be a detriment to the community."

On April 26, 1994 a joint letter from the County Board Chairman and Mayor of the City of Hudson was sent to Governor Thompson. It says, "The City Council of Hudson unanimously approved this [Agreement for Government Services] on March 23rd by a 6 to 0 vote, and the County Board at a special meeting on March 29th approved the agreement on a 23 to 5 vote."

On December 3, 1992, an election was held in the City of Hudson on an Indian Gaming Referendum, "Do you support the transfer of St. Croix Meadows to an Indian Tribe and the conduct of casino gaming at St. Croix Meadows if the Tribe is required to meet all financial commitments of Croixland Properties Limited Partnership to the City of Hudson?" With 54% of the registered electorate voting, 51.5% approved the referendum.

St. Croix County in a March 14, 1995 letter states that the "County has no position regarding the City's action" regarding Resolution 2-95 by the City of Hudson (referred to above).

D. Consultation with Neighboring Tribes

Minnesota has 6 federally-recognized tribes (one tribe with six component reservations), and Wisconsin has 8 federally-recognized tribes. The three applicant tribes are not included in the Wisconsin total. The Area Director consulted with all tribes except the Menominee Tribe of Wisconsin. No reason was given for omission of this tribe in the consultation process.

Six of the Minnesota tribes did not respond to the Area Director's request for comments while five tribes responded by objecting to the proposed acquisition for gaming. Four of the Wisconsin tribes did not respond while four responded. Two object and two do not object to the proposed acquisition for gaming.

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Five tribes comment that direct competition would cause loss of customers and revenues. Only one of these tribes is within 50 miles, using the most direct roads, of the Hudson facility. Two tribes comment that the approval of an off-reservation facility would have a nationwide political and economic impact on Indian gaming, speculating wide-open gaming would result. Six tribes state that Minnesota tribes have agreed there would be no off-reservation casinos. One tribe states the Hudson track is on Sioux land. One tribe comments on an adverse impact on social structure of community from less money and fewer jobs because of competition, and a potential loss of an annual payment ($150,000) to local town that could be jeopardized by lower revenues. One tribe comments that community services costs would increase because of reduced revenues at their casino. One tribe comments that it should be permitted its fourth casino before the Hudson facility is approved by the state.

St. Croix Tribe Comments

The St. Croix Tribe asserts that the proposed acquisition is a bailout of a failing dog track. The St. Croix Tribe was approached by Galaxy Gaming and Racing with the dog track-to-casino conversion plan. The Tribe rejected the offer, which was then offered to the Tribes. While the St. Croix Tribe may believe that the project is not suitable, the Tribes and the MAO reach an opposite conclusion.

The Coopers & Lybrand impact study, commissioned by the St. Croix Tribe, projects an increase in the St. Croix Casino attendance in the survey area from 1,064,000 in 1994 to 1,225,000 in 1995, an increase of 161,000. It then projects a customer loss to a Hudson casino, 60 road miles distant, at 181,000. The net change after removing projected growth is 20,000 customers, or approximately 1¼% of the 1994 actual total attendance at the St. Croix casino (1.6 million).

The study projects an attendance loss of 45,000 of the 522,000 1994 total at the St. Croix Hole in the Wall Casino, Danbury, Wisconsin, 120 miles from Hudson, and 111 miles from the Minneapolis/St. Paul market. Danbury is approximately the same distance north of Minneapolis and south of Duluth, Minnesota as the Mille Lac casino in Onamia, Minnesota, and competes directly in a market quite distant from Hudson, Wisconsin, which is 25 miles east of Minneapolis. The projected loss of 9% of Hole in the Wall Casino revenue to a Hudson casino is unlikely. However, even that unrealistically high loss would fall within normal competitive and economic factors that can be expected to affect all business-

es, including casinos. The St. Croix completed a buy-out of its Hole in the Wall Manager in 1994, increasing the profit of the casino by as much as 67%. The market in Minnesota and Wisconsin, as projected by Smith Barney in its Global Gaming Almanac 1995, is expected to increase to $1.2 billion, with 24 million gamer visits, an amount sufficient to accommodate a casino at Hudson and profitable operations at all other Indian gaming locations.

Ho-Chunk Nation Comments

The Ho-Chunk Nation ("Ho-Chunk") submitted comments on the detrimental impact of the proposed casino on Ho-Chunk gaming operations in Black River Falls, Wisconsin (BRF), 116 miles from the proposed trust acquisition. The analysis was based on a customer survey that indicated a minimum loss of 12.5% of patron dollars. The survey was of 411 patrons, 21 of whom resided closer to Hudson than BRF (about 5% of the customers). Forty-two patrons lived between the casinos closer to BRF than Hudson.

Market studies from a wide variety of sources indicate that distance (in time) is the dominant factor in determining market share, especially if the facilities and service are equivalent. However, those studies also indicate that even when patrons generally visit one casino, they occasionally visit other casinos. That means that customers closer to a Hudson casino will not exclusively visit Hudson. The specific residence of the 21 customers living closer to Hudson was not provided, but presumably some of them were from the Minneapolis/St. Paul area, and already have elected to visit the much more distant BRF casino rather than an existing Minneapolis area casino.

In addition, "player clubs" create casino loyalty, and tend to draw customers back to a casino regardless of the distance involved. The addition of a Hudson casino is likely to impact the BRF casino revenues by less than 5%. General economic conditions affecting disposable income cause fluctuations larger than that amount. The impact of Hudson on BRF probably cannot be isolated from the "noise" fluctuations in business caused by other casinos, competing entertainment and sports, weather, and other factors.

The Ho-Chunk gaming operations serve the central and southern population of Wisconsin, including the very popular Wisconsin Dells resort area. The extreme distance of Hudson from the primary market area of the Ho-Chunk casinos eliminates it as a major competitive factor. The customers' desire for variety in gaming will draw BRF patrons to other Ho-Chunk casinos, Minnesota

casinos, and even Michigan casinos. Hudson cannot be expected to dominate the Ho-Chunk market, or cause other than normal competitive impact on the profitability of the Ho-Chunk operations. The addition by the Ho-Chunk of two new casinos since September 1993 strongly indicates the Tribe's belief in a growing market potential. While all of the tribes objecting to the facility may consider the competitive concerns of another casino legitimate, they provide no substantial data that would prove their concerns valid. There are eight casinos within a 100-mile radius of the Minneapolis area; three casinos are within 50 miles. (Vol. I, Tab 3, pg. 29)

Comments by the Oneida Tribe of Indians of Wisconsin

In an April 17, 1995 letter, the Oneida Tribe rescinds its neutral position stated on March 1, 1994, "Speaking strictly for the Oneida Tribe, we do not perceive that there would be any serious detrimental impacts on our own gaming operation. . . The Oneida Tribe is simply located to (sic) far from the Hudson project to suffer any serious impact." The Tribe speculates about growing undue pressure from outside non-Indian gambling interests that could set the stage for inter-Tribal rivalry for gaming dollars. No evidence of adverse impact is provided.

KPMG Peat Marwick Comments for the Minnesota Tribes

On behalf of the Minnesota Indian Gaming Association (MIGA), Mille Lacs Band of Chippewa Indians, St. Croix Chippewa Band, and Shakopee Mdewakanton Dakota Tribe, KPMG comments on the impact of a casino at Hudson, Wisconsin.

KPMG asserts that the Minneapolis Area Office has used a "not devastating" test rather than the less rigorous "not detrimental" test in reaching its Findings of Fact approval to take the subject land in trust for the three affiliated Tribes.

In the KPMG study, the four tribes and five casinos within 50 miles of Hudson, Wisconsin had gross revenues of $450 million in 1993, and $495 million in 1994, a 10% annual growth. The Findings of Fact projects a Hudson potential market penetration of 20% for blackjack and 24% for slot machines. If that penetration revenue came only from the five casinos, it would be $114.6 million.

However, the Arthur Anderson financial projections for the Hudson casino were $80 million in gaming revenues, or 16.16% of just the five-casino revenue (not total Indian gaming in Minnesota and Wisconsin). Smith Barney estimates a Minneapolis Gaming Market

of $480 million, a Non-Minneapolis Gaming Market of $220 million, and a Wisconsin Market of $500 million. The Wisconsin market is concentrated in the southern and eastern population centers where the Oneida and Ho-Chunk casinos are located. Assuming that the western Wisconsin market is 25% of the state total, the total market available to the six Minneapolis market casinos is over $600 million.

The projected Hudson market share of $80 to $115 million is 13% to 19% of the two-state regional total. A ten percent historic growth rate in gaming will increase the market by $50 million, and stimulation of the local market by a casino at Hudson is projected in the application at 5% ($25 million). Therefore, only $5 to $40 million of the Hudson revenues would be obtained at the expense of existing casinos. An average revenue reduction of $1 to $8 million per existing casino would not be a detrimental impact. The Mystic Lake Casino was estimated to have had a $96.8 million net profit in 1993. A reduction of $8 million would be about 8%, assuming that net revenue decreased the full amount of the gross revenue reduction. At $96.8 million, the per enrolled member profit at Mystic Lake is $396,700. Reduced by $8 million, the amount would be $363,900. The detrimental effect would not be expected to materially impact Tribal expenditures on programs under IGRA Section 11.

Summary: Reconciliation of various comments on the impact of a casino at Hudson can be achieved best by reference to the Sphere of Influence concept detailed by Murray on pages 2 through 7 of Vol. I, Tab 4. Figure 1 displays the dynamics of a multi-nodal draw by casinos for both the local and Minneapolis metropolitan markets. The sphere of influence of Hudson depends on its distance from various populations (distance explains 82% of the variation in attendance). Outside of the charted zone, other casinos would exert primary influence.

The Sphere of Influence indicates only the distance factor of influence, and assumes that the service at each casino is equivalent. Facilities are <u>not</u> equivalent, however. Mystic Lake is established as a casino with a hotel, extensive gaming tables, and convention facilities. Turtle Lake is established and has a hotel. Hudson would have a dog track and easy access from Interstate 94. Each casino will need to exploit its competitive advantage in any business scenario, with or without a casino at Hudson. Projections based on highly subjective qualitative factors would be very speculative.

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It is important to note that the Sphere of Influence is influence, not dominance or exclusion. The Murray research indicates that casino patrons on average patronize three different casinos each year. Patrons desire variety in their gaming, and achieve it by visiting several casinos. The opening of a casino at Hudson would not stop customers from visiting a more distant casino, though it might change the frequency of visits.

The St. Croix Tribe projects that its tribal economy will be plunged "back into pre-gaming 60 percent plus unemployment rates and annual incomes far the (sic) below recognized poverty levels." The Chief Financial Officer of the St. Croix Tribe projects a decrease of Tribal earnings from $25 million in 1995 to $12 million after a casino at Hudson is established. Even a reduction of that amount would not plunge the Tribe back into poverty and unemployment, though it could certainly cause the Tribe to reorder its spending plans.

Market Saturation.
The St. Croix Tribe asserts that the market is saturated even as it has just completed a 31,000 square foot expansion of its casino in Turtle Lake, and proposes to similarly expand the Hole-in-the-Wall Casino. Smith Barney projects a Wisconsin market of $500 million with a continuation of the steady growth of the last 14 years, though at a rate slower than the country in general.

E. NEPA Compliance

B.I.A. authorization for signing a FONSI is delegated to the Area Director. The NEPA process in this application is complete by the expiration of the appeal period following the publication of the Notice of Findings of No Significant Impact.

F. Surrounding Community Impacts

1. IMPACTS ON THE SOCIAL STRUCTURE IN THE COMMUNITY

The Tribes believe that there will not be any impact on the social structure of the community that cannot be mitigated. The MAO did not conduct an independent analysis of impacts on the social structure. This review considers the following:

I. Economic Contribution of Workers

The Town of Troy comments that minimum wage workers are not major contributors to the economic well-being of the community. (Vol. III, Tab 3, pg. 3) Six comments were

received from the general public on the undesirability of the low wages associated with a track and casino. (Vol. V)

II. Crime

Hudson Police Dept. Crime & Arrests, (Cranmer 62a and 62b, Vol. IV, Tab 4)

	1990	1991	1992	1993
Violent Crime	14	4	7	7
Property Crime	312	420	406	440

These statistics provided by Dr. Cranmer do not indicate a drastic increase in the rate of crime since the dog track opened on June 1, 1991. However, other studies and references show a correlation between casinos and crime. One public comment attached remarks by William Webster and William Sessions, former Directors of the Federal Bureau of Investigation, on the presence of organized crime in gambling. (Vol. V, George O. Hoel, 5/19/94, Vol. V) Another public comment included an article from the *St. Paul Pioneer Press* with statistics relating to the issue. (Mike Morris, 3/28/94, Vol. V) Additional specific data on crime are provided by LeRae D. Zahorski, 5/18/94, Barbara Smith Lobin, 7/14/94, and Joe and Sylvia Harwell 3/1/94. (all in Vol. V) Eight additional public comments express concern with the crime impact of a casino. (Vol. V)

III. Harm to Area Businesses

A. Wage Level

The Town of Troy says that workers are unavailable locally at minimum wage. (Vol. III, Tab 3, pg. 3)

B. Spending Patterns

One public comment concerns gambling diverting discretionary spending away from local businesses. (Dean M. Erickson, 6/14/94) Another public comment states that everyone should be able to offer gambling, not just Indians, (Stewart C. Mills, 9/26/94) (Vol. V)

IV. Property Values

An opponent asserts that a Hudson casino will decrease property values. He notes that purchase options were extended to adjacent property owners before the construction of the dog track. He provides no evidence that any properties were tendered in response. (Vol. 6, Tab 4, pg. 33)

A letter from Nancy Bieraugel, 1/19/94, (Vol. V) states that she would never choose to live near a casino. Another letter, Thomas Forseth, 5/23/94, (Vol. V) comments that he and his family live in Hudson because of its small-town atmosphere. Sharon K. Kinkead, 1/24/94, (Vol. V) states that she moved to Hudson to seek a quiet country life style. Sheryl D. Lindholm, 1/20/94, (Vol. V) says that Hudson is a healthy cultural- and family-oriented community. She points out several cultural and scenic facilities that she believes are incompatible with a dog track and casino operations. Seven additional letters of comment from the public show concern for the impact of a casino on the quality of life in a small, family-oriented town. (Vol. V)

V. Housing Costs will increase

Housing vacancy rates in Troy and Hudson are quite low (3.8% in 1990). Competition for moderate income housing can be expected to cause a rise in rental rates. A local housing shortage will require that most workers commute. (Vol. 3, Tab 2, pg. 3 and Tab 3, pg. 4)

Summary: The impacts above, except crime, are associated with economic activity in general, and are not found significant for the proposed casino. The impact of crime has been adequately mitigated in the Agreement for Government Services by the promised addition of police.

2. IMPACTS ON THE INFRASTRUCTURE

The Tribes project average daily attendance at the proposed casino at 7,000 people, and the casino is expected to attract a daily traffic flow of about 3,200 vehicles. Projected employment is 1,500, and the casino is expected to operate 18 hours per day. (Vol. III, Tab 2, pg. 1) Other commenters' estimates are higher. An opponent of this proposed action estimates that, if a casino at Hudson follows the pattern of the Minnesota casinos, an average of 10 to 30 times more people will attend the casino than

currently attend the dog track. (Vol. 4, Tab 4, pgs. 33 and 34) Attendance, vehicles, employment, and hours of operation projected for the casino greatly exceed those for the present dog track, and indicate the possibility of a significantly greater impact on the environment.

I. Utilities

St. Croix County states that there is adequate capacity for water, waste water treatment, and transportation. Gas, electric, and telephone services are not addressed. (Vol. 3, Tab 1)

II. Zoning

According to the City of Hudson, most of the proposed trust site is zoned "general commercial district" (B-2) for the principal structure and ancillary track, kennel and parking facilities. Six acres of R-1 zoned land (residential) no longer will be subject to Hudson zoning if the proposed land is taken into trust. (Vol. III, Tab 1, pg. 4)

One public comment expresses concern for the loss of local control over the land after it has been placed in trust. (Vol V, Jeff Zais, 1/19/94)

III. Water

The City of Hudson says that water trunk mains and storage facilities are adequate for the casino development and ancillary developments that are expected to occur south of I-94. (Vol. III, Tab 1, pg. 3)

IV. Sewer and storm drainage

The City of Hudson and St. Croix County state that sanitary trunk sewer mains are adequately sized for the casino. (Vol. III, Tab 1, pg. 2 and Tab 2, pg. 1) The City of Hudson states that trunk storm sewer system will accommodate the development of the casino/track facility. (Vol. III, Tab 1, pg. 3) An existing storm water collection system collects storm water runoff and directs it toward a retention pond located near the southwest corner of the parking area. (Vol. IV, Tab 4, pgs. 7 and 8)

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V. Roads

The current access to the dog track is at three intersections of the parking lot perimeter road and Carmichael Road. Carmichael Road intersects Interstate 94. The 1988 EA says that the proposed access to the dog track would be from Carmichael Road, a fact which seems to have occurred. (Vol. 4, Tab 4, pgs. 18 and 19)

A. Traffic Impact Analysis
The Wisconsin Department of Transportation states, "We are fairly confident that the interchange (IH94-Carmichael Road) will function fine with the planned dog track/casino." (Vol. IV, Tab 1, pg. 38)

St. Croix County estimates that the average daily traffic for the proposed casino should be around 3,200 vehicles. (Vol. III, Tab 2, pg. 3)

The City of Hudson says that the current street system is sufficient to accommodate projected traffic needs based on 40,000 average daily trips. (Vol. III, Tab 1, pg. 4)

The Town of Troy indicates that the increased traffic will put a strain on all the roads leading to and from the track/casino. However, the Town Troy was unable to estimate the number and specific impacts due to a lack of additional information from the Tribes. (Vol. III, Tab 3, pg. 3)

The Tribes' study projects 8,724 average daily visits. Using 2.2 persons per vehicle (Vol IV, tab 4, pg. 8 of Attachment 4), 3,966 vehicles per day are projected. (Vol. I, Tab 4, pg. 15)

A comment by George E. Nelson (2/25/94, Vol. V) says the accident rate in the area is extremely high according to Hudson Police records. Nelson expects the accident rate to increase proportionately with an increase in traffic to a casino. However, no supporting evidence is provided. Four additional public comments state concerns with increased traffic to the casino. (Vol V)

Summary: The evidence indicates that there will be no significant impacts on the infrastructure.

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3. IMPACT ON THE LAND USE PATTERNS IN THE SURROUNDING COMMUNITY

The City of Hudson does not mention any land use pattern impacts. (Vol III, Tab 1, pg. 4)

St. Croix County says, " . . . it is expected that there will be some ancillary development. This is planned for within the City of Hudson in the immediate area of the casino." (Vol. III, Tab 2, pg. 3)

It is likely that the proposed project will create changes in land use patterns, such as the construction of commercial enterprises in the area. Other anticipated impacts are an increase in zoning variance applications and pressure on zoning boards to allow development.

Summary: The City of Hudson, Town of Troy, and St. Croix County control actual land use pattern changes in the surrounding area. There are no significant impacts that cannot be mitigated by the locally elected governments.

4. IMPACT ON INCOME AND EMPLOYMENT IN THE COMMUNITY

The Tribes' study projects $42.7 million in purchases annually by the casino/track from Wisconsin suppliers. Using the multipliers developed for Wisconsin by the Bureau of Economic Analysis of the U.S. Department of Commerce, these purchases will generate added earnings of $18.1 million and 1,091 jobs in the state. The total direct and indirect number of jobs is projected at 2,691. Of the current employees of the dog track, 42% live in Hudson, 24% in River Falls, 5% in Baldwin, and 4% in New Richmond. (Vol. I, Tab 5, pg. 12) St. Croix County states that direct casino employment is expected to be about 1,500. The proposed casino would be the largest employer in St. Croix County. All existing employees would be offered reemployment at current wage rates. (Vol. III, Tab 2, pg. 4)

Three public comments say that Hudson does not need the economic support of gambling. (Tom Irwin, 1/24/94, Betty and Earl Goodwin, 1/19/94, and Steve and Samantha Swank, 3/1/94, Vol. V)

The Town of Troy states that "an over supply of jobs tends to drive cost paid per hourly wage down, thus attracting a lower level of wage earner into the area, thus affecting the high standard of living this area is now noted for." (Vol. III, Tab 3, pg. 4)

Summary: The impacts on income and employment in the community are not significant, and are generally expected to be positive by the Tribes and local governments.

5. ADDITIONAL AND EXISTING SERVICES REQUIRED OR IMPACTS, COSTS OF ADDITIONAL SERVICES TO BE SUPPLIED BY THE COMMUNITY AND SOURCE OF REVENUE FOR DOING SO

The Tribes entered an Agreement for Government Services with the City of Hudson and St. Croix County for "general government services, public safety such as police, fire, ambulance, emergency medical and rescue services, and public works in the same manner and at the same level of service afforded to residents and other commercial entities situated in the City and County, respectively." The Tribes agreed to pay $1,150,000 in the initial year to be increased in subsequent years by 5% per year. The agreement will continue for as long as the land is held in trust, or until Class III gaming is no longer operated on the lands. (Vol. I, Tab 9)

The City of Hudson says that it anticipates that most emergency service calls relative to the proposed casino will be from nonresidents, and that user fees will cover operating costs. No major changes are foreseen in the fire protection services. The police department foresees a need to expand its force by five officers and one clerical employee. (Vol. I, Tab 9)

St. Croix County anticipates that the proposed casino will require or generate the need for existing and additional services in many areas. The funding will be from the Agreement For Government Services. The parties have agreed that payments under that agreement will be sufficient to address the expected services costs associated with the proposed casino. (Vol. III, Tab 2)

The Town of Troy states that the additional public service costs required by a casino operation will be substantial to its residents. (Vol III, Tab 3, pg. 4) Fire services are contracted from the Hudson Fire Department, which will receive funding from the Agreement for Government Services.

Summary: The impacts to services are mitigated by The Agreement for Government Services between the Tribes, the City of Hudson, and St. Croix County.

6. PROPOSED PROGRAMS, IF ANY, FOR COMPULSIVE GAMBLERS AND SOURCE OF FUNDING

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There is no compulsive gambler program in St. Croix County. There are six state-funded Compulsive Gambling Treatment Centers in Minnesota. (Vol. II, Tab 7, pg. 38)

The Town of Troy states that it will be required to make up the deficit for these required services, if such costs come from tax dollars. (Vol. III, Tab 3, pg. 5)

St. Croix County says it will develop appropriate treatment programs, if the need is demonstrated. (Vol. III, Tab 2, pg. 5)

The Tribes will address the compulsive and problem gambling concerns by providing information at the casino about the Wisconsin toll-free hot line for compulsive gamblers. The Tribes state that they will contribute money to local self-help programs for compulsive gamblers. (Vol. I, Tab 1, pg. 12)

Thirteen public comments were received concerning gambling addiction and its impact on morals and families. (Vol. V)

Summary: The Tribes' proposed support for the Wisconsin hot line and unspecified self-help programs is inadequate to mitigate the impacts of problem gambling.

Summary Conclusion

Strong opposition to gambling exists on moral grounds. The moral opposition does not go away, even when a State legalizes gambling and operates its own games. Such opposition is not a factor in reaching a determination of detrimental impact.

Any economic activity has impacts. More employees, customers, traffic, wastes, and money are side effects of commercial activity. The NEPA process and the Agreement for Government Services address the actual expected impacts in this case. Nothing can address general opposition to economic activity except stopping economic activity at the cost of jobs, livelihoods, and opportunity. Promoting economic opportunity is a primary mission of the Bureau of Indian Affairs. Opposition to economic activity is not a factor in reaching a determination of detrimental impact.

Business abhors competition. Direct competition spawns fear. No Indian tribe welcomes additional competition. Since tribal opposition to gaming on others' Indian lands is futile, fear of competition will only be articulated in off-reservation land acquisitions. Even when the fears are groundless, the opposition can be intense. The actual impact of competition is a factor in

reaching a determination to the extent that it is unfair, or a burden imposed predominantly on a single Indian tribe.

Opposition to Indian gaming exists based on resentment of the sovereign status of Indian tribes, lack of local control, and inability of the government to tax the proceeds. Ignorance of the legal status of Indian tribes prompts non-Indian general opposition to Indian gaming. It is not always possible to educate away the opposition. However, it can be appropriately weighted in federal government actions. It is not a factor in reaching a determination of detrimental impact.

Detriment is determined from a factual analysis of evidence, not from opinion, political pressure, economic interest, or simple disagreement. In a political setting where real, imagined, economic, and moral impacts are focused in letters of opposition and pressure from elected officials, it is important to focus on an accurate analysis of facts. That is precisely what IGRA addresses in Section 20 -- a determination that gaming off-reservation would not be detrimental to the surrounding community. It does not address political pressure except to require consultation with appropriate government officials to discover relevant facts for making a determination on detriment.

Indian economic development is not subject to local control or plebescite. The danger to Indian sovereignty, when Indian economic development is limited by local opinion or government action, is not trivial. IGRA says, "nothing in this section shall be interpreted as conferring upon a State or any of its political subdivisions authority to impose any fax, fee, charge, or other assessment upon an Indian tribe." The potential for interference in Indian activities by local governments was manifestly apparent to Congress, and addressed directly in IGRA. Allowing local opposition, not grounded in factual evidence of detriment, to obstruct Indian economic development sets a precedent for extensive interference, compromised sovereignty, and circumvention of the intent of IGRA.

If Indians cannot acquire an operating, non-Indian class III gaming facility and turn a money-losing enterprise into a profitable one for the benefit of employees, community, and Indians, a precedent is set that directs the future course of off-reservation land acquisitions. Indians are protected by IGRA from the out-stretched hand of State and local governments. If strong local support is garnered only by filling the outstretched hand to make local officials eager supporters, then IGRA fails to protect. Further, it damages Indian sovereignty by *de facto*

giving States and their political sub-divisions the power to tax. The price for Indian economic development then becomes a surrender to taxation.

Staff finds that detrimental impacts are appropriately mitigated through the proposed actions of the Tribes and the Agreement for Government Services. It finds that gaming at the St. Croix Meadows Greyhound Racing Park that adds slot machines and blackjack to the existing class III pari-mutuel wagering would not be detrimental to the surrounding community. Staff recommends that the determination of the best interests of the tribe and its members be completed.

DRAFT

Hudson Dog Track Application

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DRAFT

[Witness sworn.]

Mr. BURTON. On behalf of the committee, we welcome you here today. You are recognized to make an opening statement, and your entire testimony will be submitted for the record.

STATEMENT OF JANET RENO, UNITED STATES ATTORNEY GENERAL

Ms. RENO. Good morning, Mr. Chairman, Congressman Lantos.

Mr. BURTON. Would you pull the mic a little bit closer, please? Thank you very much.

Ms. RENO. Mr. Chairman, Congressman Lantos and members of the committee, I am pleased to appear before the committee today and very much appreciate your accommodating my schedule relating to the Ministers of Justice who are here and will be here this afternoon.

One of the most important duties Congress has to oversee is the work of the executive branch. Since I took office in 1993, I have come before the House and Senate many times to answer questions and explain the work and the conduct of the Justice Department. This is one of my most important duties, and I appreciate this opportunity to be with you today.

In connection with the committee's oversight investigation of campaign finance matters, the Department has provided the committee with classified briefings on matters related to its investigation, and we have provided the committee with more than 200 documents. Those documents include classified material, memorandums that do not relate to the Campaign Financing Task Force's ongoing criminal investigation, and portions of telephone logs and calendars of high-ranking Government officials, including my own. We will continue to work with the committee to assist in its oversight needs consistent with our law enforcement responsibilities to our ongoing criminal investigation.

In effect, we have two functions. They are different, and I want to do everything I can to fulfill my function of investigation and prosecution under the law, while at the same time working with you to do everything possible to support the exercise of your oversight function.

Mr. Chairman, I would also like to address your request for a copy of Director Freeh's recent memorandum to me discussing the campaign finance investigation and expressing his views about whether I should request the appointment of an independent counsel. The Director and I remain quite concerned about releasing that memorandum, as indicated in the letter which Congressman Lantos has read. We are concerned that releasing it would compromise the Department's ability to discharge its responsibilities to ensure the fair administration of justice. We feel strongly that as investigative and prosecutorial decisionmakers, we must have the benefit of candid and confidential advice and recommendations from our advisors. We do not want to chill the free exchange of ideas necessary to a solid investigation and legal decisionmaking.

In addition, the disclosure of this memorandum could provide a road map of our investigation, thus jeopardizing our work by tipping off potential targets of our approach and of our analysis. I am sure we will be discussing these issues further during today's hear-

ing. As Director Freeh and I indicated, we will be prepared to respond to your questions to the fullest extent we can consistent with our law enforcement responsibilities. We are hopeful that our participation in the hearing will respond to your concerns, and we will continue to work with you.

Our staffs have already recently discussed several other matters of interest to the committee, including the FBI investigation known as Mercury Action and our more recent investigative activity regarding an Indian gaming proposal in Wisconsin. We are prepared to work with you to accommodate the committee's oversight needs for information on these matters to the extent possible, consistent with our law enforcement responsibilities. This process is clearly less complicated where the Department's investigation is closed, such as in Mercury Action, and we will do the best we can with each request. I look forward to a continuing dialog with you and the committee on all of these matters. I know you and the Members of your committee are anxious to discuss the work of the Campaign Financing Task Force, and I look forward to discussing it with you to the extent that I can.

Before providing the committee an overview of recent action by the task force and my decision under the Independent Counsel Act not to seek the appointment of an independent counsel as a result of our preliminary investigations of President Clinton, Vice President Gore and former Energy Secretary Hazel O'Leary, I would like to take a moment to talk about two important things. First, there has been a great deal of discussion in the media and around Washington about disagreements within the Department of Justice, and I would like to address those issues head on. Second, I would like to discuss the fine work of prosecutors, agents of the FBI, and the Campaign Financing Task Force on this matter. It is entirely consistent with the hard work and dedication to the American people that I have seen in the Justice Department's outstanding employees.

As for disagreements within the Department, and in particular disagreements between Director Freeh and me, let me say this very, very clearly. Louis Freeh is one of the most dedicated public servants I know. He is an experienced investigator, he is an experienced prosecutor, and he is an excellent Director of the FBI. I know, because I have worked with him for 4 years through some of the most difficult situations that public servants confront. I have seen him there at the ready, there ready to give good advice, untarnished advice, honest advice, and that is the kind of Director of the FBI I want. I value his judgment, I value his counsel, and we have a strong and very amicable working relationship that I don't think anybody is going to bust up.

We do not always agree. As he will tell you in his statement today, we disagree on the issue of whether I should apply for the appointment of an independent counsel. But I would be upset if I found that the Director of the FBI was agreeing with me all the time, and I wouldn't think he was doing his job.

When I took this job, I deliberately sought out independent thinkers to work in the Department. I do not want to be surrounded by yes people, telling me what they think I want to hear, because that would not serve the American people. In setting up

this Campaign Financing Task Force, Director Freeh and I have followed the same practice. We discuss the issues, and we sometimes disagree. It is healthy. It promotes good investigative work and clear thinking about the law.

With respect to the Independent Counsel Act, after listening to the reports on the investigation, discussions about the law, and all of the debates, it is my job to take all of that information and make the legal decision that Congress entrusted to me and to me alone. I have done so, Mr. Chairman, and for as long as I serve this Nation as Attorney General, I am going to continue to do so in the same manner.

One of the things I learned about editorials a long time ago, and I am sure you have learned about it, if not from the New York Times, from your local newspaper, that there are a lot of editorials you just disagree with. If editorials, however, have arguments based on the evidence and the law, I want to consider them, but I will get the best lawyers and the best agents to give me their best recommendations, and I will make the decisions based on the evidence and the law, and not on newspaper headlines, newspaper editorials, threats, or polls.

That is what we do in the Justice Department every day, and that is why I want to especially commend the work of the 108,000 fine people who serve the American people at the Department of Justice. They work around this Nation and around the world. They catch spies and drug lords and terrorists. They stand guard at our borders. They uphold our liberties, and around the country the Justice Department and the FBI are full partners with police, mayors and neighborhoods in the 24-hour-per-day world of protecting the public and prosecuting criminals.

In this particular campaign finance investigation, as in all others entrusted to the Department of Justice, we are going to follow every lead wherever it goes, and if at any time specific and credible evidence develops indicating that the Independent Counsel Act should be triggered, I will not hesitate to do so.

More than a year ago, the Justice Department assembled a fine task force of experienced attorneys and FBI agents to investigate allegations of criminal wrongdoing surrounding the 1996 elections. No criminal case in this Department has more resources. The task force now numbers more than 120. More than 1 million pages of documents have been obtained, hundreds of interviews have been conducted, and agents have been dispatched across the country and around the world to track down leads.

Numerous allegations have been made against high-level Government officials. As required by the Independent Counsel Act, we have reviewed every one of them to see if there is specific and credible information that a crime may have been committed by a covered person or someone for whom it would be a conflict of interest for the Justice Department to investigate. When these allegations have been specific and credible, we have instituted a preliminary investigation. That is what the law demands, and we have implemented it faithfully.

Since I have been Attorney General, I have sought the appointment of no fewer than four independent counsels. I have also sought the expansion of independent counsels' ongoing investiga-

tions and have referred other matters to them. Last week, pursuant to the law, I decided that the allegations against President Clinton, Vice President Gore and former Energy Secretary Hazel O'Leary do not at this time warrant the appointment of an independent counsel. This decision was mine, and it was based on the facts and the law, and not pressure, politics, or any other factor.

I want to emphasize one point. Any decision not to ask for an independent counsel does not mean that a person has been exonerated or that the work of the Campaign Finance Task Force has ended. These decisions do not end our work. We will continue to investigate vigorously all allegations of illegal activity, and if the Independent Counsel Act is triggered, I will do so.

With respect to the decisions I made last week, I would note that the complete statement in our notification to the court of matters that can be made public is contained in the notification, a copy of which has been forwarded to you, and I would ask that that be reviewed for the specifics.

[The information referred to follows:]

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
INDEPENDENT COUNSEL DIVISION

In re WILLIAM JEFFERSON CLINTON	)	No.

MOTION OF THE ATTORNEY GENERAL PURSUANT TO
28 U.S.C. § 592(e) FOR LEAVE TO DISCLOSE NOTIFICATION

Pursuant to 28 U.S.C. § 592(e), I hereby seek leave of the Division to disclose to the public the "Notification to the Court Pursuant to 28 U.S.C. § 592(b) of Results of Preliminary Investigation" filed with the Court on this date. The allegations underlying the Notification have been widely reported by the news media. In addition, pursuant to 28 U.S.C. § 592(g)(3), I am required to provide a copy of this Notification to the Committee on the Judiciary, United States House of Representatives. It is therefore in the public interest to permit public disclosure of copies of the Notification of the results of our preliminary investigation.

Accordingly, I request the Court's permission to disclose the Notification to the public, and have attached a proposed Order to this effect.

Respectfully submitted,

Janet Reno
Attorney General of the United States

DATED: December 2, 1997

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

Division for the Purpose of
Appointing Independent Counsels

Independent Counsel Reauthorization Act of 1994

In re:	William Jefferson Clinton President of the United States	Division No. _____ Order Authorizing Attorney General to Disclose Notification of Results of Preliminary Investigation

Upon consideration of the request of the Attorney General pursuant to 28 U.S.C. § 592(e) for authorization to disclose the Notification to the Court Pursuant to 28 U.S.C. § 592(b) of Results of Preliminary Investigation in this matter, which concerns allegations that have been widely reported by the news media, it is hereby

ORDERED, in the public interest that leave is granted to the Attorney General pursuant to 28 U.S.C. § 592(e) to publicly disclose the Notification.

Per Curiam
For the Court:

Clerk

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
INDEPENDENT COUNSEL DIVISION

IN RE WILLIAM JEFFERSON CLINTON) No. _____

NOTIFICATION TO THE COURT PURSUANT TO 28 U.S.C. § 592(b)
OF RESULTS OF PRELIMINARY INVESTIGATION

On October 14, 1997, I notified the Special Division of the initiation of a preliminary investigation involving President of the United States William Jefferson Clinton. The preliminary investigation has now been concluded, and I have determined there are no reasonable grounds to believe that further investigation is warranted of allegations that the President violated federal law by making fund-raising telephone calls from the White House. Therefore, no independent counsel need be appointed. In accordance with 28 U.S.C. § 592(b), I summarize herein the information received and the results of my preliminary investigation.

INFORMATION RECEIVED

This matter was opened following a published account of testimony given before the Senate Committee on Governmental Affairs by former White House Deputy Chief of Staff Harold Ickes. This account, published in the New York Times on September 14, 1997, and titled "Aide Said He Prodded President to Complete Fund-Raising Calls," stated Ickes had testified that on occasion the President had made fund-raising calls on behalf of the Democratic National Committee (DNC). The article implied that those calls might have been placed from the Oval Office.

As a result of its ongoing inquiry into campaign fund-raising matters, the Department was also aware that on several occasions between 1994 and 1996, requests to make telephone fund-raising solicitation calls had been communicated to the President or his staff by the DNC. These requests, evidenced by various telephone call memoranda and call sheets, involved a total of 68 separate potential donors.

I concluded that this information, taken as a whole, warranted further inquiry into whether the President may have committed a potential violation of 18 U.S.C. § 607. Section 607 makes it unlawful:

> for any person to solicit or receive any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 in any room or building occupied in the discharge of official duties by any person mentioned in section 603 . . . .

Of particular significance to this matter is the fact that the discrete residential portion of the White House, like housing provided to embassy personnel overseas or military housing provided to servicemen, is not a "room or building occupied in the discharge of official duties" within the meaning of section 607. See Memorandum for Philip Heymann, Assistant Attorney General, Criminal Division, from Larry A. Hammond, Acting Assistant Attorney General, Office of Legal Counsel (1979) (hereinafter "OLC Opinion").[1] This legal opinion concluded that

[1] OLC opinions are considered binding with respect to the Executive Branch. Certainly, no federal criminal prosecution could be brought based on facts that a Department of Justice opinion had declared lawful.

the private living quarters in the White House -- the third and fourth floors of the mansion -- are outside the scope of section 607. Rooms in other areas of the White House may or may not be within the scope of the section, depending on their routine use and use at the time of the alleged violation. Id.

A significant open legal issue under section 607 is whether a telephone call solicitation from federal work space to a private location is a solicitation "in" the federal work space. This is a difficult legal issue made more complicated by the legislative history of section 607 and by the only Supreme Court decision discussing the statute, United States v. Thayer, 209 U.S. 39 (1908).[2] The legal obstacles to bringing a prosecution under section 607 based on telephone calls from a federal workplace to a private location are formidable, and a strong argument can be made that the statute does not apply to those facts. However, I have concluded based on the clear facts developed in the course of this preliminary investigation that I need not finally resolve this legal issue. Therefore, I have assumed for purposes of this investigation that under section 607, a solicitation over the telephone could be deemed to have occurred "in" both the location from which the call was placed

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[2] Thayer held that a letter written and sent from outside federal work space, but delivered to an individual in a federal office, violates section 607. The language of the decision could be read to suggest that a solicitation within the meaning of section 607 occurs where the solicitation is received, from which it could be argued that a telephone call received outside the federal workplace does not constitute a solicitation "in" the federal workplace. However, the facts of Thayer are obviously readily distinguishable from the facts here.

and the location where the call was received. However, even making this assumption, there is no evidence that the President violated section 607.

SCOPE OF THE INVESTIGATION

This investigation was conducted by attorneys from the Department of Justice and agents of the Federal Bureau of Investigation. The objective was to determine (1) whether the President in fact made any fund-raising solicitation calls on behalf of the DNC from the White House; and if so, (2) whether those calls potentially violated section 607 because hard money was solicited; and (3) from where within the White House any calls were made.

From the telephone call memoranda and call sheets, 68 potential donors who may have been solicited over the telephone by the President were identified. Sixty-four of these prospective donors were directly interviewed, either in person or over the telephone, regarding any fund-raising contact they might have had with the President. The remaining four prospective donors gave statements through their attorneys. Interviews were also conducted of White House and DNC personnel who might reasonably have been aware of the President's participation in the DNC's telephone fund-raising initiative. In addition, the President submitted a sworn affidavit, and he was also interviewed at length concerning his recollection of the facts and knowledge of the law in connection with this DNC fund-raising.

The investigation focussed on developing any information suggesting that the President may have made any of the intended fund-raising calls on behalf of the DNC and all available information concerning such calls. Thus, in addition to the interviews referred to above, the investigators obtained relevant documents either corroborating or disproving that any such calls were made, including the available long distance telephone toll records for the White House, White House operator diaries of long distance calls, and White House records of scheduling requests and the President's annotated daily schedule. The investigators requested and received written assurance from the White House Counsel's Office that, to the best of its knowledge, all documents in the possession of the White House called for by the various document requests have been provided to the Department of Justice.

RESULTS OF THE INVESTIGATION

On October 18, 1994, the President placed a series of fund-raising solicitation calls in response to a request by the DNC. Other than those calls on that date, there is no evidence that the President placed calls from the White House soliciting contributions on any other occasion.[3]

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[3] The evidence suggests that on five occasions between October 1994 and March 1996 requests to make telephone fund-raising solicitations were communicated to the President or his staff by the DNC. These requests were communicated in the form of telephone call memoranda or call sheets listing the names, backgrounds, contribution histories, and phone numbers of prospective donors. As explained below, however, there is no evidence that the President placed calls from the White House soliciting contributions on any occasion other than October 18,

Although the President was scheduled to make calls on November 28, 1995, there is no evidence that he did. Indeed, the evidence strongly indicates that he did not do so. None of the individuals identified on the call sheets bearing that date states that he or she received a call from the President on or around that date, and there is no documentary evidence to suggest that any calls were made. The DNC received no notification that any of the donors had been called, and there are no contemporaneous notes reflecting the calls, as occurred with the October 18th calls. The record of the President's activities that day, during the time he was scheduled to make telephone calls, shows he was running late on other engagements. There is no evidence to suggest that the President made any calls in between his other activities.

In addition, the President saw a memorandum dated February 7, 1996, attaching a set of ten call sheets, two of which bear check marks made by the President. However, FBI interviews of the respective donors established that none of the ten, including the two with check marks, were solicited over the telephone by the President for a contribution. In his interview, the President stated that at the time he made the marks he had recently seen these donors and that one of them had hosted a fund-raiser on his behalf.[4]

1994.

[4] This February 7, 1996, memorandum was stamped and dated, "The President Has Seen, 5-20-96." We have verified that one of these donors held a fund-raiser on behalf of the President on May

As for the other occasions on which the President was requested to make calls, other than October 18, 1994, our investigation has uncovered no evidence on which any reasonable inference could be based that the President called any of the potential donors.

With respect to October 18, 1994, the evidence, including telephone records, interview results, and the President's schedule, establishes that the calls were made from the White House residence. In addition, Harold Ickes, who recalls being with the President when the calls were made and whose notes appear on the call memorandum, confirms that the calls were placed from the President's study within the residence. There is no evidence that any calls were made from the Oval Office or any other official White House work space.

As noted above, the private residential portion of the White House consists of the third and fourth floors of the White House mansion. The President's study, also known as the Treaty Room, is located on the third floor of the mansion, within the private residence. The room is situated among several bedrooms, and is down the hall from the private family dining room. The room is primarily used by the President as his personal study, although on occasion it is used for meetings with other heads of state and for other ceremonial purposes. Because it is on the third floor, the room is plainly within the "discrete private residence area"

7, 1996, and that the other donor attended a White House coffee on March 29, 1996.

of the White House, which the OLC opinion concludes is per se not within the scope of section 607. Thus, none of the calls placed from the study could have violated that statute.

The investigation also developed evidence of two other relevant calls made by the President relating to fund-raising. Neither call was a solicitation for hard money within the meaning of section 607.

On January 29, 1996, the President called a donor who had pledged but not yet sent a $100,000 contribution to the DNC after having been advised that his call could "clinch" the donation. Although not conclusive, the evidence suggests that this call was probably placed from the Oval Office. However, both the donor and the President were interviewed about this call and both recalled the conversation as a "thank you" for the donor's commitment to contribute. The donor was subsequently sent a letter on behalf of the DNC referencing the President's call and conversation about promoting the President's message, and instructing the donor how to make the contribution and earmark it for the DNC non-federal account, which the donor did. The evidence thus is that this call was not a solicitation but an expression of appreciation for a pledge already made, and also that the discussion between the President and the donor was for soft money and therefore outside the scope of section 607.

The second call was made by the President from the Oval Office on October 31, 1995. This call, requested on behalf of Clinton/Gore '96, was to the "New York Finance Co-Chairs," who

were preparing for a major fund-raising "Presidential Gala" in New York City on November 6. The call memorandum advised the President that the New York co-chairs, persons who were major contributors themselves, would be holding a "heavy-lifting" day on October 31, during which they would be making fund-raising calls on behalf of the President. The memorandum advised the President to thank the co-chairs for their efforts and to encourage them to raise as much money as possible.

Such a call is outside the plain meaning of "solicit[ing] or receiv[ing] any contribution within the meaning of . . . the Federal Election Campaign Act," because the President was not asking the co-chairs for contributions. 18 U.S.C. § 607. To "solicit" means "to make petition to: entreat . . . to approach with a request or plea." Webster's New Collegiate Dictionary 1106 (1977). Such a definition has been endorsed by the Supreme Court:

> "Solicitation," commonly understood, means "[a]sking" for, or "enticing" to, something, see Black's Law Dictionary 1393 (6th ed. 1990); Webster's Third New International Dictionary 2169 (1981) ("solicit" means "to approach with a request or plea (as in selling or begging)").

Wisconsin Department of Revenue v. William Wrigley, Jr., Co., 505 U.S. 214, 223 (1992). Although the President was expressing appreciation to the New York co-chairs for their efforts and help

in raising funds, he was not soliciting contributions from them, and thus could not be acting in violation of section 607.[5]

CONCLUSION

The preliminary investigation developed evidence of only three occasions on which the President made telephone calls from the White House relating to potential fund-raising solicitations. On one of those occasions, the call was an expression of appreciation to a large contributor to the DNC. On another, the call was an expression of appreciation to a group of fund-raisers for their efforts. Neither of these calls were solicitations for contributions, and thus are not within the scope of section 607. On the third occasion, the President made a series of fund-raising calls to potential contributors. However, it is my conclusion based on the results of the preliminary investigation that the calls were placed from the private residential portion of the White House. This places the calls outside the scope of section 607, which applies only to solicitations for hard money

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[5] In the Notification to the Court filed on this date in In re Albert Gore, Jr., I explain the prosecution policy of the Department of Justice with respect to section 607. It is the clearly established policy of the Department not to prosecute section 607 violations in the absence of aggravating circumstances. See Notification In re Albert Gore, Jr. at 19-27. It is also my obligation to take the policies of the Department into account in reaching my determination whether further investigation is warranted under the Independent Counsel Act. 28 U.S.C. § 592(c)(1)(B). Even if the evidence developed in the course of this preliminary investigation suggested that the President may have violated section 607, which it does not, there is no evidence of any potentially aggravating circumstances here. Thus, the lack of aggravating circumstances, necessary for a section 607 prosecution under established Department guidelines, is an independent ground on which I would decline to seek appointment of an independent counsel in this matter.

contributions occurring within the federal workplace. Based on the results of the above-described investigation, I hereby notify the Court of my determination that no further investigation is warranted with respect to the matters involved in this preliminary investigation.

Respectfully submitted,

Janet Reno
Attorney General of the United States

Dated: January 2, 1997

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
INDEPENDENT COUNSEL DIVISION

In re ALBERT GORE, JR.	)	No.

MOTION OF THE ATTORNEY GENERAL PURSUANT TO
28 U.S.C. § 592(e) FOR LEAVE TO DISCLOSE NOTIFICATION

Pursuant to 28 U.S.C. § 592(e), I hereby seek leave of the Division to disclose to the public the "Notification to the Court Pursuant to 28 U.S.C. § 592(b) of Results of Preliminary Investigation" filed with the Court on this date. The allegations underlying the Notification have been widely reported by the news media. In addition, pursuant to 28 U.S.C. § 592(g)(3), I am required to provide a copy of this Notification to the Committee on the Judiciary, United States House of Representatives. It is therefore in the public interest to permit public disclosure of copies of the Notification of the results of our preliminary investigation.

Accordingly, I request the Court's permission to disclose the Notification to the public, and have attached a proposed Order to this effect.

Respectfully submitted,

Janet Reno
Attorney General of the United States

DATED: December 2, 1997

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

Division for the Purpose of
Appointing Independent Counsels

Independent Counsel Reauthorization Act of 1994

In re: Albert Gore, Jr.
Vice President of the United States

Division No. ____
Order Authorizing Attorney General to Disclose Notification of Results of Preliminary Investigation

Upon consideration of the request of the Attorney General pursuant to 28 U.S.C. § 592(e) for authorization to disclose the Notification to the Court Pursuant to 28 U.S.C. § 592(b) of Results of Preliminary Investigation in this matter, which concerns allegations that have been widely reported by the news media, it is hereby

ORDERED, in the public interest that leave is granted to the Attorney General pursuant to 28 U.S.C. § 592(e) to publicly disclose the Notification.

Per Curiam
For the Court:

Clerk

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
INDEPENDENT COUNSEL DIVISION

In re ALBERT GORE, JR.	)	No.

NOTIFICATION TO THE COURT PURSUANT TO 28 U.S.C. § 592(b)
OF RESULTS OF PRELIMINARY INVESTIGATION

On October 3, 1997, I notified this Court of the initiation of a preliminary investigation of Vice President of the United States Albert Gore, Jr. The preliminary investigation has now been concluded, and I have determined that there are no reasonable grounds to believe that further investigation is warranted of allegations that the Vice President violated federal law, 18 U.S.C. § 607, by making fundraising telephone calls from his office in the White House. My conclusion is supported by two independent dispositive grounds. First, the evidence that the Vice President may have violated section 607 is insufficient to warrant further investigation. Second, even if the evidence suggested a possible violation of law, established Department of Justice policy requires that there be aggravating circumstances before a prosecution of a section 607 violation is warranted. There is no evidence of any aggravating circumstances in this matter. Therefore, appointment of an independent counsel is not being sought. In accordance with the requirements of 28 U.S.C. § 592(b), this notification will summarize the information received and the results of the preliminary investigation.

INFORMATION RECEIVED

On September 3, 1997, the Washington Post reported that records made available by the White House revealed that more than $120,000 in contributions solicited over the telephone by the Vice President from his White House office were deposited into the Democratic National Committee's (DNC's) federal account. The article named six individuals who, in a period from November 1995 through April 1996, made a donation to the DNC soon after they may have received a call from the Vice President. The Post further reported that the DNC deposited a portion of each gift made by these persons into a federal or "hard money" account and deposited the remainder into a non-federal "soft money" account. The Post also reported that the DNC had reimbursed the United States Treasury in the amount of $24.20 for fundraising telephone calls apparently made from the Vice President's office.[1]

The article thus suggested that the Vice President may have violated federal law by making fundraising solicitation calls from his White House office which resulted in hard money contributions. This is a potential violation of 18 U.S.C. § 607, which criminalizes the solicitation of contributions within the meaning of the Federal Election Campaign Act (FECA), or so-called hard or federal contributions, in the federal work space.

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[1] Some have suggested that the fact that a few of the telephone calls were initially billed to the federal government might amount to a technical and temporary "conversion" of federal property. However, it is the established practice of the Department of Justice not to investigate or prosecute such minor allegations, and this matter will not be pursued. See, 28 U.S.C. § 592(c)(1)(B).

After I received confirmation that Federal Election Commission (FEC) records reflected federal contributions by the donors named in the Post article around the time of the alleged solicitations by the Vice President, I commenced a 30-day initial inquiry under the Independent Counsel Act. My decision at that time was premised on the plausible inference that if a donor had contributed hard money to the DNC in response to a solicitation by the Vice President, the Vice President may have asked the donor to make a hard money contribution. On October 3, 1997, I commenced a preliminary investigation in accordance with the requirements of the Independent Counsel Act.

APPLICABLE LAW

First enacted in 1883 as part of the Pendleton Act, section 607 provides in relevant part:

> (a) It shall be unlawful for any person to solicit or receive any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 in any room or building occupied in the discharge of official duties by any person mentioned in section 603, or in any navy yard, fort, or arsenal. Any person who violates this section shall be fined under this title or imprisoned not more than three years, or both.[2]

[2] A significant open legal issue under section 607 is whether a telephone call solicitation from federal work space to a private location is a solicitation "in" the federal work space. This is a difficult legal issue made more complicated by the legislative history of section 607 and by the only Supreme Court decision discussing the statute, United States v. Thayer, 209 U.S. 39 (1908). Thayer held that a letter written and sent from outside federal work space, but delivered to an individual in a federal office, violates section 607. In so holding, the Court concluded that "the solicitation was in the place where the letter was received," id. at 44, language which clearly could be read to suggest that a solicitation received outside the federal workplace does not occur "in" the federal workplace.

The concept of hard as opposed to soft money in the context of federal election law is important to an understanding of this matter. The phrase "hard money" is a colloquial phrase commonly used to refer to "contributions" within the meaning of section 301(8) of the Federal Election Campaign Act (FECA). Section 301(8) of the FECA defines a "contribution" as "any gift ... made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(8)(A)(i). Because the term is defined in terms of an intent to influence a federal campaign, hard money is also often referred to as "federal" money, and the political parties maintain separate bank accounts, called federal and non-federal accounts, to keep the two kinds of donations separate. As can be seen from the language of section 607 set out above, a violation of that statute specifically requires a solicitation of hard money.

The FECA sets out various limitations on how much individuals can contribute in hard money. Of particular significance to this matter is the limitation on donations to national political committees, such as the DNC; individuals can contribute up to $20,000 in hard money to a national political

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While the facts of Thayer are distinguishable from those here, the legal obstacle created by the Thayer decision would be a formidable barrier to any prosecution based on these facts. However, I have concluded based on the clear facts developed in the course of this preliminary investigation that I need not finally resolve this legal issue. Therefore, I have assumed for purposes of this investigation that under section 607, a solicitation over the telephone could be deemed to have occurred "in" both the location from which the call was placed and the location where the call was received.

committee per year. 2 U.S.C. § 441a(a)(1)(B). Corporations and unions are barred from making hard money contributions. 2 U.S.C. § 441b.

"Soft money," in contrast, is commonly understood to refer to all other sorts of political donations to all sorts of political causes. There are no limits under the FECA on the amounts of soft money donations, and soft money donations can be made by corporations and unions, but there are strict limits on the uses to which political parties can put such donations.

SCOPE OF THE INVESTIGATION

The preliminary investigation, which was conducted by attorneys from the Department of Justice and agents of the Federal Bureau of Investigation (FBI), was comprehensive. Approximately 250 witnesses were interviewed. These witnesses included the Vice President, current and former members of the Vice President's staff, other current and former White House officials, officials of the Clinton/Gore '96 Committee (Clinton/Gore '96), various paid and unpaid officers and employees of the DNC, and more than 200 individuals whose names appeared as prospective donors on call sheets prepared by the DNC for the Vice President. Documents were obtained from the White House, the DNC, Clinton/Gore '96, and several of the individuals who received telephone calls from the Vice President.

RESULTS OF THE INVESTIGATION

I. The DNC's Media Campaign

Following the 1994 elections, the DNC funded an extensive series of "issue-oriented" media advertisements. According to several witnesses, these ads were designed to generate support for the Clinton Administration's position on various issues and to frame the debate as the 1996 elections approached.

In a series of memoranda addressed to the President and Vice President written during 1995 and 1996, then-Deputy White House Chief of Staff Harold Ickes detailed the way in which the DNC media campaign was funded throughout this period. Ickes' memos explain that the ads were paid for during most of this period with a combination of approximately 60 percent "soft" and 40 percent "hard" money, pursuant to an allocation formula required by the FEC. This allocation formula reflects the fact that generic, so-called "issue ads" support and advance the cause of all party candidates, state and local as well as federal, and thus need not be paid for entirely from hard money funds. Soft, or non-federal funds, could be used to pay for a portion of the advertisements, according to the FEC allocation rules.

II. Inception of 1995-1996 Media Fund Telephone Call Project

The evidence suggests that the topic of fundraising phone calls for the media campaign was raised during a November 21, 1995 meeting attended by the President, Vice President, several White House aides, and DNC finance officials. Several memos written by Ickes and discussed during this meeting show that the

media fund, originally budgeted at $10 million for calendar year 1995, was in need of several million dollars to stay afloat through the end of the year.[3]

The Vice President agreed to, and indeed may have suggested that he participate in the fundraising effort by making telephone calls for the DNC media campaign, in part because soliciting by telephone would be less time-consuming and less tiring than attending additional fundraising events. None of the witnesses interviewed recalled any discussion during this period about how the telephone solicitations would be carried out. Likewise, no one recalled discussions during this period concerning the legality or propriety of making these calls from the White House or the question of whether "hard" or "soft" money would be solicited.

The evidence suggests that the Vice President, on ten and perhaps 11 occasions between the fall of 1995 and the spring of 1996, engaged in sessions of telephone calls to raise funds for

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[3] When shown the Ickes memos that were discussed during the November 21 meeting, the Vice President stated that as a general rule he did not read Ickes' memos on DNC finance matters because the memos usually advocated a position on an issue that invariably would be discussed at length at a meeting anyway. Thus, the Vice President explained, he would typically move these memos from his in-box to his out-box without further review. He added that the absence of "checkmarks" on any copies of the Ickes documents, often used by the Vice President to note that he had read a document, is a further indication that he had not read these documents. Members of the Vice President's staff confirmed in interviews that the Vice President often transferred documents from his in-box to his out-box without having read them, although they did not recall whether he did so specifically with respect to Ickes' DNC finance memos.

the DNC. There is evidence that he spoke to at least 45 people on these occasions.

III. The DNC's Practice of Splitting Contributions

Sometime after the 1994 elections, the DNC, in an effort to maximize its federal or hard money contributions, began a practice of splitting large checks into federal and non-federal components if the donor had not already contributed the maximum $20,000 in hard money to the DNC, and the donor's preference was not made explicit on the contribution check.[4] As a result of this practice, a portion of the contributions from several of the donors solicited by the Vice President was deposited into federal accounts. We were told that under DNC procedure, after the contribution was split the donor was supposed to be notified by letter of the fact that a portion of the contribution was being treated as a hard money contribution. If the donor approved the allocation, the funds would stay in the federal account.

However, the DNC failed to send the notification letters from late 1995 through the first half of 1996. As a result, portions of several of the contributions solicited by the Vice President remained in federal accounts and were reported to the FEC as hard money contributions without the donors' knowledge or consent.

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[4] Prior to this, when DNC fundraisers had wanted to raise large donations, they typically had asked donors to provide two checks, one up to $20,000 for the federal portion, and the other for the remaining amount to be deposited into a non-federal account.

In the course of the investigation, agents and prosecutors interviewed all current and former DNC finance and accounting employees who could be identified as having any familiarity with the DNC's practice of splitting donations and depositing a portion into hard money accounts. None of these witnesses stated that they had any knowledge or information that the Vice President -- or anyone else in the White House -- was aware of the DNC's practice of allocating funds into hard money accounts.[5]

The funding of the DNC media campaign was discussed in a February 22, 1996, memorandum from Harold Ickes addressed to the President and the Vice President, and an attached memorandum written by DNC Chief Financial Officer Bradley Marshall, dated February 21, 1996. The Marshall memo, in the context of detailing a current shortage of non-federal money, states:

> I understand that Finance has raised and is currently processing, $1.2 million. At this point, I do not know how it will breakdown between Federal vs Non-Federal and Corporate vs Individual.

In what may be a reference to this "breakdown," Marshall adds the following information three paragraphs later:

> Definition of Federal and Non-Federal monies (from the DNC perspective):
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> Federal money is the first $20,000 given by an individual, ($40,000 from a married couple). Any amount over this $20,000 amount from an individual is

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[5] Of these current and former DNC employees, only Chief Financial Officer Bradley Marshall ever had dealings with White House personnel. Marshall does not recall ever discussing the DNC's allocation practice with any members of the White House staff.

considered Non-Federal Individual. An individual can give an unlimited amount of Non-Federal Individual money.

While the Marshall memorandum could be read by one who knew of the practice of splitting contributions as reflecting that practice, there is no explicit reference to the practice in the memorandum. It is my conclusion that the memorandum, standing alone and without independent knowledge of the splitting practice, cannot reasonably be read as putting anyone on notice that the DNC was engaging in a practice of splitting contributions without the donor's consent. Therefore, even if the Vice President read the Marshall memorandum,[6] it is my conclusion that there is no evidence on which to base a conclusion that the Vice President was aware of the DNC practice, and thus may have been soliciting contributions knowing that a portion of some contributions would end up in hard money accounts.

However, we also attempted to ascertain exactly what the Vice President said in his conversations with the prospective donors, to see whether or not he in fact solicited contributions of hard money.

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[6] In his interview, the Vice President stated that he was unaware at the time that the DNC was splitting some large contributions and depositing up to $20,000 into its federal account. He does not recall seeing the Marshall memo at the time it apparently was circulated to his office. He believes that he would not have read the Marshall memo because it was attached to an Ickes memo discussing DNC finance matters, which the Vice President says he generally did not read.

IV. The Logistics of the Vice President's Solicitations

The preliminary investigation confirmed that, on ten or perhaps 11 occasions beginning in November 1995 and concluding in May 1996, the Vice President made a series of telephone calls from his White House office to private individuals seeking their financial support for the DNC media campaign. These sessions followed a pattern. A "call sheet" containing information about the prospective donor and his or her contribution history was prepared by a member of the DNC Finance staff and delivered to Peter Knight. Knight, who had headed the Vice President's staff when the Vice President served in the House of Representatives and the Senate, sat in on several of the Vice President's telephone sessions; other staff members sat in on the remainder of the sessions. The preliminary investigation developed substantial undisputed evidence that the telephone calls were in fact placed from the Vice President's office in the White House.

V. The Contents of the Solicitations

A total of 216 prospective donors was identified from call sheets and lists prepared for the Vice President by the DNC and obtained by the FBI in the course of the preliminary investigation. The FBI interviewed or received statements from well over 200 of these individuals.[7] Of these, 159 did not

[7] I do not believe that the fact that a handful of individuals declined to be interviewed requires that appointment of an independent counsel be sought. Only eight individuals for whom there were call sheets declined to be interviewed. The consistency of the investigative results and the strong evidence that the Vice President was affirmatively soliciting soft money contributions renders any hypothetical possibility that one of

recall receiving a telephone call regarding political contributions from the Vice President.[8] Forty-five people recalled having had telephone conversations about political contributions with the Vice President in either late 1995 or early to mid-1996.[9]

A. The Donations Deposited into Federal Accounts. The evidence suggests that five of these 45 prospective donors were solicited by the Vice President, and gave a donation that was subsequently deposited, in part, into the DNC's federal account without their knowledge. Another 12 provided contributions to the DNC that were deposited entirely into a non-federal account.

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these additional individuals may have been solicited for hard money pure speculation. In addition, as to three of these individuals, other than the existence of a call sheet, there is no evidence that they were ever called, and it should be recalled that there are scores of call sheets as to which no solicitation call was ever made. As to three others, there are no donations, hard or soft, at the time of the calls. Finally, as to the last two individuals, documentary evidence in the form of contemporaneous notes of the conversation on the call sheets affirmatively suggests that they were solicited for a soft money contribution, although neither of the two made a donation at the time of the call.

[8] In spite of these recollections, there is some documentary evidence suggesting that the Vice President may have called a handful of these people at some point. Nevertheless, we have found no evidence that the Vice President asked for federal contributions or that hard money contributions were given in response to a solicitation, if indeed one was made.

[9] In addition, four individuals recalled receiving telephone solicitations from the Vice President in the Fall of 1994. According to both the Vice President and former DNC Finance official Terry McAuliffe, the Vice President made those calls while on a visit to the DNC to boost staff morale immediately prior to the 1994 elections. Those solicitations raise no questions of impropriety under section 607 because they were not made from federal office space.

to give. The remaining nineteen remember the purpose of the Vice President's call as a thank you, rather than as a solicitation.[10] None of these 45 persons stated that the Vice President explicitly or implicitly asked them to give money to the DNC's federal account or to any federal political campaign. This is consistent with the Vice President's statement in his interview that he believed at the time that, in all instances, he was asking prospective donors to make soft money contributions to the DNC to fund the DNC's issue-oriented media campaign.

The preliminary investigation definitively established that the Vice President made four telephone solicitations from the White House which resulted in donors contributing funds to the DNC that were thereafter deposited into a DNC hard money account. A fifth such solicitation was suggested by circumstantial evidence.[11] All five of these donors were interviewed in the course of the investigation. Four of the five specifically described the Vice President's solicitation as having been for a contribution to the "DNC media fund" or more generically to fund

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[10] Given the elements of section 607, it is clear that a prosecution could not be based on a call to thank a donor for a previous commitment to make a contribution. Section 607 does not restrict the Vice President generally from engaging in conduct relating to political fundraising. Rather, it specifically criminalizes only soliciting federal contributions in the federal workplace. One cannot "solicit" something that has already been provided or agreed to.

[11] The difference between this number and the number originally reported in the Post article can be traced to the fact that the Post relied largely on call sheets to support its allegations, rather than interviews with all the donors.

a DNC advertising campaign, rather than for a contribution to the DNC federal account or to any candidate for federal office.

The fifth donor remembers a telephone call from the Vice President, though he does not recall a solicitation in the course of the conversation. He did make a subsequent donation to the DNC; however, he links his donation to later conversations with a high-level Democratic fundraiser, rather than to his conversation with the Vice President.

It is my view that there are no further grounds to investigate whether any of these calls violated section 607 on the mere grounds that a portion of the subsequent contributions was deposited into hard money accounts. There is no evidence that the Vice President was aware that part of the donations would be deposited into hard money accounts, and the donors' own descriptions of the solicitations makes it clear that they interpreted the solicitations as being for soft money.

B. The Substance of the Solicitations. The above-described investigation disposed of the original inference on which this preliminary investigation was based, that if a donor made a contribution deposited into a hard money account, it is reasonable to infer that he or she may have been solicited for a hard money contribution. However, we recognized that this did not fully dispose of the possibility that the Vice President may have solicited hard money contributions in the course of his telephone calls. In response to a request for a hard money contribution, a donor may have declined to give a hard money

contribution, perhaps having reached his or her maximum for the year, but agreed nevertheless to make a soft money donation. Or a prospective donor may have declined altogether following the solicitation. Based on this possibility, it was determined that the preliminary investigation should seek as comprehensive a review as possible of the Vice President's solicitation calls.

Setting aside the five contributions which were deposited into hard money accounts, which, as I have explained above, the evidence shows occurred without the knowledge of the Vice President, the evidence that the Vice President may have solicited hard money contributions is slight indeed. The sum total of the evidence that the Vice President may have sought hard money contributions from donors consists of two passing and largely ambiguous comments concerning elections to potential donors, one assumption made by a donor, and a set of circumstances regarding another, involving four solicitations out of a total of 45, an ambiguous note jotted on one call sheet, and the fact that many of the Vice President's calls, although they were made on behalf of the DNC, were charged to a Clinton/Gore campaign credit card:

1) There is evidence that one potential donor assumed the Vice President was talking about a campaign contribution. However, he states that he believes that at the time he may not have known about the difference between hard and soft money. His only recollection of what the Vice President said was "any help you can give would be appreciated." Nothing in this vague

request could be pointed to as evidence that the Vice President was soliciting hard rather than soft money. Furthermore, the Vice President's initial broaching of the subject was immediately followed by a declination from the potential donor, and the Vice President dropped the subject, so there is no additional context from which it could reasonably be inferred that the solicitation was for hard money. This exchange does not reasonably suggest that the Vice President was soliciting hard money, and there is no conceivable additional investigation that could develop proof that that is what occurred.

2) There is evidence that in the course of one conversation, the Vice President mentioned facing a "tough election." While the donor recalls this remark, he also recalls that the Vice President specifically requested funds to help get the DNC message out on issues such as health care. This issue-oriented request, together with the fact that the request was for $30,000, strongly supports the position that the specific request made was intended to be for soft money. Furthermore, the donor affirmatively understood the request as being for soft money.

3) In a third conversation, the Vice President mentioned that previous elections had not gone well. He made no reference to a contribution for any future election, but rather said that a media campaign was needed to promote "Democratic issues." The donor believed that the solicitation was for soft money, because the request was for support of "issue oriented ads," which could be paid for with soft money. Furthermore, the amount of the

be paid for with soft money. Furthermore, the amount of the request was such that the Vice President was necessarily asking for at least some soft money, and there was no mention in the conversation that would support the notion that he was requesting any hard money.

4) There is evidence that one potential donor attended a party meeting, also attended by the Vice President, at which proposed television issue-oriented ads were aired for party supporters, and at which it was observed that the ads were proving effective in building support for the President's reelection effort. Subsequently, when the Vice President called the potential donor, he specifically requested support for the DNC's media campaign, making reference to the prior meeting.

This final solicitation was, again, a solicitation to support the media campaign. The fact that the donor was told several weeks earlier that the media campaign would also support the President's reelection adds nothing of substance. It is true that the ad campaign would support, in part, the President's reelection, but that fact is accounted for under the law by the fact that hard money must be used in part to pay for the advertisements. The fact that this reality had been previously brought to the donor's attention does not support an inference that a later general request from the Vice President for support

for the media campaign was a request for hard rather than soft money.[12]

5) On the call sheet for a fifth prospective donor, there is a notation "no federal $ '95." The donor was called in late 1995, and thus it could be argued that the inference to be drawn from the notation was that he should be asked for a hard money contribution. However, this donor has a clear recollection and contemporaneous notes of his conversation with the Vice President which conclusively establish that he was solicited for a soft money contribution, which he in fact made. Most compellingly, his notes indicate that he asked the Vice President how he should make out his check, and he was specifically told to make it out to a DNC non-federal account.

6) Finally, many of the Vice President's calls were charged to a Clinton/Gore campaign calling card, rather than to a DNC calling card. This, it could be argued, suggests an inference

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[12] The fact that legal soft money expenditures play a role in federal elections has been expressly acknowledged by the FEC. In one publication, the FEC pointed out that "most of the soft money spending that benefits federal candidates occurs when a committee simultaneously supports both federal and nonfederal candidates. Party committees, for example, may purchase generic get-out-the-vote advertisements that benefit both their federal and nonfederal candidates. To pay for these ads, committees must use federal funds for the portion that benefits federal candidates, but may use soft money for the rest." Federal Election Commission, The Presidential Public Funding Program 22 (1993). The FEC went on to acknowledge in the same publication that "[f]unds not subject to the federal election law ("soft money") may also play a role in Presidential elections." Id. at 30.

that the Vice President was soliciting hard money campaign contributions, rather than soft money support for the DNC.

The Vice President stated that at the time, his concern was that the calls not be charged to the government, and he sought and received assurance from his assistant that they were being charged to a calling card. He states that he was not aware at the time that a campaign calling card had been issued to him or that his assistant had obtained such a card. None of the other witnesses involved in the logistics of setting up the telephone calls had any information that the Vice President had any knowledge of what particular card was being used. In any event, whatever inference might be drawn from the fact that a campaign calling card was used, our investigation explored the solicitations themselves, and developed no evidence that the Vice President ever solicited hard money campaign contributions.

My analysis of each of the foregoing telephone calls leads to a conclusion that none, standing alone or taken together, support a conclusion that the Vice President was soliciting hard money contributions when he made the fundraising telephone calls. In addition, there is a wealth of affirmative evidence gathered in the course of the preliminary investigation demonstrating that the Vice President was not soliciting hard money, and thus supporting my conclusion that no further investigation is warranted:

1) As noted above, there is no evidence that the Vice President knew of the DNC practice of reallocating a portion of

large contributions to hard money accounts. Nor is there any reason to believe that further investigation would uncover such evidence.

2) There is no evidence that the Vice President asked any of the individuals he contacted directly for funds to support his reelection or the election of any other federal official.

3) There is affirmative evidence that the Vice President asked for support for the DNC media campaign in virtually every call.

4) All donors who understood the concepts of hard and soft money, and who had an affirmative impression of what was being requested, believed it was a solicitation for soft money.

5) In several conversations with donors who understood the difference between hard and soft money contributions, the discussion explicitly focussed on the fact that the Vice President was soliciting soft money.

6) In the vast majority of the cases, donations resulting from the Vice President's solicitations were handled by the DNC as soft money. In the few cases where they were not, the evidence suggests that this was done without the donors' or the Vice President's knowledge.

7) The amounts of money requested in every case, and the fact that the evidence suggests that corporate support was expressly solicited in several cases, suggest prima facie that the requests were for soft money. Hard money donations in those amounts or from corporate or union sources would have been

unlawful. There is no evidence to suggest that there was ever any discussion or understanding by either the Vice President or any of the donors that a portion of any donation might be treated as hard money.

8) Finally, the Vice President provided a reasonable explanation for his conduct. He stated that he understood the media campaign to be funded entirely by soft money, and that he was soliciting large soft money contributions specifically for that campaign. While his understanding of how the media campaign was funded was not correct, nothing developed in the course of the preliminary investigation contradicts that this was his understanding.

PROSECUTION POLICIES OF THE DEPARTMENT OF JUSTICE

Even if the evidence in this matter were sufficient to suggest that the Vice President may have violated section 607 when he made fundraising telephone calls from his office in the White House, I am required to consider Justice Department policies in determining whether further investigation is warranted under the Independent Counsel Act.

The Act provides:

> In determining whether reasonable grounds exist to warrant further investigation, the Attorney General shall comply with the written or other established policies of the Department of Justice with respect to the conduct of criminal investigations. . . .

28 U.S.C. § 592(c)(1)(B). Congress first added this provision to the Act when it was reauthorized in 1983, when it became clear that the strict procedures of the Act had created a disparity in

the law, subjecting covered persons to investigation and potential prosecution in situations the Department of Justice would not ordinarily pursue. See S. Rep. No. 496, 97th Cong., 2d Sess. 1 (1982), reprinted in 1982 U.S.C.C.A.N. 3537. Specifically, Congress recognized that the prior law "create[d] unfairness by imposing a stricter application of criminal law on public officials than that imposed on private citizens." 1982 U.S.C.C.A.N. at 3548. This stricter application resulted in part because the low threshold of the prior law could "trigger[] the appointment of a special prosecutor to investigate allegations which are not ordinarily prosecuted by the Department of Justice." Id. at 3550.

The Senate Report makes the intent of Congress explicit:

> Requiring appointment of a special prosecutor to investigate alleged violations in instances where a clear Departmental policy not to prosecute exists is inconsistent with the Act's goal of establishing a standard administration of justice for officials and non-officials. Instead, it creates unfairness by imposing a stricter application of criminal law on public officials.

Id. at 3551.

In 1987, following two decisions by the Attorney General that closed independent counsel matters without seeking appointment of an independent counsel, based on a conclusion by the Attorney General that the cases presented no reasonable prospect of conviction, Congress amended the section to its present form, to make it clear that the provision was not intended to permit the Attorney General to make prosecutorial judgments about the prospects for conviction. Rather, the

provision applies only to established policies that would affect the need for further investigation of a matter. Congress reiterated, however, that the basic purpose of the "policy" provision was "to prevent investigations of government officials which would not take place if these persons were private citizens." S. Rep. No. 123, 100th Cong., 1st Sess. 2 (1987), reprinted in 1987 U.S.C.C.A.N. 2150, 2151.

Pursuant to the mandate of this statutory provision, we have conducted a thorough review of the Department's policies with respect to section 607. Both the Department's manual, Federal Prosecution of Election Offenses, and a lengthy series of memoranda prepared by the Department resolving specific cases brought to our attention over the years were reviewed. Based upon the results of this review, it is clear to me that the Department has a well-established policy of declining prosecution of section 607 violations in the absence of substantial aggravating factors.[13]

It is telling that while the Department has reviewed scores of section 607 allegations over the past thirty years, none has

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[13] I do not find in the record, as some have suggested, that the Department has a general policy of not prosecuting section 607 violations, in spite of the fact that there have been no such prosecutions in recent memory. The care with which the Criminal Division has analyzed numerous allegations under the statute, and articulated specific reasons warranting not proceeding further, belies any argument that if a sufficiently aggravated case were presented, prosecution would not be authorized.

Furthermore, I do not find that coercion is a prerequisite before prosecution will be considered, although there is some support for that argument in the documentary record.

been judged to warrant prosecution. On the other hand, technical violations, particularly in the context of fundraising letters addressed to federal workers in the workplace, are fairly common, and have been frequently analyzed by the Department.

Public documents reflect the policy that prosecution will only be considered in the presence of aggravating factors.[14] First, in a 1978 letter responding to inquiries from Senator Mark Hatfield about the scope of section 607, then-Assistant Attorney General Patricia Wald acknowledged that the Justice Department's enforcement efforts had historically been "aimed principally" at solicitations directed to federal employees in their offices, rather than at solicitations originating in federal office space. She explained that:

> This enforcement pattern is a product of the tendency of the former situation to present more aggravation than the latter. However, we believe that Section 60[7] can be

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[14] Although we refer to the Department's "policy" under section 607, it might be more accurate to characterize it as the Department's "practice." In either case, the legislative history of 28 U.S.C. § 592(c)(1)(B) suggests that an established practice of non-prosecution on given facts is within the scope of what the Attorney General must observe in determining whether to request appointment of an independent counsel. See Subcomm. on Oversight of Government Management of the Senate Comm. on Governmental Affairs, 97th Cong. 1st Sess., Report on Special Prosecutor Provisions of Ethics in Government Act of 1978 48 (Comm. Print 1981) ("The Subcommittee recognizes that there are instances in which a clear policy and clear Department of Justice precedent not to prosecute exist for a given violation, for all citizens.") (emphasis added); id. at 49 ("the Attorney General should be permitted to justify his decision that a special prosecutor should not be appointed upon a showing to the court that the Department of Justice does not, as a matter of established practice, prosecute the alleged violation of federal criminal law") (emphasis added); see also In re Nofziger, 925 F.2d at 449 (implying that a "prosecution practice" may constitute an established policy).

> applied to the extensive use of Federal office space to mount a drive for political contributions, and we would not hesitate to use this statute as a prosecutive vehicle in an adequately aggravated situation of this sort.

Letter from Assistant Attorney General Patricia M. Wald, Office of Legislative Affairs, U.S. Department of Justice, to Senator Mark O. Hatfield, Feb. 24, 1978, at 7.

In 1978, the Department investigated allegations that President Carter had hosted a luncheon in the White House for about 20 prominent Democratic donors at which further contributions were solicited. Attorney General Griffin Bell declined to request the appointment of a special prosecutor because there was no evidence that anyone explicitly solicited or received money during the event. See Report of the Attorney General Pursuant to 28 U.S.C. § 592(b), Feb. 1, 1979, at 5, 9-10. Although the luncheon was intended to entertain former contributors in the hope that they would continue their financial support, the Attorney General concluded that such activity was not within the scope of former section 603, now renumbered 607. Id. at 10-11. The Report states:

> The Department of Justice is unaware of any instance in the ninety-six years since the statute was passed in which a prosecution was undertaken for the type of activity here at issue. * * *
>
> Moreover, when presented with factual situations involving isolated, non-egregious incidents of actual, explicit solicitations or receipts in federal buildings, the Department has consistently found them without prosecutive merit under Section 603. Thus, even assuming a much broader interpretation of the activity proscribed by Section 603, a prosecution of this matter would be legally unsound, unfair, and without merit.

Id. at 11-12.[15] The Attorney General's reference to the Department's consistent practice of declining to prosecute "isolated, non-egregious" violations of section 607 is another way of stating the policy of declining to prosecute in the absence of aggravating factors.

An additional valuable precedent also involves analysis under the Independent Counsel Act of prosecutive policies under section 607.[16] In 1988, two separate fundraising letters over the signatures of two different Senators, both clearly addressed to Department of Justice employees in their offices, were delivered to the Department of Justice. At the time the letters were received, an Attorney General Order extending the procedures of the Independent Counsel Act to Members of Congress was in effect. Attorney General Order No. 1297-88 (1988). In reviewing this matter, the Election Crimes Branch of the Criminal Division

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[15] This, of course, was before the provision was added to the Independent Counsel Act directing Attorneys' General to take Departmental policies into account in reaching decisions under the Act. Thus, Attorney General Bell's final decision was based on a lack of evidence that solicitations occurred, rather than on the Department's prosecution policy. His articulation of Department policy is consistent with every other articulation of that policy found in the records.

[16] Unlike the preceding two articulations of the prosecution policy, this document is not a public document, and the Department of Justice does not ordinarily release such declination memoranda. I have provided sufficient description of the document to make its relevance here clear, and to demonstrate the way in which the Departmental policy is repeatedly articulated in the Departmental records concerning section 607. In addition, I should make it clear here that these three documents are offered simply as examples of previous articulations of the Department's policy; there are many additional non-public documents which reflect the policy.

recommended that to warrant prosecution, section 607 cases "normally require proof of some aggravating factor warranting the assessment of felony penalties, such as coercion or gross abuse of a federal workspace." Finding a "total absence here of any evidence of any intent to coerce involuntary political donations from federal personnel," the Branch recommended that the matter be closed. The Criminal Division in turn recommended, and the Attorney General agreed, that no independent counsel need be appointed to investigate the two Senators.

A number of different aggravating factors are mentioned in the Departmental records concerning section 607. They include, in addition to coercion, a demonstration of specific intent to flout the law, or conscious disregard of the law by one who has been put on notice of its requirements; a substantial number of violations; a substantial misuse of government resources or property in conjunction with the prohibited solicitations; and a substantial disruption of government functions resulting from the solicitations.

We have conducted, as is explained above, an extensive investigation of the Vice President's telephone solicitation calls, and I find no evidence in the investigative results that any of these aggravating factors is present. There is no evidence that the Vice President was specifically aware of the prohibitions of section 607, and no evidence that he was warned that his conduct would be in potential violation of that or any other statute. There are at most five telephone calls, even if

we draw every conceivable speculative inference against the Vice President, that could be construed as hard money solicitations, and hence potential violations of the law. The bulk of his calls were not charged to the government, and the few that were have been reimbursed. There is no suggestion that either the Vice President or any of the few staff members who were involved in these telephone solicitations neglected their official duties as a result.

Beyond these factors that have been specifically identified in Department of Justice records as potential aggravating circumstances in a section 607 case, I am unable to identify any other factors in this case that might properly be regarded as aggravating.

In short, the preliminary investigation has established that, even if the Vice President were found to have technically violated section 607, there is no evidence suggesting the presence of any aggravating factors of the sort that might warrant consideration of prosecution under established Departmental policy. Furthermore, I am unable to identify any way in which further investigation might lead to development of evidence of aggravating factors in this case. Therefore, in light of the clearly established policy of the Department of Justice that aggravating factors are required before prosecution of a section 607 matter can be considered, it is my obligation under the Independent Counsel Act to close this matter without seeking the appointment of an independent counsel.

CONCLUSION

The allegation that the Vice President may have been soliciting hard money is insubstantial, and depends so heavily on conjecture and speculation, that I conclude it does not provide reasonable grounds for further investigation. Indeed, I find clear and convincing evidence that the Vice President did not solicit hard money contributions in the course of his telephone conversations with prospective DNC donors. Furthermore, the established policy of the Department of Justice requires the presence of aggravating circumstances before a prosecution of a section 607 offense is warranted, and there is no evidence of any such circumstances here. Therefore, based on the results of the above-described investigation, I hereby notify this Court that no further investigation is warranted and no independent counsel need be appointed.

Respectfully submitted,

JANET RENO
Attorney General of the United States

DATE: December 2, 1997

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
INDEPENDENT COUNSEL DIVISION

In re HAZEL R. O'LEARY	)	No.

MOTION OF THE ATTORNEY GENERAL PURSUANT TO
28 U.S.C. § 592(e) FOR LEAVE TO DISCLOSE NOTIFICATION

Pursuant to 28 U.S.C. § 592(e), I hereby seek leave of the Division to disclose to the public the "Notification to the Court Pursuant to 28 U.S.C. § 592(b) of Results of Preliminary Investigation" filed with the Court on this date. The allegations underlying the Notification have been widely reported by the news media. In addition, pursuant to 28 U.S.C. § 592(g)(3), I am required to provide a copy of this Notification to the Committee on the Judiciary, United States House of Representatives. It is therefore in the public interest to permit public disclosure of copies of the Notification of the results of our preliminary investigation.

Accordingly, I request the Court's permission to disclose the Notification to the public, and have attached a proposed Order to this effect.

Respectfully submitted,

Janet Reno
Attorney General of the United States

DATED: December 5, 1997

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

Division for the Purpose of
Appointing Independent Counsels

Independent Counsel Reauthorization Act of 1994

In re:	Hazel R. O'Leary, Former Secretary of Energy	Division No. _____ Order Authorizing Attorney General to Disclose Notification of Results of Preliminary Investigation

Upon consideration of the request of the Attorney General pursuant to 28 U.S.C. § 592(e) for authorization to disclose the Notification to the Court Pursuant to 28 U.S.C. § 592(b) of Results of Preliminary Investigation in this matter, which concerns allegations that have been widely reported by the news media, it is hereby

ORDERED, in the public interest that leave is granted to the Attorney General pursuant to 28 U.S.C. § 592(e) to publicly disclose the Notification.

Per Curiam
For the Court:

Clerk

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
INDEPENDENT COUNSEL DIVISION

IN RE HAZEL R. O'LEARY	)	**No.**

NOTIFICATION TO THE COURT PURSUANT TO 28 U.S.C. § 592(b) OF RESULTS OF PRELIMINARY INVESTIGATION

On September 19, 1997, this Court was notified that a preliminary investigation of Hazel R. O'Leary, former Secretary of Energy, had been initiated. The preliminary investigation has now been concluded. I hereby notify the Court that I have determined that there are no reasonable grounds to believe that further investigation of Mrs. O'Leary is warranted. Therefore, appointment of an independent counsel is not being sought with respect to this matter. In accordance with the requirements of 28 U.S.C. § 592(b), this notification will summarize the information received and the results of the preliminary investigation.

The preliminary investigation addressed the question of whether Mrs. O'Leary may have violated 18 U.S.C. § 201, or other federal statutes, by soliciting a $25,000 contribution for a charitable organization in return for an official meeting with a visiting delegation of Chinese petrochemical officials. The investigation developed no evidence that Mrs. O'Leary had anything to do with the solicitation of the charitable donation. Therefore, no further investigation of Mrs. O'Leary is warranted, and no independent counsel need be appointed.

INFORMATION RECEIVED

On August 19, 1997, during an interview aired on the NBC Dateline television program, Johnny Chung, a businessman, alleged that at the suggestion of a Department of Energy (DOE) employee, he had made a $25,000 donation to Africare, then-Secretary O'Leary's favorite charity, in order to secure a meeting with Secretary O'Leary for a China petrochemical industry official. According to Chung, a lobbyist put him in touch with the DOE employee, who suggested that it would "be nice" if Chung could make the donation to Africare. Chung also alleged that thereafter a DOE employee came to his apartment to pick up the check and a fax that had been sent to him.

If Mrs. O'Leary was involved in the solicitation of the donation, and the donation was an express quid pro quo in exchange for the meeting, as Mr. Chung's allegations suggested, these facts could constitute a potential violation of federal criminal law. Therefore, I initiated an initial inquiry and subsequently a preliminary investigation of this matter. During our investigation, the Department of Justice reviewed extensive documentary materials and conducted more than forty interviews. The individuals interviewed included present and former DOE employees, present and former Democratic National Committee (DNC) employees, representatives of Africare, Mr. Chung, Mrs. O'Leary and others. All individuals who were identified as having had any involvement in either the meeting with Mrs. O'Leary at DOE or

with the attendance of the Chinese delegation at the Africare dinner were interviewed.

RESULTS OF THE PRELIMINARY INVESTIGATION

FACTS

On or about October 17, 1995, Mr. Chung met with DNC officials to seek their assistance with his efforts to gain a meeting or meetings with Secretary O'Leary, President Clinton, or both, for senior officials from the China Petrochemical Corporation (SINOPEC). As a result of his DNC meetings, Mr. Chung was introduced to a lobbyist who in turn put Mr. Chung in contact with a senior DOE employee.

During conversations which included Mr. Chung and the senior DOE employee, there was discussion both of a possible meeting between Secretary O'Leary and the SINOPEC delegation, and of a dinner fundraiser held to benefit Africare. Secretary O'Leary was the honorary chairperson for the dinner, and President Clinton was scheduled to attend a reception held in conjunction with the Africare dinner. Mr. Chung expressed an interest in having the delegation attend the fundraiser so they could meet President Clinton at the reception. He requested a letter signed by Secretary O'Leary, which would invite the delegation to meet with her as well as attend the Africare dinner. There is no evidence that Mrs. O'Leary had any knowledge of this meeting with DOE employees, or the substance of the meeting, until Mr. Chung made his allegations to the media.

In response to Mr. Chung's request, the senior DOE employee and two other DOE employees drafted and faxed an unsigned letter to Mr. Chung which invited Mr. Chung and the delegation to attend the Africare dinner and confirmed that Secretary O'Leary would meet with the delegation. There was no mention of a donation in the draft letter. Subsequently, at his request, Mr. Chung received a different letter confirming the meeting with the Secretary, which was executed with Secretary O'Leary's autopen. We established that the letter was signed by autopen based on documents in DOE's files and interviews with the personnel who approved the autopen use. This letter made no mention of the Africare dinner, but confirmed that the Secretary would be meeting with the delegation the next day. There is no evidence whatsoever that Mrs. O'Leary had any knowledge of these letters.

One of the DOE employees who had helped prepare the draft letter collected from Mr. Chung a $25,000 check payable to Africare for a "Chairman's Circle" table at the Africare dinner and retrieved the draft letter that had been faxed to Mr. Chung. The $25,000 donation entitled Mr. Chung and his guests to attend the reception with President Clinton. This same person delivered the check to Africare. There is no evidence, or suggestion by any of the participants, that Mrs. O'Leary knew of the circumstances surrounding the collection and delivery of the check, or the retrieval of the draft letter.

On October 19, 1995, Mr. Chung and the SINOPEC delegation met with then-Secretary O'Leary. The delegation, representing

the energy industry in China, was the sort of group that Mrs. O'Leary, as Secretary of Energy, would meet with in the normal course of her official responsibilities; there is nothing about either SINOPEC or the substance of the meeting that suggests that there was anything inappropriate about the meeting. There is evidence to suggest that immediately before the meeting, Mrs. O'Leary may have been briefed by the senior DOE employee that the delegation also would be attending the Africare fundraiser. The meeting itself was routine and largely ceremonial, consisting of introductions, photographs, and the presentation of SINOPEC's annual report to the Secretary.

That evening, Mr. Chung and the delegation attended the Africare reception. At the reception, Mr. Chung, the General Manager of SINOPEC and his interpreter met briefly with President Clinton.

ANALYSIS

The circumstances surrounding the solicitation and payment of the $25,000 Africare donation, and whether it was linked in any way to a possible meeting with Secretary O'Leary and the SINOPEC delegation are disputed, and subject to differing interpretations by the participants. These circumstances, and whether there may have been some unlawful conduct by some participants, warrant further investigation by the Department of Justice. As a result, we are limited in how much we can reveal about the details of our preliminary investigation.

However, there is no evidence whatsoever that suggests

Mrs. O'Leary had any involvement in or knowledge about the alleged solicitation of the Africare donation or any possible connection that anyone was drawing between the meeting and the donation. At most, Mrs. O'Leary may have been told immediately prior to her meeting with the SINOPEC delegation that the delegation also would be attending the Africare fundraiser that evening.

Mr. Chung, who is the only witness who even suggests that Mrs. O'Leary may have known of the solicitation, originally alleged that he was able to secure a meeting with then-Secretary O'Leary only after he donated $25,000 to a charity she supports. He has stated that his belief that Mrs. O'Leary knew about the solicitation was based solely on the Secretary's signature on the letter he received confirming the meeting, which our investigation determined was an autopen signature, and one or two general "thank you" statements she made during the meeting and when she stopped by his table at the Africare dinner. These facts are plainly insufficient to support a reasonable inference that Mrs. O'Leary was involved in the solicitation and amount to little more than speculation.

As a result of the fact that the preliminary investigation developed no evidence suggesting that Mrs. O'Leary participated in any unlawful solicitation of a donation from Mr. Chung, I conclude that there is no basis for further investigation of Mrs. O'Leary's role in this matter.

CONCLUSION

Based on the results of the above-described preliminary investigation, I hereby notify the Court that no further investigation of Mrs. O'Leary is warranted and no independent counsel need be appointed.

Respectfully submitted,

Janet Reno
Attorney General of the United States

Date: December 2, 1997

Ms. RENO. With respect to President Clinton, on October 14th of this year, we began a preliminary investigation, pursuant to the act, into allegations that President Clinton may have violated Federal law by making fund-raising calls from his office. Documents obtained by investigators identified 68 potential donors who might have been solicited by the President. Sixty-four of them were interviewed, and the other four gave statements through their attorneys. Investigators also interviewed White House and DNC personnel who might reasonably have been aware of any fund-raising calls made by the President. President Clinton was interviewed. Investigators also thoroughly reviewed other records, including telephone toll records, White House operator diaries, scheduling requests, and the President's schedule. We have taken every reasonable step to investigate these allegations.

The investigation uncovered three occasions when the President made telephone calls from the White House relating to fund-raising. In two of these instances, the President was calling to thank a contributor or fund-raisers and did not solicit contributions. On the third occasion, on October 18, 1994, the President placed a number of fund-raising calls to potential contributors. Telephone records, investigative interviews and the President's schedule all established that these calls were made from the White House residence, not from the Oval Office or any other official White House space. The criminal law prohibiting solicitation of political contributions on Federal property does not encompass the residential areas of the White House.

With respect to Vice President Gore, on September 3rd of this year, we began a preliminary investigation into allegations that the Vice President may have violated Federal law by making fund-raising telephone calls from his office in the White House. Investigators interviewed or obtained affidavits from approximately 250 witnesses, including the Vice President and members of his staff, White House, DNC and campaign officials, and more than 200 potential donors. Investigators also obtained numerous documents from many employees of the White House, the DNC, and the Clinton-Gore Re-election Campaign, as well as persons whom the Vice President called.

The evidence gathered in this preliminary investigation indicates that the Vice President made calls from his office to approximately 45 people between the fall of 1995 and the spring of 1996 to raise money for the Democratic National Committee. However, the evidence found by the investigators shows that the Vice President solicited only soft money in these calls, not hard money.

For example, no donors said the Vice President solicited hard money. Donors were given followup instructions on donating to DNC soft money accounts, and the amounts solicited exceeded hard money limits. Sometime after the 1994 elections, the DNC began to split some large checks into soft and hard money accounts without the donor's prior knowledge or consent, including several of the donations solicited by the Vice President. Investigators uncovered no evidence that the Vice President was aware of the DNC's practice or in any way knew that donations he solicited would make their way into hard money accounts. We are, however, continuing

to investigate whether the DNC's practices violate any criminal laws.

Finally, even if we were to assume that the Vice President had violated 18 U.S.C. section 607, the independent counsel statute prohibits me from asking for an independent counsel to investigate allegations that the Justice Department would not prosecute under its existing standards.

Congress inserted this provision into the law so that Government officials would not be subject to different application of the law than other citizens. In this case, the Department's clear, longstanding policy is not to prosecute under 18 U.S.C. section 607 unless certain aggravating factors are present, such as coercion, knowing disregard of the law, substantial number of violations, or a significant disruption of Government functions. The investigation uncovered no evidence of any aggravating factors.

With respect to Secretary O'Leary, on September 19th of this year, we began a preliminary investigation into former Energy Secretary Hazel O'Leary. Allegations have been made that she may have violated Federal laws by soliciting a $25,000 contribution for a charitable organization in return for an official meeting with the visiting delegation of Chinese Petrochemical officials. After an extensive review of the documents and more than 40 interviews, including an interview of Johnny Chung, investigators developed no evidence that she had anything to do with the solicitation of the charitable donation. However, the Task Force will continue to review whether anyone else may have broken the law in connection with the solicitation and payment of the $25,000 donation.

These decisions were arrived at after thousands of hours of investigation and discussions with investigators, attorneys and senior officials at the Justice Department and the FBI. I am proud of their work. That includes Director Freeh, whose counsel I have regularly sought and whose advise I value highly. However, the decision to ask for an independent counsel is mine, and I alone am responsible for it under the law.

I also want to make clear to this committee, and to the American people, that there are no constraints on the Task Force's ability to pursue the matters they are investigating. I have repeatedly told them to pursue every lead, explore every avenue, interview witnesses and ask any question that is relevant to the matters they are investigating. At any time the Task Force uncovers sufficient grounds to investigate whether a covered person may have committed a crime, that is specific and credible information, I will again commence a preliminary investigation under the act as I am required to do. In the meantime, we are continuing to pursue a vigorous and a thorough investigation.

I urge everyone to study the documents that we have filed with the court and that I have enclosed with my testimony. These filings show how searching our inquiry is, how complex these matters can be, and how hard we have worked to do the right thing.

As you know, Mr. Chairman, I have begun a preliminary investigation into the allegations concerning Secretary Babbitt. Again, however, I cannot comment on our ongoing investigation. I believe strongly, as I told you at the outset in the oversight process, and I want to answer your questions to the best of my ability and in

a manner which safeguards the integrity of ongoing investigations, I must follow the long-standing Department policies which strictly limit what I can say about pending investigations. When an investigation interacts with the Independent Counsel Act, the importance of being circumspect is even greater. I am sure you all agree that we should do nothing to jeopardize the investigation or create the appearance that it is being affected by political pressure.

At the same time, there is a unique public interest and congressional interest in any matter that could involve the Independent Counsel Act. That is why I welcome your questions.

While our long-standing policy prevents me from telling you as much as you might like, I will do my best to answer your questions, based on information in the public domain, to explain how we interpret the act and to clarify our investigative policies. These policies have been applied by the career professionals at the Justice Department and the Federal Bureau of Investigation for years, and sometimes decades.

Under Democrats and Republicans, Mr. Chairman, I am a career prosecutor and have worked with hundreds of career prosecutors. They are some of the finest attorneys in America. My only guiding star is my desire to follow every lead, to find the truth, and to apply the law the right way. I don't care where the facts lead, because I am going to follow them as far as and wherever they go, and take whatever action is required under the law. I care what the law says, and I will continue to abide by the law and the Constitution of the United States. That is the oath I took in 1993, and which I affirm to you today. I do care what our long-standing practices are, because they are time-tested and crafted to ensure that our work is guided by professionalism and not partisanship, guided by standards that apply in Democratic administrations and Republican administrations.

I will close by saying this: In my 4½ years in Washington, I have asked for independent counsels on several occasions and referred additional matters to them at least twice more. I have done so whenever the facts and the law said I should. On other occasions I have declined to do so. On those occasions, the law did not call for the appointment of an independent counsel. On each occasion I acted deliberately after thorough analysis. Each time I worked with career prosecutors and the senior staff of the FBI and the Department to separate the facts from the hype. Each time I carefully reviewed the evidence before making a decision, and each time my decision was based on the facts and the law, and nothing else. That is not going to change.

We may disagree on the law, we may disagree on our construction of the facts, we may differ on the significance of a piece of evidence. That is what honest public debate is all about. In the end, Congress made the Attorney General responsible for these decisions. That is what the American people expect now. Under the law, every decision I will make will be based only on the facts and the law. That is what the American people expect and deserve, and it is the only way that I can uphold the very precious oath that I

have taken to the American people, that I shall bear true faith and allegiance to the Constitution of the United States, so help me God.

Thank you very much. I look forward to answering your questions.

Mr. BURTON. Thank you, Ms. Reno.

[The prepared statement of Attorney General Janet Reno follows:]

ATTORNEY GENERAL JANET RENO
TESTIMONY BEFORE THE HOUSE GOVERNMENT REFORM
AND OVERSIGHT COMMITTEE
DECEMBER 9, 1997

Good Morning, Chairman Burton, Congressman Lantos and Members of the Committee. I am pleased to appear before the Committee today and very much appreciate your accommodating my schedule.

One of the most important duties of Congress is to oversee the work of the Executive Branch. Since I took office in 1993, I have come before the House and Senate many times to answer questions and explain the work of the Justice Department. This is one of my most important duties, and I appreciate the opportunity to be with you today.

In connection with the Committee's oversight investigation of campaign finance matters, the Department has provided the Committee with classified briefings on matters related to its investigation and we have provided the Committee with more than 200 documents. Those documents include classified material, memoranda that do not relate to the Campaign Financing Task Force's ongoing criminal investigation, and portions of the telephone logs and calendars of high-ranking Department officials (including my own). We will continue to work with the Committee to assist in its oversight needs consistent with our law enforcement responsibilities to our ongoing criminal investigation.

Mr. Chairman, I would also like to address your request for a copy of Director Freeh's recent memorandum to me, discussing the campaign finance investigation and expressing his views about whether I should request the appointment of an independent counsel. The Director and I remain quite concerned about releasing that memorandum

because doing so would compromise the Department's ability to discharge its responsibilities to ensure the fair administration of justice.

We feel strongly that as investigative and prosecutorial decisionmakers, we must have the benefit of candid and confidential advice and recommendations from our advisers. We do not want to chill the free exchange of ideas necessary to a solid investigation and legal decisionmaking process. In addition, the disclosure of this memorandum could provide a "road map" of our investigation, thus jeopardizing our work by tipping off potential targets of our approach and of our analysis.

I am sure we will be discussing these issues further during today's hearing. I have attached to my testimony a copy of our letter to you on this subject, which sets out our views in greater detail.

Our staffs have also recently discussed several other matters of interest to the Committee, including the FBI investigation known as Mercury Action, and our more recent investigative activity regarding an Indian gaming proposal in Wisconsin. We are prepared to work with you to accommodate the Committee's oversight needs for information on these matters to the extent possible, consistent with our law enforcement responsibilities. This process is clearly less complicated where the Department's investigation is closed, such as in Mercury Action, and we will do the best that we can with each request.

I look forward to a continuing dialogue with you and the Committee on all of these matters, Mr. Chairman. I know you and the Members of your Committee are anxious to discuss the work of our Campaign Financing Task Force and I look forward to discussing it with you.

Before providing the Committee an overview of recent action by the Task Force and my decision under the Independent Counsel Act not to seek the appointment of an independent counsel as a result of our preliminary investigations of President Clinton, Vice President Gore and Former Energy Secretary Hazel O'Leary, I would like to take a few moments to talk about two important things. First, there has been a great deal of discussion in the media and around Washington about disagreements within the Department of Justice, and I would like to address those issues head-on. Second, the fine work of the Justice Department, the FBI and the Campaign Financing Task Force on this matter is entirely consistent with the hard work and dedication to the American people of all of the Justice Department's outstanding employees.

As for disagreements within the Department and in particular, disagreements between Director Freeh and me, let me say this: Louis Freeh is a dedicated public servant, an experienced investigator and prosecutor, and he is a fine Director of the FBI. We have worked together, day in and day out, for over four years. I value his judgement and his counsel, and we have a strong, amicable working relationship.

We do not always agree -- I would be surprised if we did. When I took this job, I deliberately sought out independent thinkers to work in the Department. I do not want

to be surrounded by "Yes-People" because that would not serve the American people. In setting up this Campaign Financing Task Force, Director Freeh and I have followed the same practice. We discuss the issues and we sometimes disagree. That is healthy; it promotes good investigative work and clear thinking about the law.

After listening to the reports on the investigation, discussions about the law, and all of the debates, it is my job to take all of that information and make the decision that Congress entrusted to me and to me alone. I have done so, Mr. Chairman. And for as long as I serve our great nation as Attorney General, I will continue to do so in the same manner. I will get the best lawyers and agents to give me their best recommendations, and I will make the decisions -- based on the evidence and the law.

That is what we do in the Department of Justice everyday and that is why I want to honor the work of the 108,000 fine people who serve the American people at the Department of Justice. They work around the nation and around the world. They catch spies, drug lords and terrorists. They stand guard at our borders. They uphold our liberties. And around the country, the Justice Department and the Bureau are full partners with police, mayors and neighborhoods in the 24-hour-per-day world of protecting the public and prosecuting criminals.

In this particular Campaign Finance investigation -- as in all others entrusted to the Department of Justice -- we will follow every lead wherever it goes. And if, at any time, specific and credible evidence develops indicating that the Independent Counsel Act should be triggered, I will not hesitate to trigger it.

Campaign Finance Investigation

More than a year ago, the Justice Department assembled a task force of experienced attorneys and FBI agents to investigate allegations of criminal wrongdoing surrounding the 1996 elections. No criminal case in this Department has more resources. The Task Force now numbers more than 120. More than a million pages of documents have been obtained. Hundreds of interviews have been conducted, and agents have been dispatched across the country and around the world to track down leads.

Numerous allegations have been made against high government officials. As required by the Independent Counsel Act, we have reviewed every one of them to see if there is specific and credible information that a crime may have been committed by a covered person, or someone for whom it would be a conflict of interest for the Justice Department to investigate. When these allegations have been specific and credible, we have commenced a preliminary investigation. That is what the law demands, and we have implemented it faithfully.

Since I have been Attorney General, I have sought the appointment of no fewer than four independent counsels. I have also sought the expansion of independent counsels' ongoing investigations and have referred other matters to them. Last week, pursuant to the law, I decided that the allegations against President Clinton, Vice President Gore and former Energy Secretary Hazel O'Leary do not at this time warrant the appointment of an independent counsel. This decision was mine, and it was based on the facts and the law, not pressure, politics, or any other factor.

Before I discuss these decisions, I want to emphasize one point: Any decision not to ask for an independent counsel does not mean that a person has been exonerated, or that the work of the Campaign Finance Task Force has ended. These decisions do not end our work. We will continue to investigate vigorously all allegations of illegal activity. Now I know the Committee would like to hear about the decisions I made last week. I will describe them briefly.

President Clinton

On October 14 of this year, we began a preliminary investigation pursuant to the Independent Counsel Act, into allegations that President Clinton may have violated federal law by making fundraising calls from his office. Documents obtained by investigators identified 68 potential donors who might have been solicited by the President. Sixty-four of them were interviewed, and the other four gave statements through their attorneys. Investigators also interviewed White House and DNC personnel who might reasonably have been aware of any fundraising calls made by the President. President Clinton was interviewed. Investigators also thoroughly reviewed other records, including telephone toll records, White House operator diaries, scheduling requests and the President's schedule. We have taken every reasonable step to investigate these allegations.

The investigation uncovered three occasions when the President made telephone calls from the White House relating to fundraising. In two of these instances, the President was calling to thank a contributor or fundraisers, and did not solicit contributions.

On the third occasion, on October 18, 1994, the President placed a number of fundraising calls to potential contributors. Telephone records, investigative interviews, and the President's schedule all establish that these calls were made from the White House residence -- not from the Oval Office or any other official White House space. The criminal law prohibiting solicitation of political contributions on federal property does not encompass the residential areas of the White House.

Vice President Gore

On September 3 of this year, we began a preliminary investigation into allegations that Vice President Gore may have violated federal law by making fundraising telephone calls from his office in the White House. Investigators interviewed or obtained affidavits from approximately 250 witnesses, including the Vice President and members of his staff; White House, DNC and campaign officials; and more than 200 potential donors. Investigators also obtained numerous documents from many employees of the White House, the DNC and the Clinton/Gore reelection campaign, as well as persons whom the Vice President called.

The evidence gathered in this preliminary investigation indicates that the Vice President made calls from his office to approximately 45 people between the fall of 1995 and the spring of 1996 to raise money for the Democratic National Committee. However, the evidence found by the investigators shows that the Vice President solicited only soft money in these calls, not hard money. For example, no donor said the Vice President solicited hard money, donors were given follow-up instructions on donating to DNC soft money accounts, and the amounts solicited exceeded hard money limits.

Sometime after the 1994 elections, the DNC began to split some large checks into soft and hard money accounts without the donor's prior knowledge or consent, including several of the donations solicited by the Vice President. Investigators uncovered no evidence that the Vice President was aware of the DNC's practice, or in any way knew that donations he solicited would make their way into hard money accounts. We are, however, continuing to investigate whether the DNC's practices violate any criminal laws.

Finally, even if we were to assume that the Vice President had violated 18 U.S.C. Section 607, the Independent Counsel statute prohibits me from asking for an Independent Counsel to investigate allegations that the Justice Department would not prosecute under its existing standards. Congress inserted this provision into the law so that government officials would not be subject to a different application of the law than other citizens.

In this case, the Department's clear, longstanding policy is not to prosecute under 18 U.S.C. Section 607 unless certain aggravating factors are present, such as coercion, knowing disregard of the law, a substantial number of violations, or a significant disruption of government functions. The investigation uncovered no evidence of any of these aggravating factors.

Secretary O'Leary

With respect to Secretary O'Leary, on September 19 of this year, we began a preliminary investigation into former Energy Secretary Hazel O'Leary. Allegations had been made that she may have violated federal laws by soliciting a $25,000 contribution for a charitable organization, in return for an official meeting with a visiting delegation of Chinese petrochemical officials.

After an extensive review of the documents and more than forty interviews -- including an interview of Johnnie Chung -- investigators developed no evidence that she had anything to do with the solicitation of the charitable donation. However, the Task Force will continue to review whether anyone else may have broken the law in connection with the solicitation and payment of the $25,000 Africare donation.

Conclusion

These decisions were arrived at after thousands of hours of investigation and discussion with investigators, attorneys and senior officials at the Justice Department and the FBI. I am proud of their work. That includes Director Freeh, whose counsel I have regularly sought, and whose advice I value highly. We may not always agree, but I believe that he and the FBI have done an outstanding investigative job. However, the decision to ask for an independent counsel is mine, and I alone am responsible for it under the law.

I also want to make clear to this Committee and to the American people that there are no constraints on the Task Force's ability to pursue the matters they are investigating. I have repeatedly told them to pursue every lead, explore every avenue,

interview witnesses, and ask any question that is relevant to the matters they are investigating. If at any time the Task Force uncovers sufficient grounds to investigate whether a covered person may have committed a crime -- that is, specific and credible information -- I will again commence a preliminary investigation under the Act, as I am required to do. In the meantime, we are continuing to pursue a vigorous and thorough investigation.

I urge everyone to study the documents that we have filed with the court, and that I have enclosed with my testimony. These filings show how searching our inquiry is, how complex these matters can be, and how hard we have worked to do the right thing. As you know, Mr. Chairman, I have begun a preliminary investigation into allegations concerning Secretary Babbitt. Again, I cannot comment on our ongoing investigation.

I believe strongly in the oversight process and want to answer your questions to the best of my ability and in a manner which safeguards the integrity of the ongoing investigations. I must follow the longstanding Department policies which strictly limit what I can say about pending criminal investigations. When an investigation interacts with the Independent Counsel Act, the importance of being circumspect is even greater. I'm sure you all agree that we should do nothing to jeopardize the investigation or to create the appearance that it is being affected by political pressure.

At the same time, there is a unique public interest, and Congressional interest, in any matter that could involve the Independent Counsel Act. That is why I welcome your questions.

While our longstanding policy prevents me from telling you as much as you might like, I will do my best to answer your questions based on information in the public domain, to explain how we interpret the Act, and to clarify our investigative policies. These policies have been applied by the career professionals at the Justice Department and the Federal Bureau of Investigation for years, and sometimes decades, under Democrats and Republicans.

Mr. Chairman, I am a career prosecutor. I work with hundreds of career prosecutors, and they are some of the finest attorneys in America. My only guiding star is my desire to follow every lead to find the truth and apply the law. I don't care where the facts lead, because I am going to follow them as far as and wherever they go.

I do care what the law says, and will continue to abide by the laws and Constitution of the United States -- that is the oath I took in 1993 and which I affirm to you today. And yes, I do care what our long-standing practices are, because they are time-tested and crafted to ensure that our work is guided by professionalism, not partisanship.

I will close by saying this: In my four and a half years in Washington, I have asked for independent counsels on several occasions and referred additional matters to them at least twice more. I have done so whenever the facts and the law said I should. On other occasions, I have declined to do so. On those occasions, the law did not call for the appointment of an Independent Counsel.

On each occasion I acted deliberately, after thorough analysis. Each time I worked with career prosecutors, agents, and the senior staff of the FBI and the Department, to

separate the facts from the hype. Each time I carefully reviewed the evidence before making a decision. And each time my decision was based on the facts and the law, and nothing else. That will not change.

We may disagree on the law. We may differ on the significance of a piece of evidence. That's what honest public debate is all about. In the end, Congress made the Attorney General responsible for these decisions. Every decision I make will be based only on the facts and the law. That is what the American people deserve from their Attorney General, and it is the only way I can uphold the precious oath I have sworn, that I shall "bear true faith and allegiance" to the Constitution of the United States, so help me God.

Thank you very much. I look forward to answering your questions.

Mr. BURTON. As so often is the case, we received last night yet again another late production of White House documents. We were told that the White House learned of these—start the clock, please. Mr. Lantos was aware that the clock hadn't started.

Now, last night, we received a late production of White House documents. We are told that the White House learned of these in early November, yet it took over a month to disclose those documents. White House spokesman Lanny Davis has claimed that you had those documents before December 2nd when you made your decision; is that correct? Did you have all the documents?

Ms. RENO. I don't know whether, if this is the material just furnished to me, we had all of these documents, but I will be happy to check and see what we had and when we got them and let you know, Mr. Chairman.

Mr. BURTON. We would like to provide those to you for the record and if you could let us know, we would appreciate that.

Ms. RENO. Yes, sir.

[The information referred to follows:]

THE WHITE HOUSE
WASHINGTON

December 8, 1997

Richard Bennett, Esquire
Chief Counsel
Committee on Government Reform and Oversight
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Dick:

In the course of our on-going efforts to assure full compliance with outstanding requests and subpoenas to the White House, we recently determined that there were responsive materials maintained in the Oval Office Operations office that have not been provided in prior productions. Since December 1995, an Oval Office employee has maintained informal daily summaries of the President's activities, news reports and other events on a computer file. Consistent with our commitment to provide the Committee with responsive materials, we have, with the employee's assistance, reviewed the computer files and are providing you with all responsive entries through December 31, 1996. These materials bear control numbers EOP 070229-070432.

The information in these summary materials is culled from the President's daily schedule and telephone logs -- the responsive portions of which have been previously produced -- news reports and similar public accounts, and staff meetings. For example, you will see entries referencing the President's attendance at various fundraising events and at coffees. As you no doubt will determine from your own review, the enclosed entries reference responsive events or individuals for which the underlying documentation has already been largely produced.

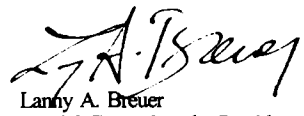
Where responsive entries appear in the context of staff meetings, the references typically are to events on the President's schedule or public accounts regarding individuals or events. For example, an entry may reflect a staff member's summarizing the President's schedule and stating that he will be attending a DNC fundraising event that day.

Consistent with prior productions, we have not included portions of summaries that relate to individuals or events on the President's schedules or telephone logs that are not

responsive to the Committee's requests. We are similarly producing only those portions of the summaries of staff meetings that are responsive.

Please call me if you have any questions about these of other matters.

Sincerely Yours,



Lanny A. Breuer
Special Counsel to the President

CERTIFICATION OF RECEIPT OF MATERIAL

By signing this document, I am acknowledging, on behalf of the Committee that I have received the following documents transmitted under cover letter dated December 8, 1997:

EOP 070229 - EOP 070432

Richard D. Bennett
Signature

RICHARD D. BENNETT
Name (print)

CHIEF COUNSEL
Title

GOVERNMENT REFORM AND OVERSIGHT
HOUSE OF REPRESENTATIVES
Committee

DEC. 8 1997 5:45 P.M.
Date and Time of Receipt

November 9, 1995

- The President attended a DNC dinner with contributors at Hay-Adams hotel. He was about a half hour late leaving White House --

REDACTED

Thursday, December 7, 1995

Today at the White House...

REDACTED

- The President attends Democratic National Committee Executive Committee luncheon at the Hay Adams Hotel

  DNC Chairman Don Fowler makes remarks and introduces the President. He makes remarks and opens discussion with guests.

REDACTED

REDACTED

December 13, 1995

EOP 070232

Today at the White House...

- President meets with state leaders at Coffee in the MAP room

REDACTED

Tuesday, December 19, 1995

Today at the White House...

REDACTED

- The President stopped off at the Hay Adams Hotel for a Democratic National Committee Jewish Leadership luncheon. Don Fowler, Chairman of the Democratic National Committee makes welcoming remarks and introduces the President.

REDACTED

Thursday, December 21, 1995

Today at the White House...

- President did Coffee with Democratic leaders in MAP room.

REDACTED

Friday, December 22, 1995

Today at the White House...

REDACTED

- Vernon Jordan shares with the President that he recently met Robert and Jane Meyerhoff, a prominent Baltimore couple who are also 'long-time, liberal Democrats'who began their political support with George McGovern.

  They established the Meyerhoff Fellows Program at the University of Maryland which grants scholarships to minority youngsters studying math and science.

  The Meyerhoffs have already attended two white house dinners. Vernon suggests the President talk with them as well.

REDACTED

Wednesday, January 17, 1996

Top of the News

REDACTED

- The President attends Coffee in the Map Room. (Eric Eve is staff contact)

REDACTED

Monday, January 29, 1996

Today at the White House...

REDACTED

- The President attended DNC dinner at Hay Adams Hotel

REDACTED

Tuesday, January 30, 1996

At the White House...

- The President attended morning coffee in MAP Room with business, community, political leaders.

REDACTED

February 7, 1996

REDACTED

- The President met with and took photos with the 500,000th donor to the Democratic National Committee, a 65-year old woman who sent a $19.95 check to the DNC.

REDACTED

Thursday, February 8, 1996

REDACTED

Today at the White House...

REDACTED

- The President attended a DNC Dinner in the State Dining Room tonight.

REDACTED

EOP 070248

Thursday, February 22, 1996

Today at the White House...

- The President attended a Coffee this morning with business and political leaders

REDACTED

Monday, February 26, 1996

REDACTED

Today...

- President did Coffee with political supporters

REDACTED

Wednesday, February 28

Today at the White House....

- The President attended a Coffee this morning, in the MAP room.

REDACTED

Friday, March 1, 1996

Today at the White House...

REDACTED

EOP 07025

The President, before he hurried over to the MAP room for a Coffe with political and business leaders before his family's departure to a weekend at Camp David, stopped and talked to Arkansas friends

REDACTED

EOP 07025-

Friday, March 15, 1996

REDACTED

EOP 070295

Today...

- The President's first WH event today, was a Coffee in the MAP room

REDACTED

Tuesday, Marh 19, 1996

REDACTED

EOP 070257

Today...

REDACTED

REDACTED

- The President attends a brief Dinner for the Democratic

National Committee at the Hay Adams Hotel
He later stops at a Dinner for the Democratic Business Council at the Mayflower Hotel

REDACTED

Wednesday, March 20, 1996

Today...

- The President participated in a Coffee in the MAP Room this morning with 27 political supporters from CA, AZ, TX, GA, MI, and NY at @ 9 a.m.

- After the Coffe, the President met with congressional leaders

REDACTED

Monday, March 25, 1996

Today...

- The President met with Political supporters at a Morning Coffee in the MAP Room this morning. Included were north-easterners, attorney generals and members of the clergy.

REDACTED

- The President attended Dinner for Democratic National Committee at Hay Adams hotel. The 20 guests were strong supporters of the DNC and the President over the past three years - have also helped raise funds for the President's re-election campaign

REDACTED

REDACTED

Wednesday, March 27, 1996

- The President hosts DNC Trustees Dinner - 106 guests.

EOP 070264

REDACTED

Thursday, March 28, 1996

- President attended COFFEE in MAP room at 9:21 a.m.

REDACTED

Friday, March 29, 1996

Today...

- President attended a Coffee in the MAP Room this morning
  The group included political supporters from the northeast and leaders from the Jewish and gay and lesbian communities,
  including Author Andy Tobias who wrote "The Best Little Boy
  in the World," a successful coming-out story published in 1972 under the pseudonym John Reid, and "Fire and Ice: The Charles
  Revson/Revlon Story in 1976. (15 guests)

Monday, April 1, 1996

Today...

- The President attended a coffee this morning in the MAP room.

REDACTED

REDACTED

Tuesday, April 2, 1996

Today...

- The President attended a COFFEE in the MAP Room this morning at 9:00.

REDACTED

Wednesday, April 3, 1996

Today...

- The President attended Coffee in MAP room at 9:00 a.m., and then proceeded to the Oval office @ 10:57.

REDACTED

Thursday, April 4, 1996

Today...

REDACTED

- The President attended a Democratic National Committee Dinner with about 20 guests.

EOP 070272

REDACTED

REDACTED

Monday, April 29, 1996

- The President was accompanied by Lt. Governor Buddy McKay attended meeting on Everglades Restoration. He makes brief remarks and immediately departs for a Reception for the Democratic National Committee.

EOP 070274

REDACTED

REDACTED

Thursday, May 2, 1996

Today...

- The President jogged this morning at 8:23 a.m., completely unscheduled. Nancy was more than a little nervous about this because it meant he would be more than his usual tardy for his first scheduled event -- a 9:15 Coffee.

Attendants at this morning's coffee included: Rabbi Ammiel Hirsch, Ex. Director of the Assoc. of Reform Zionists of America in New York; Ms. Teresa Abick, V. President of the Polish National Alliance; Honorable Laszlo Papp, President, American Council of the

- The President greeted @140 guests at the reception and did a photo receiving line.

- The President did a stop-by of the celebration of the 70th Anniversary of the Baltimore Hotel. (As he departs, he takes photos with the police crew.)

- The President attended a DNC dinner at the Biltmore hotel. The fund-raiser was held in a large air-conditioned tent made remarks, worked a ropeline and departed. (He took photos with the drivers, as well as the DNC volunteers.)

- The President attended a dinner at Marvin Rosen's residence. About 45 guests. Chris Dodd, Harold Ickes and Doug Sosnik accompany him. He departed at 10:35 p.m. for the Miami International Airport.

REDACTED

World Federation of Hungarians; Ms. Yvonne Brathwaite-Burke, Los Angeles County Supervisor, and Honorable John Waihee, former Governor of Hawaii.

- On the way from his morning Coffee, and on his way to funeral Services for long-time friend David Ifshin, the President greeted @ 70 children in the Rose Garden.

REDACTED

REDACTED

Tuesday, May 7, 1996

Today...

- The President hosted a Coffee in the MAP Room this morning at 9 a.m. This group was made up of eight new contributors to the DNC.

REDACTED

- The President left for New Vernon, NJ where he attends a DNC reception at Arthur and Ronnie Goldberg's home.
  The Goldbergs own Bally's Health Spa. Their home was a beautiful Tudor-style with a theater in the basement.

  The guest of honor Congressman Bob Torricelli did not show up. Approximately $500,000 was raised. Senator Bill Bradley was present and was a big hit, promising his support to the President. About 60 people attended.

- Immediately after the reception, the President attendedhe Dinner Reception for the DNC at Liberty State Park.
  This two-tier event included a VIP reception which raised @$750,00, and a dinner which raised @ $1 million. Whoopi Goldberg was in attendance and made remarks. Approx. 1,000 people attended the event.

REDACTED

REDACTED

Wednesday, May 8, 1996

Today...

EOP 070282

REDACTED

REDACTED

- The President, Mrs. Clinton and the Gores attended the DNC Presidential Gala at the WA Convention Center tonight. The Fundraising Gala raised more than $12 million. It was definitely a night of celebration for the first family and DNC officials.

Entertainment included Stevie Wonder, who sang a medley of his most popular songs - and one song especially written as a tribute to the late Ron Brown. He said the President was a man he admired very much, and added, "you've got my vote, but I might want you to play your sax with me sometime before November."

Robin Williams was the other entertainment for the night.

His jokes focused mostly on the differences between the two parties - clearly poking fun at the "good ole boys."

Williams also promised the President his vote in November and called him a good President that, hopefully, would do

even better things next time around.

Mrs. Clinton was the hit of the WH family. She had the responsibility of introducing VP Gore. Her introduction included very humorous anecdotes about how she and Al Gore were the more serious of the foursome, but next term, they would "let loose," and show their real personalities. She received loads of applause. If there was any question that the foursome make up a mutual admiration society, last night answered the question.

Each of the four lauded the others for their friendship, dedication and support.

The President made a rousing speech that was a memoriam to the platform he ran on in 1992 - an America that mirrors the strengths and diversity of its many different inhabitants. He called for the audience to go beyond their donations for the night, but to work over the over the next 180 days to assure America is moving down the right road in the 21st Century.

The foursome left the Gala for the Regency Hotel where they attended the Saxophone Club reception.

REDACTED

Monday, May 13, 1996

REDACTED

EOP 070285

REDACTED

Today...

- The President met with 16 bank CEOs this

morning at 9:00 at a Presidential Coffee.

The group met in the MAP room, and included Willliam Brandon, Chairman and CEO of First National Bank of Phillips county, Helena, AR; Walter Dods, Chairman and CEO, First Hawaiian of Honolulu; Emma C. Chappel, Chairman and President & CEO, United Bank of Philadelphia; Paul Hazen, Chairman and CEO, Wells Fargo; Hugh McColl, Chairman and CEO, NationsBank Corporation; and others.

REDACTED

- The President departed the WH @ 7:20 p.m, to attend two DNC dinners -- one, at the Jefferson Hotel for DNC Trustees, (approximately 20 guests); and the other, at the Sheraton Carlton Hotel, for Asian Americans who are DNC and Clinton-Gore supporters. There were approximately 115 people at this dinner.

REDACTED

Tuesday, May 14, 1996

REDACTED

EOP 070285

Today...

REDACTED

EOP 070290

- The President had a morning Coffee with a group of political supporters that included northeasterners, westerners, GOP for Clinton/Gore, and leaders from the Asian Pacific American Community - as well as leaders on women's issues and labor. The Coffee was held in the MAP room at 9 a.m.

REDACTED

- Attended a DNC Presidential Luncheon for top Democratic supporters, at the Jefferson Hotel. Twenty guests were in attendance. A total of $500,000 was raised. Guests included: **J. Morton Davis**, Chairman, DH Blair Investment Banking Corp.; **Mrs. Rosalind Davidowitz Davis**, President Rivalex Corp., **Mr. Morton Fry**, partner, Rubin Bailin Ortoli Mayer Baker and Fry; **Mr. Martin Grass**, Chairman and CEO, Rite Aid Corporation; **Mr. James Harmon, Jr.**, Chairman, Schroder Wertheim and Co.; **Mr. Robert Kaup**, President, Camelot Homes; **Mr. Joseph Robert, Jr.**, Chairman and & CEO, J.E. Robert Companies, Inc.; **Mr. Jay Pritzker**, Partner, Pritzker and Pritzker; **Dr. John Seward**, CEO, AMA; **William Titelman**, board of directors, Klett, Lieber, Rooney & Shorling; **Ms. Maria Elena Torano**, Chairman and CEO, MESA, Inc.; **Mr. Donald Warren**, President,, Bio Compression Systems, Inc.; **Mr. Charles Zappala**, Chairman, Russell, Rea, Zappala & Gomulka Holdings, Inc.

REDACTED

Friday, May 17, 1996

REDACTED

Today...

REDACTED

- The President hosted a coffee this morning in the MAP room this morning at 9 a.m. There were 10

guests, all supporters and all from varied backgrounds

REDACTED

REDACTED

Tuesday, May 21, 1996

EOP 070296

- Another DNC dinner...at the Jefferson Hotel. Kenneth Bailey, a long-time supporter assembled the attendees of the dinner - some of the top supporters of the President and the Democratic party. There were 12 guests in attendance, mostly trial attorneys.

REDACTED

REDACTED

Wednesday, May 29, 1996

EOP 070298

REDACTED

Today...

- The President attended a coffee in the MAP room this morning, with a group of @ 30 supporters.
- The President met with Leon Panetta in the Oval immediately after the Coffee.

REDACTED

Monday, June 3, 1996

REDACTED

Today... **REDACTED**

His first meeting of the morning was a Coffee with a small group (nine) of political supporters from New York. Included in this group was Pat Cloherty, President and General Partner, Patricof & Co - a private New York-based venture capital company that operates in six countries; C. Leonard Gordon, counsel to the NY law firm he co-founded, Gordan Altman Butowsky Weitzman Shalov & Wein; Theodore W. Kheel, counsel to the firm Battle, Fowler, Jaffin and Kheel; Donald Mullen, Senior Managing Director, Bear Stearns & Co., Inc; Alan Patricof, former chair of the WH Conference on Small Business; Richard Reiss,Jr., Managing Partner, Cumberland Associates, a private investment firm; and Jeffrey Silverman, Chairman and CEO of PLY GEM Industries, Inc, a supplier for the home improvement industry.

REDACTED

- He attended two DNC fundraising dinners

tonight - one at the Jefferson at 7 p.m., and the other at the Sheraton at 8:15 p.m. George Stephanopolous accompanied him to the this one, which was a Greek American Leadership Council Kick-off dinner, with about 15 attendees.

REDACTED

Tuesday, June 4, 1996

REDACTED

EOP 070305

Today...

REDACTED

EOP 070306

- The President attended a fundraising reception tonight at the Sheraton Carlton Hotel, and spoke to the Small Business Week Dinner, with SBA Administrator Phil Lader. WH aide Bob Nash attended both events with the President.

REDACTED

Thursday, June 6, 1996

REDACTED

Today...

REDACTED

REDACTED

- From 2 p.m. to 4 p.m., the President had a DNC Budget/fundraising meeting with Harold Ickes, and a cast of others, including: Vice President Gore, Leon, Evelyn, Doug Sosnik, Karen Hancox, Ron Klain, Skila Harris, Peter Knight, Terry McAuliffe, Laura Hartigan, Don Fowler, Chris Dodd, Michael Powell, Brad Marshall, Marvin Rosen,

Richard Sullivan, Scott Pastrick and B.J. Thornberry.
(not sure whether Jeff King, Ted Carter and Craig Smith were in attendance.)

- He attends a Coffee in the MAP room at 4:30, with eight DNC and Clinton supporters. The group included
Emmanuel "manny" Friedman, Chairman and CEO, Friedman Billings Ramsey and Co., Inc. - a financial trading firm;
Olan Mills, Jr., Chairman of the Board of Olan Mills, Inc.; Vance Opperman, President, West Publishing Co;
Stewart Rahr, Chairman and CEO, Kinray, Inc. - the largest privately-owned pharmaceutical distribution co. in the country; Leon Russsell, President, Pride Technologies, a minority owned suppllier of microcomputer products and services; David Sterling, Presidet, Sterling & Sterling Insurance; and Al Whitehead, President, International Assoc. of Fire Fighters.

REDACTED

REDACTED

Sunday, June 9, 1996
Las Vegas and San Francisco

EOP 070313

- The President attended a DNC luncheon at the home of Brian and Myra Greenspun at 12:35 p.m. (Brian is publisher and owner of the Las Vegas Sun Newspaper.)

  Millionaire developer Steve Wynn was also there.

  Amy Greenspun, daughter of the Greenspuns', and an intern at the WH related that a nine-year old boy brought over an envelope for the President, and when they looked into it later they found a $1,000 check that was from his education fund, his grandfather said, 'because he wants you to be re-elected.'

  The President departed from the Greenspuns residence at 2:15 p.m.

REDACTED

- He attends a reception at Sen. Feinstein's residence at 6:40 for roughly 30 minutes.

  He attended a DNC dinner at 7:30 until @ 9 p.m.

REDACTED

Monday, June 10, 1996

REDACTED

REDACTED

Today...

EOP 070316

- He attended dinner for the Democratic National Committee at the home of Lew Wasserman in Beverl Hills accompanied by Don Fowler, Chris Dodd and Mickey Kantor.

Other notables at the Wasserman dinner included: Alec Baldwin and Kim Basinger; Kathleen Brown; Johnny and Alexis Carson; Natalie Cole and guest; Kevin Costner; Ted Dansen and Mary Steenburgen; Geena Davis and Renny Harlan; Prime Minister Djukanovic, Berry Gordy, Jeffrey Katzenberg and wife, Marilyn; Alan Ladd, Jr. and wife, Cindra; Jay Leno and wife, Mavis; Eleanor Mondale, Rob Reiner and wife, Michele; Sunny Sassoon and wife, Debby; Vidal Sassoon and wife Ronnie; Aaron Spelling and wife, Candy; Barbara Streisand and guest Richard Baskin; Jack Valenti; Gail Zappa, wife of the late Frank Zappa.

He departed @ 9:39 enroute the Smash Box in Culver City, CA where he attends a DNC reception for the Saxophone Club. The club turned out to be a photo studio, and the party was held in the parking lot. There were several hundred people there, inlcuding actress Whoopi Goldberg who was warming up the audience before the President came in with Don Fowler and Alec Baldwin. (@10:23 p.m.)

The President shook hands as the band - which included Joe Walsh of the Eagles and Dan Fogerty - played. Alec Baldwin said four years ago he was raising money to help elect Bill Clinton, and when he won "I was saying ding dong the witch is dead." The President spoke for about 15 minutes. (he looked somewhat tired,) after being

introduced by Baldwin.

REDACTED

Friday, June 14, 1996

REDACTED

EOP 070319

Today...

REDACTED

EOP 070320

- He also went to a DNC Dinner at the Hay Adams Hotel, and another at the Jefferson Hotel.

REDACTED

REDACTED

Monday, June 17, 1996
Senior Staff Meeting

- **Leon**...The President's schedule is very full this week. He has a Coffee at 9:15 this morning;

Attends a reception and dinner for Governor Carnahan, and a DNC dinner afterward.

REDACTED

REDACTED

Today...

- The President arrives the Oval at 9:36 a.m., and proceeds to a Coffee at 9:44 in the MAP room.
  It is a small group that includes Lynn Cutler, Kenneth Cole, Rabbi Abe Cooper, Howard Maier, Rabbi Marvin Hiel, Mrs. Badri Johnson, Michael Siegal and John Heimman.

REDACTED

Tuesday, June 18, 1996
senior staff meeting

- **Leon**...President has two Coffees today.

EOP 070325

REDACTED

Today...

EOP 070326

- The President attended a Coffee in the MAP room this morning at 9:19 a.m. - it was scheduled for 9 a.m. Bob Nash, a WH aide, staffed the group until the President arrived. The gathering was an eclectic group of top supporters of the President.

- He hosted another Coffee in the MAP room at 1:18 (it was scheduled for 12:45 p.m.) Harold Ickes and Bob Nash were attending WH aides.

REDACTED

Wednesday, June 19, 1996 REDACTED

- **Leon**...President will do Coffee this morning;

- **Nancy...**

President is also doing a Coffee in his office @ 4:30;

REDACTED

EOP 070330

Today...

- He hosted a Coffee, that Nancy H. described as a "political" Coffee that would probably last all morning. She explained the difference between the 'money' coffees and the 'political/issues' coffees as how much he interjected. As usual the Coffee was held in the MAP room.

REDACTED

Monday, June 24, 1996
Senior Staff meeting

REDACTED

- **Leon...**

The President continues on to New York where he does a number of DNC fundraisers.

Monday, July 8, 1996

REDACTED

REDACTED

Today...

- The President did a Coffee with 18 supporters.
  this morning at 9 a.m.

EOP 070334

REDACTED

Wednesday, July 17, 1996

Today...

REDACTED

REDACTED

- The President left the WH at 7:05 for the Sheraton where he, Mrs. Clinton, the Veep and Tipper will be guests at the Women's Leadership Forum.

The forum was a huge success, attended by @ 3,000 women. Ann Richards was the guest of honor and did an excellent job, saying to the thousands of women:

"It's important for President Clinton and V-President Gore to actually see who is going to re-elect them." She also said, "Bob Dole resigned from the Senate, but Elizabeth Dole took a leave of absence," pointing out there's something to be said for smart women. She said the "Buchanan cultural war," still epitomizes the Republican's agenda.

"If Buchanan had got the nomination, the gender gap would be so wide you'd have to have a sex-change...to bring the two together."

She called Newt Gingrich, "the Napoleon of the Potomac." She said Republicans completely confuse women by telling poor women the world went to hell cause they stayed home, while they tell middle-class women they caused social problems because they went to work... "I'm thankful to have a President who says women and children first, and says it as a promise, not a threat."

Someone yelled out "Gore 2000!" and received lots of applause. Vice President Gore said his

trip to Moscow, the country he returned from this morning, made him realize the difference between this Administration and others, when he looked around the Summit table and saw how diverse the Clinton administration was -- the Russian team was all white males. The Veep introduced some of the senior women staff there from the WH - including Laura Tyson, Evelyn Lieberman, Sec. Donna Shalala and Sec. O'Leary.

Mrs. Clinton received a rousing standing ovation from the crowd. The President received an even more rousing ovation with a chant of "four more years." He also introduced more of his senior women and wished his Assistant Alexis Herman, a happy birthday.

The President spoke for @ 15 minutes, going over his presidential record and his continued committment to women, children and family issues.

REDACTED

Thursday, July 18, 1996

REDACTED

Today...

- The President's day began at 9:20 a.m, with a political Coffee. There was a diverse audience of fifteen people - including a Spelman college junior who served on the Vice Presidential Freshman council; education organization representatives; Gay and Lesbian organization representatives.

  He met with them for one hour and 30 minutes.

REDACTED

Sunday, July 21, 1996

REDACTED

The President continued enroute the private home of Mickey and Louanne Miller, accompanied by Don Fowler, for a DNC reception. A dinner followed.

- The President depart[illegible] the residence for the Wings

Over the Rockies Museum, where a reception with the Saxophone Club Chairs was held. He then attended a Saxophone Club reception with Sec. Pena and Governor Roy Romer. Rep. Schroeder and Mayor Wellington Webb were also there.

REDACTED

Tuesday, July 23, 1996 REDACTED

REDACTED

Today...

EOP 070344

REDACTED

He departed immediately, enroute the private residence of Phil and Julie Angelides at 12:32. WH aide Ray Martinez, Tom Umberg and Art Torres rides in the limousine with the President.

He spoke at the Democratic National Committee luncheon of 120 guests, at the Angelides home. Congressman Matsui made welcoming remarks before the President spoke He greeted guests, and left @ 2:23 p.m. with Bruce and Doug Sosnik with him.

He attended the reception for the DNC and the DNC Gala, where he made remarks. Peter, Paul and Mary performs two songs from 6:45 to 7:30 p.m - receiving guests and taking photos with @ 100 folks before leaving.

He attended a DNC dinner at the Beverly Hilton Hotel from 7:40 -9:10 p.m. Peter, Paul and Mary performed. Mayor Willie Brown made opening remarks, and introduced the President. The President made brief remarks, then greeted guests before departing for

the private residence of
Susie Tompkins.

REDACTED

Monday, July 29, 1996

Senior Staff Meeting

Leon...The President's number one event today is the Conference on Children's Television - in the East Room.
He has a congressional meeting on terrorism, a bill signing of HR248 - brain trauma bill;
a joint interview with Ladies Home Journal; and two DNC dinners.

REDACTED

Today...

REDACTED

- The President's day was still far from over. He left at 6:50 for a DNC dinner at the Sheraton Carlton Hotel, where he greeted the guest and made remarks. At 8:15, he appeared at yet another DNC dinner at the Jefferson Hotel, where he greeted guests, made remarks and opened the floor for discussion by guests.

REDACTED

Tuesday, July 30, 1996

REDACTED

Today...

REDACTED

EOP 070351

- At @6:26, the President proceeded to a reception for AR AG Winston Bryant, who was a candidate for the Senatorial slot being vacated in January by Senator Pryor.

  The reception was something of a homecoming for the President. He attended two other DNC dinners after this one.

REDACTED

Thursday, August 22, 1996

REDACTED

Today...

- The President had a Coffee this morning at 9 a.m. in the Map Room. There were 23 people in attendance.

REDACTED

Friday, August 23, 1996

Senior Staff Meeting

- **Leon**...the President will be attending coffee at 9 a.m.

REDACTED

Tuesday, September 10, 1996

REDACTED

Today. . .

REDACTED

EOP 070357

- At 2:01 p.m., the President attended a luncheon for the Democratic National Committee at Kansas City Fundraiser in which they raised $500,000. There were @ 450 attendees.

  Mayor Emmanuel Cleaver and Congresswoman Karen McCarthy, and Governor Mel Carnahan attend the event together.

- At 7:30 p.m., the President attended a DNC Missouri Presidential Dinner at the Hyatt Hotel and Resort. There were 600 guests and they raised $600,000.
  The President made brief remarks at 8:25 p.m.
  He took photos with DNC volunteers, and taped a video that

paid tribute to Don Shula.

REDACTED

EOP 070359

REDACTED

Today...

REDACTED

- The President motorcades directly to the home of Regis and Dianne McKenna at 8:05 p.m., where he attends a DNC dinner at the McKenna home in Sunnyvale, CA. After the dinner, the President walks across the street and takes five minutes to shake hands with about 20 of the McKennas' neighbors.

REDACTED

Saturday, September 14, 1996

REDACTED

After the exchange, the President took photos with the various groups there, before leaving for the two events he was scheduled for -- the reception for the DNC, at the Mayflower, where he made remarks; and the Congressional Black Caucus Dinner - changing to black tie attire before leaving for the Democratic Black Caucus.

REDACTED

Tuesday, September 17, 1996

REDACTED

REDACTED

Today . . .

- The President went to Restaurant Magiano at 6:32 p.m., accompanied by DNC Chair Fowler, and Finance Chair Rosen. where a DNC Dinner was held, hosted by Rep. Dick Durbin.

  He made remarks, worked a ropeline, took photos and departed at 8:42 p.m. He proceeded to the Duke Childs Landing Zone and was greeted by Clinton-Gore supporters there.

  From there he continued on to the private residence of Bill and Patrice Brandt's for a DNC dinner. There were @ 75 couples in attendance. Father Robert Ferrigan, Sacred Heart Church of Winnetka, IL delivered the invocation.

REDACTED

The President made brief remarks, worked a ropeline and departed for the Sheraton Hotel and Towers where he retired for the night.

REDACTED

Wednesday, September 18, 1996

Senior Staff Meeting

- **Evelyn/Leon...**

  He attends a DNC dinner and a Saxophone reception in Seattle, and overnights there.

REDACTED

Today...

He departs Pike Place Market for Columbia Tower Club, where he attends a DNC dinner. Kenny G. performs "Happy Birthday" for Frank Greer. Ken Albadeff introduces the President, who then makes remarks.

He departs at 10:07 p.m., enroute the Paramount Theatre where the Saxophone Club is holding a reception for the President. He greets 30 co-chairs of the Saxophone Club and 12 WA state elected officials backstage.
He makes remarks at 10:31 and departs at 10:48, for the Westin Hotel where he retires for the night.

REDACTED

Thursday, September 19, 1996

Senior Staff Meeting

- **Leon...**

The four principals travel from Sacajawea to Portland, where they attend a DNC Gala and reception. They spend the night in Portland.

REDACTED

Today...

REDACTED

EOP 070372

He arrived in Portland at 8:55 p.m. where he and the First Lady attended a DNC Gala at the Portland Hilton Hotel.

Rep. Elizabeth Furse made welcoming remarks. The principals all spoke before the President's remarks. They then attended a DNC reception, for 10 minutes before retiring to the Benson Hotel in Portland.

REDACTED

Saturday, September 21, 1996

- At 7:20 p.m., the President attended a DNC dinner in the Hay Adams Hotel. He greeted Committee members, made remarks and left for a second DNC dinner at the Sheraton Carlton Hotel.

REDACTED

Wednesday, September 25, 1996

REDACTED

EOP 070375

REDACTED

Today. . .

- At 4:40 p.m., he proceeded to the Grand Ballroom for a reception for the Democratic National Committee. He was greeted there by a number of local officials.

  He was joined at the stage by Mayor Rendell and Tom Leonard. He made brief remarks before working a ropeline and departing.

  He proceeded afoot to the Locust Club for a DNC Dinner. He did a photo receiving line before dinner, and was joined again onstage by Mayor Rendell. He made brief remarks before working a ropeline and departing for the airport and home

REDACTED

Thursday, September 26, 1996

Senior Staff Meeting

- Leon...

He has two DNC dinners this evening one for the African American Leadership Council.

REDACTED

Today...

REDACTED

EOP 070379

- The President attended two dinners this evening: At the Democratic Senatorial Campaign Committee, he was joined onstage by Sen. Joseph Lieberman, Sen. Daschle, Senator Edward Kennedy and Senator Robert Kerry. He was there from 7:30 to 8:30 p.m.

  His second stop, at @ 9:30 p.m., was the Sheraton Carlton, The DNC African American Leadership Council - made up of business leaders from across the country. The group raised $750,000 this evening. The President's speech here was very well received. He recognized a number of long-time friends and supporters from Arkansas; and WH aides, Alexis Herman, Ben Johnson, Bob Nash, Janis Kearney. He jokingly said Maggie Williams was sent by "The first lady to make sure I didn't say anything wrong."

  [he led the audience here singing happy birthday to long-time aide, Bob Nash who was celebrating his birthday today. He called Nash "the best employee I've ever had - and the best I have now."]

REDACTED

Saturday, September 28, 1996

REDACTED

- The President attended a reception for DNC Representative Jack Reed at the Westin Hotel at 3:06 p.m. He did a photo receiving line with 150 guests before departing.

He attends a DNC reception at the Julien Room of the Meridian Hotel, and makes remarks before doing a receiving line with @ 80 people.

- The President attended a DNC dinner at the Meridian. He was scheduled to be there at 10:35 p.m., but arrived much later. There were 36 dinner guests. The President was there for only a brief time before leaving for Logan Airport enroute home.

REDACTED

Monday, September 30, 1996

Senior Staff Meeting

- Political...

REDACTED

The weekend trip to TX, RI, NH and CT was great. The President didn't make it to the Sunday night fundraiser until 12 midnight, and stayed for just a few minutes, but promised them he would do something with them in D.C. "

REDACTED

Tuesday, October 8, 1996

Senior Staff Meeting

REDACTED

- **McCurry**...There'll be lots of interest in the stories today about Asian money the President has received - particulary the Riady group.

REDACTED

Friday, October 11, 1996

Senior Staff Meeting

REDACTED

- **McCurry**...There is more press on the Riadi family's connection to this administration.

REDACTED

Saturday, October 19, 1996

REDACTED

EOP 070389

- He attended a DNC Dinner at the Mayflower Hotel, departing the WH at 7:05 p.m..

  The president made remarks, opened an informal discussion with guests, then departs.

- At 8:30 p.m., the President proceeds to a Dinner for the Democratic Business Council, also in the Mayflower Hotel - Colonial Room.

  Alan Solomont, Chair of the Democratic Business Council, introduced the President. After remarks, the President returned to the White House, @10 p.m.

REDACTED

Sunday, October 20, 1996

Today...

REDACTED

EOP 070391

REDACTED

The President spoke, then departed for the Marriott at Glen Pointe Hotel in Teaneck, New Jersey for a Gala Brunch for Representative Robert Torricelli/Coordinated Campaign/DNC. There were @ 800 guests in attendance - at $1,000 per person. (the general election between Torricelli and Zimmer was expected to be a very tight race.)
The President made remarks, worked a ropeline, then

departed.

- At 3:10 p.m., the President attended a reception for Representative Robert Torricelli/Coordinated Campaign/DNC in the East Ballroom 1 & 2. He does a receiving line with guests, and departed @ 4 p.m., for the Airport and for Westchester, New York.

- From there he proceeded to the home of Senator Jay Rockefeller and Sharon Rockefeller, for a Presidential Unity Fund Reception and Barbacue. [Senator Robert Kerrey and Rep. Richard Gephardt made remarks before Senator Rockefeller introduced the President.]

  The President made remarks, worked the ropeline and departed @7:05 p.m. for the Sheraton Hotel in New York. He was greeted at the Sheraton by Whoopi Goldberg and hotel management.

- At 8:30 p.m., the President attended a reception for the DNC at the Sheraton Hotel. He was introduced by Noach Dear, city council member. The President makes remarks, works ropeline and departs for the Presidential Unity Fund Reception, also in the Sheraton Hotel.

- The President is joined at the reception by Senator Robert Kerrey; Senator Christopher Dodd; Representative Richard Gephardt and DNC Leader Don Fowler. (Harry Belafonte is also in attendance at the fundraiser.)

  Whoopi Goldberg makes welcoming remarks. Sen. Kerry makes remarks. Rep. Gephardt introduces the President. He makes remarks, works a ropeline and departs enroute Cleveland, Ohio's Renaissance Hotel where he resides for the night.

REDACTED

REDACTED

Monday, October 21, 1996

Senior Staff Meeting

- **Leon**...As of tomorrow, it will be two weeks before election. The President will speak to the people of Cuyahoga county, Ohio this morning; attends a DNC luncheon at the Omni Hotel; does a ground-breaking event at the Detroit/Metro County Airport; Speaks to Michigan Clergy United; attends a DNC reception and dinner at the Fox Theatre (for Sen. Carl Levin.)

- **Legal**...Joe Sanders, legal counsel for DNC is taking lead of the foreign contributions review.

Leon: what do you think will come of this?
Kathy Waldman: FEC likely won't be able to finish an investigation before election.
Karen Hancox: The DNC is reviewing contributions...this is not unprecedented. The same thing happened when Dole's aide was cited for illegal contributions...
Leon: (chuckling)...this will certainly help move campaign reform forward.

REDACTED

- Building on a string of recent attacks on Democratic fund raising, Bob Dole today urged changes in campaign finance laws, which he blamed for giving President Clinton an unfair advantage in withstanding the challenge to his office.

Tuesday, October 22, 1996

REDACTED

Today's News...

REDACTED

EOP 070398

- In the three decades since they emigrated from Cuba, the Fanjul brothers have immersed themselves in American business and politics. They built a sugar cane empire thanks in part to federal price supports. And they invested millions of dollars of their profits in U.S. politicians who have protected that program from elimination.

  What have always made them fascinating is that one is a major Democratic giver and the other is a major Republican giver.

Today... **REDACTED**

- He attends a DNC Reception at 7 p.m., where he greeted @ 150 guests. He then proceeded to a DNC Gala at 7:55 p.m. in the Biltmore. He was joined on the dais by Gov. Chiles, Lt. Gov. Buddy McKay and Sen. Bob Grahm. (Peabo Bryson performed.)

  The President made remarks, then worked a ropeline before proceeding to a DNC Dinner at 9:10 p.m., where he had an informal discussion with guests at the table. He was there an hour before departing for the Presidential suite.

Wednesday, October 23, 1996

REDACTED

EOP 070401

Today's News...

REDACTED

- A broad coalition of Asian American leaders yesterday charged that a growing scandal over questionable Democratic National Committee contributions from Asians and Asian Americans is generating a wave of Asian-bashing, and feeding a stereotype that casts them as perpetual foreigners.

  The Asian American leaders said they believe the controversy over John Huang's fundraising is being highlighted because it involves Asians and Asian Americans. They also say it is raising suspicions about other, perfectly legal campaign contributions from Asian Americans.

REDACTED

Today. . .

REDACTED

- The President arrives home at 4:25 p.m. He is down until 6:30 p.m., when he departs for a Presidential Unity Reception and Dinner at the Sheraton Hotel

The Presidential Unity Celebration, held in the outdoor tent, lasted from 9:15 p.m. to 10:15 p.m. The President departed the Kay residence @ 10:20 p.m., arriving at the WH at 10:30 p.m.

REDACTED

Monday, October 28, 1996

Senior Staff Meeting

- **Leon...**

Leon asked Evelyn and Jack Quinn to meet with Secret Service to find out how a decision was made to allow a convicted felon was allowed to "run around" in the White House.

REDACTED

Tuesday, October 29, 1996

Senior Staff Meeting...

- Leon...

REDACTED

Leon: Contrary to WA Post article, the DNC will release donor list to press today - eventhough not required by law, it only covers period between Oct 1-16th, and we made no contributions to the President. DNC told press yesterday they would release the list - before the stories came out.

- **Political...** The Republicans are doing press conference on the DNC's refusal to release their donor list. (Karen Hancox: The WH and the Re-elect should not respond to media inquiries on this.)

Today's News... REDACTED

- Most major dailies and networks ran the story that the DNC would not release their political donor list, a final accounting of its finances due before Election day. Republicans and advocates of campaign finance reform expressed outrage. (The DNC, in fact, shared with the press yesterday that they would release the donor list - eventhough it was not a federal requirement, and did so today.)

Today...

REDACTED

- The President departs the WH for Constitutio Hall and the Democratic National Committee Saxophone Club Presidential Victory Concert.

  Entertainers Kevin Spacey introduces Bruce Hornsby. Bruce Hornsby performs, then introduces Stevie Wonder. Stevie Wonder performs. Kevin Spacey introduces the President.

  The President makes remarks, works a ropeline, then departs. He arrives back at the WH @ 9:45 p.m.

REDACTED

Wednesday, October 30, 1996

Senior Staff Meeting

- **Leon...**

  He then goes to a DNC event. (Leon:...another one of those events where people come through the back door.)

Today the news will focus on: good economic numbers; the DNC flap will continue, with Huang being deposed; and, Bosnia will be covered, as NATO begins discussing options.

REDACTED

Today's News. . .

REDACTED

EOP 070413

- The Democratic National Committee, yesterday reversed its earlier decision not to publicly release information about its contributions and expenses in the first two weeks of October and agreed to file a final pre-election report with the Federal Election Commission.

  They released a packet of information on contributors during that full period and said it would give a full accounting to the FEC this week. The papers showed that from Oct. 1 to 16, the DNC took in $10 million, $4 million of it in large contributions, known as soft money from individuals, labor unions and corporations.

  Officials at the Federal Election Commission said the accounting should have been filed with the commission last week. But on Monday, officials at the DNC made clear that they would break with two decades of practice and not prepare a final list of contributions and expenses until after the election.

- Webster Hubbell, a former Associate Attorney General, will pay the Rose Law Firm $400,000 in restitution of money he admitted stealing from clients and the firm, according to documents filed today in United States District Court here.

  Mr. Hubbell's release from prison is scheduled for late November.

REDACTED

Today...

REDACTED

- He met with Tony briefly before departing for a DNC breakfast at the Sheraton Carlton Hotel where he made

remarks then open up the discussion to participants. The breakfast consisted of the President, Marvin Rosen, Richard Sullivan and eight guests, including Mr. Harvey Weinstein, founder of Miramax Films which produced "The Postman," nominated five times for Academy Awards. He departed immediately after the discussion for the WH.

REDACTED

Today's News...

- Attorney General Janet Reno said today that the Justice Department had taken the first step toward deciding whether to seek an independent counsel to investigate possible wrongdoing by Democratic fundraisers.

  Ms. Reno's announcement also seemed to assure that the issue of possible criminal activity in the swirl of events around the Democrats fund-raising activities would remain a high-profile political issue for at least another month as Justice Department prosecutors weigh whether to push the review to the next stage of inquiry. But a finanl decision on whether to seek an independent counsel will not be reached until weeks after Tuesday's elections.

REDACTED

Wednesday, November 13, 1996

Senior Staff Meeting

REDACTED

- **Legal**...Justice appointed Independent counsel in response to McCain's request to investigate the involvement of Huang and Lippo in campaign finance.

REDACTED

Monday, November 18, 1996

Senior Staff Meeting

REDACTED

- **Political...**

Leon: Thanks to Mike Mc and Sheryl Mills for getting information for releasing summary of visits by Riady, Middleton and Huang.

REDACTED

Thursday, November 21, 1996

Senior Staff Meeting

- **Leon...**

DNC returns another contribution from an Asian woman.

REDACTED

Tuesday, December 17, 1996

Senior Staff Meeting

- **Leon...**

There will likely be continued questions from the press about the $639,000 raised by businessman "Charlie" Trie, for the President and Mrs. Clinton's legal defense fund contributions that were returned.

REDACTED

- **Legal**...It was announced that the Legal Defense Fund returned almost a half-million dollars in donations.

REDACTED

Wednesday, December 18, 1996

Senior Staff Meeting

REDACTED

- **Legal**...Continue to deal with questions regarding Charlie Trie.

REDACTED

Thursday, December 19, 1996

Senior Staff Meeting

REDACTED

- **Legal**...Still dealing with inquiries about Charlie Trie's visits to the WH.

Today's News...

REDACTED

EOP 070429

- The Clinton Administration disclosed today that Charles Trie, the Arkansas businessman who raised hundreds of thousands of dollars in contributions for the Clinton's legal defense fund earlier this yearm went to the White House at least two dozen times in the last four years and was in the Oval Office at least twice.

  The White House released the records in response to a growing number of questions about Mr. Trie's relationship with the President and his fund-raising activities on behalf of the Democratic Party and Mr. Clinton's legal defense fund.

- Over the past four years, the Clinton Administration and the President's friends have created more than a dozen private funds, financing a range of political and personal causes - from paying legal defense bills and restoring the President's birthplace to building a White House jogging track.

  To restore the President's birthplace in Hope, AR, the President's friends created a private foundation whose board includes a former white house aide, Mark Middleton.

REDACTED

Tuesday, December 31, 1996

nc

Today's News...

REDACTED

- Despite the Democrat's triumph in holding on to the White House, President Clinton has failed to enlist his first choice to be chairman of the Democratic National Committee and is now casting a wide net for someone to lead a party organization beset with debt, recriminations and investigations into its fund-raising.

REDACTED

RESPONSIVE ACTIVITY AND EVENT ENTRIES
January 1, 1993- December 31, 1996
December 8, 1997
[Entries are in original form]

November 9, 1995

- The President attended a DNC dinner with contributors at Hay-Adams hotel. He was about a half hour late leaving White House --

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Thursday, December 7, 1995

Today at the White House...

- The President attends Democratic National Committee Executive Committee luncheon at the Hay Adams Hotel

  DNC Chairman Don Fowler makes remarks and introduces the President. He makes remarks and opens discussion with guests.

December 13, 1995

Today at the White House...

- President meets with state leaders at Coffee in the MAP room

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December 19, 1995

Today at the White House...

- The President stopped off at the Hay Adams Hotel for a Democratic National Committee Jewish Leadership luncheon. Don Fowler, Chairman of the Democratic National Committee makes welcoming remarks and introduces

the President.

Thursday, December 21, 1995

Today at the White House...

- President did Coffee with Democratic leaders in MAP room.

Friday, December 22, 1995

Today at the White House...

- Vernon Jordan shares with the President that he recently met Robert and Jane Meyerhoff, a prominent Baltimore couple who are also `long-time, liberal Democrats'who began their political support with George McGovern.

  They established the Meyerhoff Fellows Program at the University of Maryland which grants scholarships to minority youngsters studying math and science.

  The Meyerhoffs have already attended two white house dinners. Vernon suggests the President talk with them as well.

Wednesday, January 17, 1996

Top of the News

- The President attends Coffee in the Map Room.
  (Eric Eve is staff contact)

Monday, January 29, 1996

Today at the White House...

- The President attended DNC dinner at Hay Adams Hotel

Tuesday, January 30, 1996

At the White House...

- The President attended morning coffee in MAP Room with business, community, political leaders.

February 7, 1996

- The President met with and took photos with the 500,000th donor to the Democratic National Committee, a 65-year old woman who sent a $19.95 check to the DNC.

Thursday, February 8, 1996

Today at the White House...

- The President attended a DNC Dinner in the State Dining Room tonight.

Thursday, February 22, 1996

Today at the White House...

- The President attended a Coffee this morning with business and political leaders

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Monday, February 26, 1996

Today...

- President did Coffee with political supporters

Wednesday, February 28

Today at the White House....

- The President attended a Coffee this morning, in the MAP room.

Friday, March 1, 1996

Today at the White House...

The President, before he hurried over to the MAP room for a Coffe with political and business leaders before his family's departure to a weekend at Camp David, stopped and talked to Arkansas friends

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Friday, March 15, 1996

Today...

- The President's first WH event today, was a Coffee in the MAP room

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Tuesday, Marh 19, 1996

Today...

•The President attends a brief Dinner for the Democratic National Committee at the Hay Adams Hotel. He later stops at a Dinner for the Democratic Business Council at the Mayflower Hotel

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Wednesday, March 20, 1996

Today...

- The President participated in a Coffee in the MAP Room this morning with 27 political supporters from CA, AZ, TX, GA, MI, and NY at @ 9 a.m.

- After the Coffe, the President met with congressional leaders

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Monday, March 25, 1996

Today...

- The President met with Political supporters at a Morning Coffee in the MAP Room this morning. Included were north-easterners, attorney generals and members of the clergy.

- The President attended Dinner for Democratic National Committee at Hay Adams hotel. The 20 guests were strong supporters of the DNC and the President over the past three years - have also helped raise funds for the President's re-election campaign

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Wednesday, March 27, 1996

- The President hosts DNC Trustees Dinner - 106 guests.

Thursday, March 28, 1996

- President attended COFFEE in MAP room at 9:21 a.m.

Friday, March 29, 1996

Today...

- President attended a Coffee in the MAP Room this morning
  The group included political supporters from the northeast and leaders from the Jewish and gay and lesbian communities,
  including Author Andy Tobias who wrote "The Best Little Boy in the World," a successful coming-out story published in 1972 under the pseudonym John Reid, and "Fire and Ice: The Charles Revson/Revlon Story in 1976. (15 guests)

Monday, April 1, 1996

Today...

- The President attended a coffee this morning in the MAP room.

Tuesday, April 2, 1996

Today...

- The President attended a COFFEE in the MAP Room this morning
  at 9:00.

Wednesday, April 3, 1996

Today...

- The President attended Coffee in MAP room at 9:00 a.m., and then proceeded to the Oval office @ 10:57.

Thursday, April 4, 1996

Today...

- The President attended a Democratic National Committee Dinner with about 20 guests.

Monday, April 29, 1996

- The President was accompanied by Lt. Governor Buddy McKay attended meeting on Everglades Restoration. He makes brief remarks and immediately departs for a Reception for the Democratic National Committee.

- The President greeted @140 guests at the reception and did a photo receiving line.

- The President attended a DNC dinner at the Biltmore hotel. The fund-raiser was held in a large air-conditioned tent made remarks, worked a ropeline and departed. (He took photos with the drivers, as well as the DNC volunteers.)

- The President attended a dinner at Marvin Rosen's residence. About 45 guests. Chris Dodd, Harold Ickes and Doug Sosnik accompany him. He departed at 10:35 p.m. for the Miami International Airport.

Thursday, May 2, 1996

Today...

- The President jogged this morning at 8:23 a.m., completely unscheduled. Nancy was more than a little nervous about this because it meant he wouldbe more than his usual tardy for his first scheduled event -- a 9:15 Coffee.

  Attendants at this morning's coffee included: Rabbi Ammiel Hirsch, Ex. Director of the Assoc. of Reform Zionists of America in New York; Ms. Teresa Abick, V. President of the Polish National Alliance; Honorable Laszlo Papp, President, American Council of the World Federation of Hungarians; Ms. Yvonne Brathwaite-Burke, Los Angeles County Supervisor, and Honorable John Waihee, former Governor of Hawaii.

  - On the way from his morning Coffee, and on his way to funeral Services for long-time friend David Ifshin, the President greeted @ 70 children in the Rose Garden.

Tuesday, May 7, 1996

Today...

- The President hosted a Coffee in the MAP Room this morning at 9 a.m. This group was made up of eight new contributors to the DNC.

- The President left for New Vernon, NJ where he attends a DNC reception at Arthur and Ronnie Goldberg's home. The Goldbergs own Bally's Health Spa. Their home was a beautiful Tudor-style with a theater in the basement.

The guest of honor Congressman Bob Torricelli did not show up. Approximately $500,000 was raised. Senator Bill Bradley was present and was a big hit, promising his support to the President. About 60 people attended.

- Immediately after the reception, the President attendedhe Dinner Reception for the DNC at Liberty State Park.
  This two-tier event included a VIP reception which raised @$750,00, and a dinner which raised @ $1 million.
  Whoopi Goldberg was in attendance and made

remarks. Approx. 1,000 people attended the event.

Wednesday, May 8, 1996

Today...

- The President, Mrs. Clinton and the Gores attended the DNC Presidential Gala at the WA Convention Center tonight. The Fundraising Gala raised more than $12 million. It was definitely a night of celebration for the first family and DNC officials.

Entertainment included Stevie Wonder, who sang a medley of his most popular songs - and one song especially written as a tribute to the late Ron Brown. He said the President was a man he admired very much, and added, "you've got my vote, but I might want you to play your sax with me sometime before November."

Robin Williams was the other entertainment for the night.

His jokes focused mostly on the differences between the two parties - clearly poking fun at the "good ole boys."

Williams also promised the President his vote in November and called him a good President that, hopefully, would do even better things next time around.

Mrs. Clinton was the hit of the WH family. She had the responsibility of introducing VP Gore. Her introduction included very humorous anecdotes about how she and Al Gore were the more serious of the foursome, but next term, they would "let loose," and show their real personalities. She received loads of applause. If there was any question that the foursome make up a mutual admiration society, last night answered the question.

Each of the four lauded the others for their

friendship,
dedication and support.

The President made a rousing speech that was a memoriam
to the platform he ran on in 1992 - an America that mirrors the strengths and diversity of its many different inhabitants. He called for the audience to go beyond their donations for the night, but to work over the over the next 180 days to assure America is moving down
the right road in the 21st Century.

The foursome left the Gala for the Regency Hotel where
they attended the Saxophone Club reception.

Monday, May 13, 1996

Today...

- The President met with 16 bank CEOs this morning at 9:00 at a Presidential Coffee. The group met in the MAP room, and included Willliam Brandon,Chairman and CEO of First National Bank of Phillips county, Helena, AR; Walter Dods, Chairman and CEO,
First Hawaiian of Honolulu; Emma C. Chappel,
Chairman and President & CEO, United Bank of Philadelphia; Paul Hazen, Chairman and CEO, Wells Fargo; Hugh McColl, Chairman and CEO, NationsBank Corporation; and others.

- The President departed the WH @ 7:20 p.m, to attend two DNC dinners -- one, at the Jefferson Hotel for DNC Trustees,(approximately 20 guests); and the other, at the Sheraton Carlton Hotel, for Asian Americans who are DNC and Clinton-Gore supporters. There were approximately 115 people at this dinner.

Tuesday, May 14, 1996

Today...

- The President had a morning Coffee with a group ofpolitical supporters that included northeasterners,westerners, GOP for Clinton/Gore, and leaders from the Asian Pacific American Community - as well as leaders on women's issues and labor. The Coffee was held in the MAP room at 9 a.m.

- Attended a DNC Presidential Luncheon for top Democratic supporters, at the Jefferson Hotel. Twenty guests were in attendance. A total of $500,000 was raised. Guests included: **J. Morton Davis**, Chairman, DH Blair Investment Banking Corp.; **Mrs. Rosalind Davidowitz Davis**, President Rivalex Corp., **Mr. Morton Fry**, partner, Rubin Bailin Ortoli Mayer Baker and Fry; **Mr. Martin Grass**, Chairman and CEO, Rite Aid Corporation; **Mr. James Harmon, Jr.**, Chairman, Schroder Wertheim and Co.; **Mr. Robert Kaup**, President, Camelot Homes; **Mr. Joseph Robert, Jr.**, Chairman and & CEO, J.E. Robert Companies, Inc.; **Mr. Jay Pritzker**, Partner, Pritzker and Pritzker; **Dr. John Seward**, CEO, AMA; **William Titelman**, board of directors, Klett, Lieber, Rooney & Shorling; **Ms. Maria Elena Torano**, Chairman and CEO, MESA, Inc.; **Mr. Donald Warren**, President,, Bio Compression Systems, Inc.; **Mr. Charles Zappala**, Chairman, Russell, Rea, Zappala & Gomulka Holdings, Inc.

Friday, May 17, 1996

Today...

- The President hosted a coffee this morning in the MAP room this morning at 9 a.m. There were 10 guests, all supporters and all from varied backgrounds

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Tuesday, May 21, 1996

- Another DNC dinner...at the Jefferson Hotel. Kenneth Bailey, a long-time supporter assembled the attendees of the dinner - some of the top supporters of the President and the Democratic party. There were 12 guests in attendance, mostly trial attorneys.

Wednesday, May 29, 1996

Today...

- The President attended a coffee in the MAP room this morning, with a group of @ 30 supporters.
- The President met with Leon Panetta in the Oval immediately after the Coffee,

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Monday, June 3, 1996

Today...

His first meeting of the morning was a Coffee with a small group (nine) of political supporters from New York. Included in this group was Pat Cloherty, President and General Partner, Patricof & Co - a private New York-based venture capital company that operates in six countries; C. Leonard Gordon, counsel to the NY law firm he co-founded, Gordan Altman Butowsky Weitzman Shalov & Wein; Theodore W. Kheel, counsel to the firm Battle, Fowler, Jaffin and Kheel; Donald Mullen, Senior Managing Director, Bear Stearns & Co., Inc; Alan Patricof, former chair of the WH Conference on Small Business; Richard Reiss,Jr., Managing Partner, Cumberland Associates, a private investment firm; and Jeffrey Silverman, Chairman and CEO of PLY GEM Industries, Inc, a supplier for the home improvement industry.

- He attended two DNC fundraising dinners tonight - one at the Jefferson at 7 p.m., and the other at the Sheraton at 8:15 p.m. George Stephanopolous accompanied him to the

this one, which was a Greek American Leadership Council Kick-off dinner, with about 15 attendees.

Tuesday, June 4, 1996

Today...

- The President attended a fundraising reception tonight at the Sheraton Carlton Hotel, and spoke to the Small Business Week Dinner, with SBA Administrator Phil Lader. WH aide Bob Nash attended both events with the President.

Thursday, June 6, 1996

Today...

- From 2 p.m. to 4 p.m., the President had a DNC Budget/fundraising meeting with Harold Ickes, and a cast of others, including: Vice President Gore, Leon, Evelyn, Doug Sosnik, Karen Hancox, Ron Klain, Skila Harris, Peter Knight, Terry McAuliffe, Laura Hartigan, Don Fowler, Chris Dodd, Michael Powell, Brad Marshall, Marvin Rosen, Richard Sullivan, Scott Pastrick and B.J. Thornberry.
(not sure whether Jeff King, Ted Carter and Craig Smith were in attendance.)

- He attends a Coffee in the MAP room at 4:30, with eight DNC and Clinton supporters. The group included
Emmanuel "manny" Friedman, Chairman and CEO, Friedman Billings Ramsey and Co., Inc. - a financial trading firm;
Olan Mills, Jr., Chairman of the Board of Olan Mills, Inc.; Vance Opperman, President, West Publishing Co;
Stewart Rahr, Chairman and CEO, Kinray, Inc. - the largest privately-owned pharmaceutical distribution co. in the country; Leon Russsell,

President, Pride Technologies, a minority owned supplier of microcomputer products and services; David Sterling, Presidet, Sterling & Sterling Insurance; and Al Whitehead, President, International Assoc. of Fire Fighters.

Sunday, June 9, 1996
Las Vegas and San Francisco

- The President attended a DNC luncheon at the home of Brian and Myra Greenspun at 12:35 p.m. (Brian is publisher and owner of the Las Vegas Sun Newspaper.)

  Millionaire developer Steve Wynn was also there.

  Amy Greenspun, daughter of the Greenspuns', and an intern at the WH related that a nine-year old boy brought over an envelope for the President, and when they looked into it later they found a $1,000 check that was from his education fund, his grandfather said, `because he wants you to be re-elected.'

  The President departed from the Greenspuns residence at 2:15 p.m.

- He attends a reception at Sen. Feinstein's residence at 6:40 for roughly 30 minutes.

  He attended a DNC dinner at 7:30 until @ 9 p.m.

Monday, June 10, 1996

Today...

- He attended dinner for the Democratic National Committee at the home of Lew Wasserman in Beverly Hills

  accompanied by Don Fowler, Chris Dodd and Mickey Kantor.

Other notables at the Wasserman dinner included:

Alec Baldwin and Kim Basinger; Kathleen Brown; Johnny and Alexis Carson; Natalie Cole and guest; Kevin Costner;

Ted Dansen and Mary Steenburgen; Geena Davis and Renny Harlan; Prime Minister Djukanovic, Berry Gordy, Jeffrey Katzenberg and wife, Marilyn; Alan Ladd, Jr. and wife, Cindra; Jay Leno and wife, Mavis; Eleanor Mondale, Rob Reiner and wife, Michele; Sunny Sassoon and wife, Debby; Vidal Sassoon and wife Ronnie; Aaron Spelling and wife, Candy; Barbara Streisand and guest Richard Baskin; Jack Valenti; Gail Zappa, wife of the late Frank Zappa.

He departed @ 9:39 enroute the Smash Box in Culver City,

CA where he attends a DNC reception for the Saxophone

Club. The club turned out to be a photo studio, and the

party was held in the parking lot. There were several hundred people there, inlcuding actress Whoopi Goldberg who was warming up the audience before the President came in with Don Fowler and Alec Baldwin. (@10:23 p.m.)

The President shook hands as the band - which included Joe Walsh of the Eagles and Dan Fogerty - played. Alec Baldwin said four years ago he was raising money to help elect Bill Clinton, and when he won "I was saying ding dong the witch is dead." The President spoke for about 15 minutes. (he looked somewhat tired,) after being introduced by Baldwin.

Friday, June 14, 1996

Today...

- He also went to a DNC Dinner at the Hay Adams Hotel, and another at the Jefferson Hotel.

Monday, June 17, 1996
Senior Staff Meeting

- **Leon**...The President's schedule is very full this week. He has a Coffee at 9:15 this morning;

Attends a reception and dinner for Governor Carnahan,and a DNC dinner afterward.

Today...

- The President arrives the Oval at 9:36 a.m., and proceeds to a Coffee at 9:44 in the MAP room. It is a small group that includes Lynn Cutler, Kenneth Cole, Rabbi Abe Cooper, Howard Maier, Rabbi Marvin Hiel, Mrs. Badri Johnson, Michael Siegal and John Heimman.

Tuesday, June 18, 1996
senior staff meeting

- **Leon**...President has two Coffees today

Today...

- The President attended a Coffee in the MAP room this morning at 9:19 a.m. - it was scheduled for 9 a.m. Bob Nash, a WH aide, staffed the group until the President arrived. The gathering was an eclectic group of top supporters of the President.

- He hosted another Coffee in the MAP room at 1:18 (it was scheduled for 12:45 p.m.) Harold Ickes and Bob Nash were attending WH aides.

Wednesday, June 19, 1996

- **Leon...**President will do Coffee this morning;

- **Nancy...** V President is also doing a Coffee in his office @ 4:30;

Today...

- He hosted a Coffee, that Nancy H. described as a "political" Coffee that would probably last all morning. She explained the difference between the `money' coffees and the `political/issues' coffees as how much he interjected. As usual the Coffee was held in the MAP room.

Monday, June 24, 1996
Senior Staff meeting

- **Leon...**

The President continues on to New York where he does a number of DNC fundraisers.

Monday, July 8, 1996

Today...

- The President did a Coffee with 18 supporters.
this morning at 9 a.m.

Wednesday, July 17, 1996

Today...

- The President left the WH at 7:05 for the Sheraton where he, Mrs. Clinton, the Veep and Tipper will be guests at the Women's Leadership Forum.

The forum was a huge success, attended by @ 3,000 women. Ann Richards was the guest of honor and did an excellent job, saying to the

thousands of women:
"It's important for President Clinton and V-
President Gore to actually see who is going
to re- elect them." She also said, "Bob Dole
resigned from the Senate, but Elizabeth Dole took
a leave of absence," pointing out there's
something to be said for smart women. She
said the "Buchanan cultural war," still
epitomizes the Republican's agenda.
"If Buchanan had got the nomination, the
gender gap would be so wide you'd have to have
a sex- change...to bring the two together."

She called Newt Gingrich, "the Napoleon of
the Potomac." She said Republicans completely
confuse women by telling poor women the world
went to hell cause they stayed home, while they
tell middle-class women they caused social
problems because they went to work... "I'm
thankful to have a President who says women and
children first, and says it as a promise, not a
threat."

Someone yelled out "Gore 2000!" and received
lots of applause. Vice President Gore said his.
trip to Moscow, the country he returned from
this morning, made him realize the difference
between this Administration and others, when he
looked around the Summit table and saw how
diverse the Clinton administration was -- the
Russian team was all white males. The Veep
introduced some of the senior women staff
there from the WH - including Laura Tyson,
Evelyn Lieberman, Sec. Donna Shalala and Sec.
O'Leary.

Mrs. Clinton received a rousing standing
ovation from the crowd. The President received
an even

more rousing ovation with a chant of "four
more years." He also introduced more of his
senior women and wished his Assistant Alexis
Herman, a happy birthday.

The President spoke for @ 15 minutes, going
over his

presidential record and his continued
committment to women, children and family
issues.

Thursday, July 18, 1996

Today...

- The President's day began at 9:20 a.m, with a political Coffee. There was a diverse audience of fifteen people - including a Spelman college junior who served on the Vice Presidential Freshman council; education organization representatives; Gay and Lesbian organization representatives.

  He met with them for one hour and 30 minutes.

Sunday, July 21, 1996

The President continued enroute the private home of Mickey and Louanne Miller, accompanied by Don Fowler, for a DNC reception. A dinner followed.

- The President departed the residence for the Wings Over the Rockies Museum, where a reception with the Saxophone Club Chairs was held. He then attended a Saxophone Club reception with Sec. Pena and Governor Roy Romer. Rep. Schroeder and Mayor Wellington Webb were also there.

Tuesday, July 23, 1996

Today...

He departed immediately, enroute the private residence of Phil and Julie Angelides at 12:32. WH aide Ray Martinez, Tom Umberg and Art Torres rides in the limousine with the President.

He spoke at the Democratic National Committee luncheon of 120 guests, at the Angelides home. Congressman Matsui made welcoming remarks before the President spoke He greeted guests, and left @ 2:23 p.m. with Bruce and Doug Sosnik with him.

He attended the reception for the DNC and the DNC Gala, where he made remarks. Peter, Paul and Mary performs two songs from 6:45 to 7:30 p.m - receiving guests and taking photos with @ 100 folks before leaving.

He attended a DNC dinner at the Beverly Hilton Hotel from 7:40 -9:10 p.m. Peter, Paul and Mary performed. Mayor Willie Brown made opening remarks, and introduced the President. The President made brief remarks, then greeted guests before departing for the private residence of Susie Tompkins.

Monday, July 29, 1996

Senior Staff Meeting

Leon...The President's number one event today is the Conference on Children's Television - in the East Room.
He has a congressional meeting on terrorism, a bill signing of HR248 - brain trauma bill; a joint interview with Ladies Home Journal; and two DNC dinners.

Today...

- The President's day was still far from over. He left at 6:50 for a DNC dinner at the Sheraton Carlton Hotel, where he greeted the guest and made remarks. At 8:15, he appeared at yet another DNC dinner at the Jefferson Hotel, where he greeted guests, made remarks and opened the floor for discussion by guests.

Tuesday, July 30, 1996

Today...

- At @6:26, the President proceeded to a reception for AR AG Winston Bryant, who was a candidate for the Senatorial slot being vacated in January by Senator Pryor.

  The reception was something of a homecoming for the President. He attended two other DNC dinners after this one.

Thursday, August 22, 1996

Today...

- The President had a Coffee this morning at 9 a.m. in the Map Room. There were 23 people in attendance.

Friday, August 23, 1996

Senior Staff Meeting

- **Leon**...the President will be attending coffee at 9 a.m.

Tuesday, September 10, 1996

Today...

- At 2:01 p.m., the President attended a luncheon for the

Democratic National Committee at Kansas City Fundraiser in which they raised $500,000. There were @ 450 attendees.

Mayor Emmanuel Cleaver and Congresswoman Karen McCarthy, and Governor Mel Carnahan attend the event together.

- At 7:30 p.m., the President attended a DNC Missouri Presidential Dinner at the Hyatt Hotel and Resort. There were 600 guests and they raised $600,000.
  The President made brief remarks at 8:25 p.m.
  He took photos with DNC volunteers, and taped a video that paid tribute to Don Shula.

Wednesday, September 11, 1996

Today...

- The President motorcades directly to the home of Regis and Dianne McKenna at 8:05 p.m., where he attends a DNC dinner at the McKenna home in Sunnyvale, CA. After the dinner, the President walks across the street and takes five minutes to shake hands with about 20 of the McKennas' neighbors.

Saturday, September 14, 1996

After the exchange, the President took photos with the various groups there, before leaving for the two events he was scheduled for -- the reception for the DNC, at the Mayflower, where he made remarks; and the Congressional Black Caucus Dinner - changing to black tie attire before leaving for the Democratic Black Caucus.

Tuesday, September 17, 1996

Today...

- The President went to Restaurant Magiano at 6:32 p.m., accompanied by DNC Chair Fowler, and Finance Chair Rosen. where a DNC Dinner was held, hosted by Rep. Dick Durbin.

  He made remarks, worked a ropeline, took photos and departed

at 8:42 p.m. He proceeded to the Duke Childs Landing Zone and was greeted by Clinton-Gore supporters there.

From there he continued on to the private residence of Bill and Patrice Brandt's for a DNC dinner. There were @ 75 couples in attendance. Father Robert Ferrigan, Sacred Heart Church of Winnetka, IL delivered the invocation.
The President made brief remarks, worked a ropeline and departed for the Sheraton Hotel and Towers where he retired for the night.

Wednesday, September 18, 1996

Senior Staff Meeting

- **Evelyn/Leon...**

He attends a DNC dinner and a Saxophone reception in Seattle, and overnights there.

Today...

He departs Pike Place Market for Columbia Tower Club, where he attends a DNC dinner. Kenny G. performs "Happy Birthday" for Frank Greer. Ken Albadeff introduces the President, who then makes remarks.

He departs at 10:07 p.m., enroute the Paramount Theatre where the Saxophone Club is holding a reception for the President. He greets 30 co-chairs of the Saxophone Club and 12 WA state elected officials backstage.
He makes remarks at 10:31 and departs at 10:48, for the Westin Hotel where he retires for the night.

Thursday, September 19, 1996

Senior Staff Meeting

- **Leon...**

The four principals travel from Sacajawea to Portland, where they attend a DNC Gala and reception. They spend the night in Portland.

Today...

He arrived in Portland at 8:55 p.m. where he and the First Lady attended a DNC Gala at the Portland Hilton Hotel.

Rep. Elizabeth Furse made welcoming remarks. The principals all spoke before the President's remarks. They then attended a DNC reception, for 10 minutes before retiring to the Benson Hotel in Portland.

Saturday, September 21, 1996

- At 7:20 p.m., the President attended a DNC dinner in the Hay Adams Hotel. He greeted Committee members, made remarks and left for a second DNC dinner at the Sheraton Carlton Hotel.

Wednesday, September 25, 1996

Today...

- At 4:40 p.m., he proceeded to the Grand Ballroom for a reception for the Democratic National Committee. He was greeted there by a number of local officials.

He was joined at the stage by Mayor Rendell and Tom Leonard. He made brief remarks before working a ropeline and departing.

He proceeded afoot to the Locust Club for a DNC Dinner. He did a photo receiving line before dinner, and was joined again onstage by Mayor Rendell. He made brief remarks before working a ropeline and departing for the airport and home

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Thursday, September 26, 1996

Senior Staff Meeting

- **Leon...**

He has two DNC dinners this evening - one for the African American Leadership Council.

Today...

- The President attended two dinners this evening: At the Democratic Senatorial Campaign Committee, he was joined onstage by Sen. Joseph Lieberman, Sen. Daschle, Senator Edward Kennedy and Senator Robert Kerry. He was there from 7:30 to 8:30 p.m.

  His second stop, at @ 9:30 p.m., was the Sheraton Carlton, The DNC African American Leadership Council - made up of business leaders from across the country. The group raised $750,000 this evening. The President's speech here was very well received. He recognized a number of long-time friends and supporters from Arkansas; and WH aides, Alexis Herman, Ben Johnson, Bob Nash, Janis Kearney. He jokingly said Maggie Williams was sent by "The first lady to make sure I didn't say anything wrong."

  [he led the audience here singing happy birthday to long-time aide, Bob Nash who was celebrating his birthday today. He called Nash "the best employee I've ever had - and the best I have now."]

Saturday, September 28, 1996

- The President attended a reception for DNC Representative Jack Reed at the Westin Hotel at 3:06 p.m. He did a photo receiving line with 150 guests before departing.

  He attends a DNC reception at the Julien Room of the Meridian Hotel, and makes remarks before doing a receiving line with @ 80 people.

- The President attended a DNC dinner at the Meridian. He was scheduled to be there at 10:35 p.m., but arrived much later. There were 36 dinner guests. The President was there for only a brief time before leaving for Logan Airport enroute home.

Monday, September 30, 1996

Senior Staff Meeting

- **Political...**

The weekend trip to TX, RI, NH and CT was great. The President didn't make it to the Sunday night fundraiser until 12 midnight, and stayed for just a few minutes, but promised them he would do something with them in D.C.

Tuesday, October 8, 1996

Senior Staff Meeting

- **McCurry**...There'll be lots of interest in the stories today about Asian money the President has received - particulary the Riady group.

Friday, October 11, 1996

Senior Staff Meeting

- **McCurry**...There is more press on the Riadi family's connection to this administration.

Saturday, October 19, 1996

- He attended a DNC Dinner at the Mayflower Hotel, departing the WH at 7:05 p.m..

  The president made remarks, opened an informal discussion with guests, then departs.

- At 8:30 p.m., the President proceeds to a Dinner for the Democratic Business Council, also in the Mayflower Hotel - Colonial Room.

  Alan Solomont, Chair of the Democratic Business Council, introduced the President. After remarks, the President returned to the White House, @10 p.m.

Sunday, October 20, 1996

Today...

The President spoke, then departed for the Marriott at Glen Pointe Hotel in Teaneck, New Jersey for a Gala Brunch for Representative Robert Torricelli/Coordinated Campaign/DNC. There were @ 800 guests in attendance - at $1,000 per person. (the general election between Torricelli and Zimmer was expected to be a very tight race.)
The President made remarks, worked a ropeline, then departed.

- At 3:10 p.m., the President attended a reception for Representative Robert Torricelli/Coordinated Campaign/DNC in the East Ballroom 1 & 2. He does a receiving line with guests, and departed @ 4 p.m., for the Airport and for Westchester, New York.

- From there he proceeded to the home of Senator Jay Rockefeller and Sharon Rockefeller, for a Presidential Unity Fund Reception and Barbacue. [Senator Robert Kerrey and Rep. Richard Gephardt made remarks before Senator Rockefeller introduced the President.]

  The President made remarks, worked the ropeline and departed @7:05 p.m. for the Sheraton Hotel in New York. He was greeted at the Sheraton by Whoopi Goldberg and hotel management.

- At 8:30 p.m., the President attended a reception for the DNC at the Sheraton Hotel. He was introduced by Noach Dear, city council member. The President makes remarks, works ropeline and departs for the Presidential Unity Fund Reception, also in the Sheraton Hotel.

- The President is joined at the reception by Senator Robert Kerrey; Senator Christopher Dodd; Representative Richard Gephardt and DNC Leader Don Fowler. (Harry Belafonte is also in attendance at the fundraiser.)

  Whoopi Goldberg makes welcoming remarks. Sen. Kerry makes remarks. Rep. Gephardt introduces the President. He makes remarks, works a ropeline and departs enroute Cleveland, Ohio's Renaissance Hotel where he resides for the night.

Monday, October 21, 1996

Senior Staff Meeting

- **Leon**...As of tomorrow, it will be two weeks before election. The President will speak to the people of Cuyahoga county, Ohio this morning; attends a DNC luncheon at the Omni Hotel; does a ground-breaking event at the Detroit/Metro County Airport; Speaks to Michigan Clergy United; attends a DNC reception and dinner at the Fox Theatre (for Sen. Carl Levin.)

- **Legal**...Joe Sanders, legal counsel for DNC is taking lead of the foreign contributions review.
  Leon: what do you think will come of this?
  Kathy Waldman: FEC likely won't be able to finish an investigation before election.
  Karen Hancox: The DNC is reviewing contributions...this is not unprecedented. The same thing happened when Dole's aide was cited for illegal contributions...
  Leon: (chuckling)...this will certainly help move campaign reform forward.

- Building on a string of recent attacks on Democratic fund raising, Bob Dole today urged changes in campaign finance laws, which he blamed for giving President Clinton an unfair advantage in withstanding the challenge to his office.

Today...

- At 12:35 p.m., the President attended a luncheon for the Democratic National Committee at the Classics Restaurant. He was joined there by @ 75 business people of Cleveland, and accompanied on the dais by Mayor Michael White, Senator John Glenn, and Mike Siegel. Senator Glenn introduces the President.

  The President speaks, then departs for Detroit, MI

- The President is greeted at the Fox Theatre by Sam Danou, event chairman, et al, then proceeds to a Reception for the Democratic National Committee for Sen. Carl Levin. Approximately 200 supporters were in attendance.

  The President is joined by Sen. Carl Levin, Mayor Dennis Archer and Sam Danou, event chair, on the dais.

  The President makes remarks to @ 200 supporters, works ropeline and does a photo receiving line with 75 couples prior to the dinner.

  After dinner remarks, and working another ropeline, the President proceeds to Westin Hotel @10:20 p.m. - down for the night.

Tuesday, October 22, 1996

Today's News...

- In the three decades since they emigrated from Cuba, the Fanjul brothers have immersed themselves in American business and politics. They built a sugar cane empire thanks in part to federal price supports. And they invested millions of dollars of their profits in U.S. politicians who have protected that program from elimination.

  What have always made them fascinating is that one is a major Democratic giver and the other is a major Republican giver.

Today...

- He attends a DNC Reception at 7 p.m., where he greeted @ 150 guests. He then proceeded to a DNC Gala at 7:55 p.m. in the Biltmore. He was joined on the dais by Gov. Chiles, Lt. Gov. Buddy McKay and Sen. Bob Grahm. (Peabo Bryson performed.)

  The President made remarks, then worked a ropeline before proceeding to a DNC Dinner at 9:10 p.m., where he had an informal discussion with guests at the table. He was there an hour before departing for the Presidential suite.

Wednesday, October 23, 1996

Today's News...

- A broad coalition of Asian American leaders yesterday charged that a growing scandal over questionable Democratic National Committee contributions from Asians and Asian Americans is generating a wave of Asian-bashing, and feeding a stereotype that casts them as perpetual foreigners.

  The Asian American leaders said they believe the controversy over John Huang's fundraising is being highlighted because it involves Asians and Asian Americans. They also say it is raising suspicions about other, perfectly legal campaign contributions from Asian Americans.

Today...

- The President arrives home at 4:25 p.m. He is down until 6:30 p.m., when he departs for a Presidential Unity Reception and Dinner at the Sheraton Hotel

The Presidential Unity Celebration, held in the outdoor tent, lasted from 9:15 p.m. to 10:15 p.m. The President departed the Kay residence @ 10:20 p.m., arriving at the WH at 10:30 p.m.

Monday, October 28, 1996

Senior Staff Meeting

- **Leon...**

Leon asked Evelyn and Jack Quinn to meet with Secret Service to find out how a decision was made to allow a convicted felon was allowed to "run around" in the White House.

Tuesday, October 29, 1996

Senior Staff Meeting...

- **Leon**...Leon: Contrary to WA Post article, the DNC will release donor list to press today - eventhough not required by law, it only covers period between Oct 1-16th, and we made no contributions to the President. DNC told press yesterday they would release the list - before the stories came out.

- **Political**... The Republicans are doing press conference on the DNC's refusal to release their donor list. (Karen Hancox: The WH and the Re-elect should not respond to media inquiries on this.)

Today's News...

- Most major dailies and networks ran the story that the DNC would not release their political donor list, a final accounting of its finances due before Election day. Republicans and advocates of campaign finance reform expressed outrage. (The DNC, in fact, shared with the press yesterday that they would release the donor list -

eventhough it was not a federal requirement, and did so today.)

Today...

- The President departs the WH for Constitutio Hall and the Democratic National Committee Saxophone Club Presidential Victory Concert.

  Entertainers Kevin Spacey introduces Bruce Hornsby. Bruce Hornsby performs, then introduces Stevie Wonder. Stevie Wonder performs. Kevin Spacey introduces the President.

  The President makes remarks, works a ropeline, then departs. He arrives back at the WH @ 9:45 p.m.

Wednesday, October 30, 1996

Senior Staff Meeting

- **Leon...**

  He then goes to a DNC event. (Leon:...another one of those events where people come through the back door.)

  Today the news will focus on: good economic numbers; the DNC flap will continue, with Huang being deposed; and, Bosnia will be covered, as NATO begins discussing options.

Today's News...

- The Democratic National Committee, yesterday reversed its earlier decision not to publicly release information about its contributions and expenses in the first two weeks of October and agreed to file a final pre-election report with the Federal Election Commission.

  They released a packet of information on contributors during that full period and said it would give a full accounting to the FEC this week. The papers showed that from Oct. 1 to 16, the DNC took in $10 million, $4 million of it in large contributions, known as soft money from individuals, labor unions and corporations.

Officials at the Federal Election Commission said the accounting should have been filed with the commission last week. But on Monday, officials at the DNC made clear that they would break with two decades of practice and not prepare a final list

of contributions and expenses until after the election.

- Webster Hubbell, a former Associate Attorney General, will pay the Rose Law Firm $400,000 in restitution of money he admitted stealing from clients and the firm, according to documents filed today in United States District Court here.

  Mr. Hubbell's release from prison is scheduled for late November.

Today...

- He met with Tony briefly before departing for a DNC breakfast at the Sheraton Carlton Hotel where he made remarks then open up the discussion to participants. The breakfast consisted of the President, Marvin Rosen, Richard Sullivan and eight guests, including Mr. Harvey Weinstein, founder of Miramax Films which produced "The Postman," nominated five times for Academy Awards. He departed immediately after the discussion for the WH.

Friday, November 1, 1996

Today's News...

- Attorney General Janet Reno said today that the Justice Department had taken the first step toward deciding whether to seek an independent counsel to investigate possible wrongdoing by Democratic fundraisers.

  Ms. Reno's announcement also seemed to assure that the issue of possible criminal activity in the swirl of events around the Democrats fund-raising activities would remain a high-profile political issue for at least another month as Justice Department prosecutors weigh whether to push the review to the next stage of inquiry. But a finanl decision on whether to seek an independent counsel will not be reached until weeks after Tuesday's elections.

Wednesday, November 13, 1996

Senior Staff Meeting

- **Legal**...Justice appointed Independent counsel in response to McCain's request to investigate the involvement of Huang and

Lippo in campaign finance.

Monday, November 18, 1996

Senior Staff Meeting

- **Political...**

Leon: Thanks to Mike Mc and Sheryl Mills for getting information for releasing summary of visits by Riady, Middleton and Huang.

Thursday, November 21, 1996

Senior Staff Meeting

- **Leon...**

DNC returns another contribution from an Asian woman.

Tuesday, December 17, 1996

Senior Staff Meeting

- **Leon...**

There will likely be continued questions from the press about the $639,000 raised by businessman "Charlie" Trie, for the President and Mrs. Clinton's legal defense fund contributions that were returned.

- **Legal**...It was announced that the Legal Defense Fund returned almost a half-million dollars in donations.

Wednesday, December 18, 1996

Senior Staff Meeting

- **Legal**...Continue to deal with questions regarding Charlie Trie.

Thursday, December 19, 1996

Senior Staff Meeting

- **Legal**...Still dealing with inquiries about Charlie Trie's visits to the WH.

Today's News...

- The Clinton Administration disclosed today that Charles Trie, the Arkansas businessman who raised hundreds of thousands of dollars in contributions for the Clinton's legal defense fund earlier this yearm went to the White House at least two dozen times in the last four years and was in the Oval Office at least twice.

The White House released the records in response to a growing number of questions about Mr. Trie's relationship with. the President and his fund-raising activities on behalf of the Democratic Party and Mr. Clinton's legal defense fund.

- Over the past four years, the Clinton Administration and the President's friends have created more than a dozen private funds, financing a range of political and personal causes - from paying legal defense bills and restoring the President's birthplace to building a White House jogging track.

To restore the President's birthplace in Hope, AR, the President's friends created a private foundation whose board includes a former white house aide, Mark Middleton.

Tuesday, December 31, 1996

Today's News...

- Despite the Democrat's triumph in holding on to the White House, President Clinton has failed to enlist his first choice to be chairman of the Democratic National Committee and is now casting a wide net for someone to lead a party

organization beset with debt, recriminations and investigations into its fund-raising.

Mr. BURTON. Are you concerned, as we are, with the White House response to subpoenas? I sent a subpoena in March for videotapes, audiotapes, and any documents relating to this investigation, and we keep getting them dribbling in. We got more yesterday. Are you confident that your subpoenas have been responded to?

Ms. RENO. I have expressed my concern in the past, and we continue to do everything we can to make sure that there is full disclosure.

Mr. BURTON. But are you concerned about the slowness with which the White House has been responding to our subpoenas and yours?

Ms. RENO. As I say, I have expressed my concern.

Mr. BURTON. Thank you. Are you confident that you have received all relevant information from the Democrat National Committee?

Ms. RENO. Again, I want to do everything I can to make sure that there has been full disclosure, and we will continue that effort.

One of the things that I have discovered, Mr. Chairman, is the new mystery of the computer and what the computer can and can't produce and what can be stored and isn't stored on hard drive and soft drive, and so we continue to pursue that angle, as well as any other possible angle that we can to make sure that there is full production.

Mr. BURTON. The problem, Ms. Reno, is that these documents were subpoenaed by you and the committee and others almost a year ago, and we still don't have all of the documents. I assume that you don't have all of the documents. Isn't this of some concern to you that it is taking that long? I mean, this could drag on for years.

Ms. RENO. What I have mentioned, Mr. Chairman, is that I don't know whether I have all of these or not, but we will check and let you know. With respect to my concern, as I have said, and on a previous occasion, I was mad at one point, really mad.

Mr. BURTON. Who advised you regarding your decision in appointing an independent counsel?

Ms. RENO. Lawyers in the Department of Justice, Director Freeh, and lawyers who are on the Task Force.

Mr. BURTON. Did chief of staff John Hogan or Bob Litt participate in that decision?

Ms. RENO. Again, what I would suggest to you, Mr. Chairman, is that I want the people who advised me to make sure that they can talk without having to disclose their thought process, since I am the one that is responsible for this decision, and I am the one where the buck stops.

Mr. BURTON. I understand. But let me just say that Mr. Hogan and Mr. Litt are both, they are both political appointees, and Mr. Lee Radek was appointed to head up the Public Integrity Section by Mr. Clinton. Did they advise you on this decision?

Ms. RENO. Again, I am not going to discuss who advised me. I think it is important that they be able to talk freely and openly with me, because the decision is mine.

Mr. BURTON. I understand, Ms. Attorney General, but the reason I am asking that is because this is a very important investigation,

and you as Attorney General, if you are relying upon the judgment of people who have a political interest in the decisions, then we are concerned that your decision might be swayed one way or the other by politics and not by legal issues.

Ms. RENO. I have relied on senior officials in the Department of Justice, both politically appointed and otherwise. I have relied on decisions made by a number of people. But it is my decision with respect to the independent counsel. I am the one who has to explain it.

Mr. BURTON. I understand. Mr. Radek has said that he thought that the independent counsel statute is an insult, and he now heads up the Public Integrity Section. Did he have any voice in this?

Ms. RENO. Again, I—the decision is mine, the voice is mine.

Mr. BURTON. Was Director Freeh in the room when you made your decision?

Ms. RENO. As I talked to Director Freeh, I explained to him that I had struggled with the opinion—the decision overnight, I talked with him; I can't tell you precisely when I made the decision, whether he was in the room or not, because I had—you cannot imagine, Mr. Chairman, how much time and much effort and much thought I give to this. I wake up in the middle of the night trying to think of every new angle. I come up with a new idea and I come to the office and try to have it explored. I talk to Director Freeh before I make a final decision.

Mr. BURTON. I understand.

Ms. RENO. I probably don't make the decision until I have put my name on the paper, just to make sure that I try to consider every aspect, and I don't think he was in the room when I put my name on the paper.

Mr. BURTON. I understand. And the next time you are up at 3 or 4 a.m., call me, because I will be up, too.

Your recent independent counsel decision was based solely on the phone calls made by the President and the Vice President; is that correct?

Ms. RENO. With respect to the President and the Vice President, of course. Secretary O'Leary's issue was different.

Mr. BURTON. In fact, Vice President Gore has been quoted that he has been vindicated and he is glad it is over. But you have not closed down any lines of inquiry regarding the Vice President; have you?

Ms. RENO. I have been very explicit and was explicit when I made the statement because I saw some statements from Congress that indicated that they thought I would be closing it down. I have made the statement that no one is exonerated, I am not closing it down, and I am going to continue to follow every lead.

Mr. BURTON. Thank you.

Your decision didn't have anything to do with anyone's knowledge at the White House or the DNC with respect to illegal foreign money coming into the DNC, then; your decision regarding this independent counsel at this time?

Ms. RENO. The notification spells out the issue that we focused on and the issue that triggered the preliminary investigation. The

matter to which you refer was not included in this preliminary investigation.

Mr. BURTON. Ms. Reno, in this matter we have had over 65 people, 65 people that have taken the fifth amendment, many of them friends of the President, or fled the country. Have you ever experienced so many unavailable witnesses in any matter that you have prosecuted?

Ms. RENO. I have never prosecuted a matter like this. I have never investigated a matter like this, and so I haven't seen a situation like this.

Mr. BURTON. Sixty-five people, many friends of the President, taking the fifth amendment, hiding under their fifth amendment rights, fleeing the country so they can't be questioned——

Ms. RENO. I can't comment on your investigation, Mr. Chairman. All I can tell you is in my investigation I have never handled one like this, so I have not seen one like this.

Mr. BURTON. OK. Does it concern you that the number of these individuals who have taken the fifth amendment or fled the country are close associates or friends of the President?

Ms. RENO. Mr. Chairman, I would not comment on continuing matters that the Task Force is pursuing, because that again lays out the road map for what I am doing or not doing.

Mr. BURTON. Now, totally apart from the mandatory sections that triggered the independent counsel statute, there is a section in the independent counsel law that allows you to appoint an independent counsel when you have conflicts in pursuing a case; is that correct?

Ms. RENO. It says that if there is—if I have specific and credible information about a noncovered person, the investigation of whom would create a conflict of interest, I may seek the appointment of an independent counsel.

Mr. BURTON. So you could in this case seek an independent counsel if you so chose?

Ms. RENO. If I felt it was triggered.

Mr. BURTON. And that is section 592 of the statute. You don't need to look it up, that is section 592 of the statute.

In 1993, when you spoke in favor——

Ms. RENO. The specific section is 591(c) that provides for the discretionary conflict.

Mr. BURTON. I believe it also is 592, but we won't quibble about that.

In 1993, when you spoke in favor of the independent counsel statute, you said, and I quote,

> The role of declining to prosecute a high Government official is, I suggest, as important a goal of the independent counsel process as any prosecution. The credibility and public confidence engendered by the fact that an independent and impartial outsider has examined the evidence and has concluded that the prosecution is not warranted serves to clear a public official's name in a way that no Justice Department investigation ever could.

This was on May 14, 1993. By keeping this investigation in political hands instead of an independent counsel's, aren't you undermining public confidence in this investigation?

Ms. RENO. I don't think so, sir, because if it is pursued according to the independent counsel statute provisions, it assumes, and the

independent counsel statute presumes, and Congress presumes, that there was a conflict of interest with respect to the covered persons, but it also provided that there must be specific and credible information against the covered person, as well as against a person for whom a discretionary conflict might arise.

We try to review each matter to determine whether there is specific and credible information and make a judgment accordingly. If you did otherwise—and Congress talks in its legislative history about not lowering the threshold too much, otherwise, I would suggest that you have the fear of an independent counsel statute being triggered on any occasion, regardless of whether the evidence is sufficient to trigger it.

Mr. BURTON. I understand your reasoning, although I take issue with it, but it is correct that you could petition to appoint an independent counsel under the law if you so chose?

Ms. RENO. If I believed that there was a conflict.

Mr. BURTON. In fact, Mr. Freeh in his memo to you recommended an independent counsel and a course of action which is entirely in keeping with the spirit and the letter of the independent counsel statute; isn't it?

Ms. RENO. Again, Director Freeh and I have suggested to you in our letter why it would not be appropriate to discuss the details of that memorandum.

Mr. BURTON. But there was logic and legal reasons why in his letter. You don't have to give us the contents, but there were logical and legal reasons why he thought an independent counsel was warranted.

Ms. RENO. Director Freeh, as I understand it, will in his statement tell you that he thought an independent counsel was warranted.

Mr. BURTON. But there were legal and reasonable reasons why he suggested that. I mean, he must have researched it. You disagreed, obviously.

Ms. RENO. I disagreed with him.

Mr. BURTON. But weren't there legal reasons and logical reasons why he thought an independent counsel was necessary? Was it off the wall?

Ms. RENO. If it were Louis Freeh, he would make one decision. If it's me, I thought another decision was reasonable.

Mr. BURTON. I am talking about the basis for his recommendation, Madam Attorney General.

Ms. RENO. In determining whether a conflict exists, it is not Director Freeh's conflict, it is mine.

Mr. BURTON. So it was a conflict that he was talking about in his letter.

Ms. RENO. Again, if the issue is conflict, it is my conflict.

Mr. BURTON. I know. But you just alluded to that part of his memo by saying——

Ms. RENO. Do you have the memo, Mr. Chairman? You—if you have the memo, then we won't worry about it.

Mr. BURTON. But you just alluded to something that was in the memo and that was the conflict, so we now have that.

Ms. RENO. No, sir. You asked about a conflict, and I don't know what you're reading from, but you specifically asked about a con-

flict and I simply responded by pointing out to you that if the issue is a conflict, it is not Louie Freeh's, it's mine.

Mr. BURTON. Well, I will reread the question and you will see if I said anything about a conflict. In fact, Mr. Freeh in his memo to you recommended an independent counsel and a course of action which is entirely in keeping with the spirit and the letter of the independent counsel statute; isn't it? It says nothing about conflict, you are the one that said that, that is why I raised that issue.

Ms. RENO. Does the independent counsel statute give anybody a course of action other than by virtue of a conflict?

Mr. BURTON. No.

Ms. RENO. OK, sir. Thank you.

Mr. BURTON. But the point is you raised it, but we won't quibble.

Didn't Director Freeh present a case based on the law and facts for an independent counsel?

Ms. RENO. Director Freeh—as I have told you, Mr. Chairman, I want the people around me to be able to talk freely, voluntarily, and openly. I don't think that I should say what people who work with me volunteer, when the decision has to be mine. I am responsible for it.

Mr. BURTON. Do you think Director Freeh presented an unconstitutional interpretation of the law that would be struck down if you were to follow his recommendations?

Ms. RENO. I would not comment on what Director Freeh said to me.

Mr. BURTON. Well, I don't understand. How is this going to jeopardize your investigation if you comment on the constitutionality of his position in the memo? That has nothing to do with the investigation.

Ms. RENO. Mr. Chairman, I have a conference room and there are so many occasions where I have had lawyers from all parts of the Justice Department around the table in that conference room. I think that they know that they can speak openly, with candor, with good give and take, and sometimes there are eight lawyers there and there are eight different opinions. I don't want those lawyers to feel that every time they give me their best and most candid advice they are going to be hauled before a congressional committee to discuss an ongoing investigation.

Mr. BURTON. Well, that is not my question. Let me read it to you again.

Do you think Director Freeh presented an unconstitutional interpretation of the law that will be struck down if you were to follow his recommendation?

Ms. RENO. I give you the same answer, sir. I think that I have a responsibility to make the decision and to not comment on the opinions given to me in the deliberation process with respect to ongoing matters.

Mr. BURTON. So this committee and the Congress do not have a right to know whether or not you thought that his recommendation was constitutional or not?

Ms. RENO. If you have a right to know about these matters, then you have a right to know everything.

Mr. BURTON. If the President asked—well, but we are not talking about things that might be redacted or should be redacted that are

before a grand jury or any evidence that would lead to a criminal indictment. We are not talking about that. We are trying to find out why that decision was made.

Ms. RENO. I will tell you why the decision was made.

Mr. BURTON. There is this difference between you and the FBI Director, and whether or not you thought his recommendation was unconstitutional.

Ms. RENO. I will tell you why the decision was made.

Mr. BURTON. Because you wanted to make it, and you made it.

Ms. RENO. I made the decision because the Congress of the United States provides that it is the Attorney General who will make the decision. I considered the information from everyone, and the reason I made the decision is contained in the notification filed with the special division.

Mr. BURTON. If the President asked you to appoint an independent counsel, would you do so?

Ms. RENO. It would depend on the circumstances.

Mr. BURTON. Well, isn't that what you did when you appointed a special counsel on the Whitewater matter? I mean, after all, you opposed it for a long time until the President gave his approval.

Ms. RENO. As I indicated on a number of occasions in that instance, the Congress had not re-enacted the independent counsel statute. It had, what do you call it, lapsed, or sunsetted, so we were in an interim period where there was no independent counsel statute.

Mr. BURTON. You are aware in 1986, that President Reagan called for an independent counsel in the Iran-Contra matter, even though there were no covered persons involved, and he did so in the public interest. Are you aware of that?

Ms. RENO. No, sir, I am not.

Mr. BURTON. You are not aware of Iran-Contra?

Ms. RENO. I am aware of Iran-Contra. I am not aware of what President Reagan did.

Mr. BURTON. Well, it was publicly disclosed; it was in all of the papers. You just didn't read that?

Ms. RENO. I may well have read it.

Mr. BURTON. You don't recall, OK.

Do you recall that in 1993, you stated that the Iran-Contra investigation, "could not have been conducted under the supervision of the Attorney General and concluded with any public confidence in its thoroughness and impartiality." You said you didn't know about it, but in 1993 you commented about it.

Ms. RENO. I don't know what I—I am well aware of the investigation. But I am not aware of or have no recollection of President Reagan's calling for the appointment of one.

Mr. BURTON. But you recall this comment that you made in 1993?

Ms. RENO. Yes, I do.

Mr. BURTON. And do you stand by that comment?

Ms. RENO. Yes, I do.

Mr. BURTON. I will read it again.

Ms. RENO. You don't have to. I stand by it.

Mr. BURTON. Well, I will read it again just for my own edification.

The Iran-Contra investigation, "could not have been conducted under the supervision of the Attorney General and concluded with any public confidence in its thoroughness and impartiality," and you stand by that?

Ms. RENO. Uh-huh.

Mr. BURTON. Oliver North was not a covered person.

Ms. RENO. That is correct.

Mr. BURTON. And yet they appointed an independent counsel because they thought that there was the appearance of a conflict.

Isn't public confidence in investigations of high ranking public officials the main rationale of the independent counsel statute?

Ms. RENO. I think there is a considerable history, and I would refer you to it.

Mr. BURTON. Well, wasn't the statute enacted to provide public confidence in prosecutions and declinations to prosecute high level public officials?

Ms. RENO. I think that is certainly one of the reasons.

Mr. BURTON. Well, when you supported a special counsel then, an independent counsel on the Whitewater matter, didn't you do so, at lease in part, because the McDougals were friends of the President and the First Lady?

Ms. RENO. They had a business relationship with the President and the First Lady, and I think again I spelled it out in the referral.

Mr. BURTON. But it was because of the provision that we have been discussing here today?

Ms. RENO. I do not have the language with me, but I would refer you to the notification to the court.

Mr. BURTON. Didn't you say it would be an inherent conflict for you to investigate the Whitewater matter?

Ms. RENO. If you could get the exact language of the notification, we can be more accurate.

Mr. BURTON. Well, I believe that is what was said.

Ms. Reno, isn't this the first time that Director Freeh found himself trying to maintain the integrity of the FBI?

I will read this quote to you.

The circumstances of this matter called for the appointment of an independent counsel. Because of the investigation by the Department of Justice, allegations of violations of criminal law by James B. McDougal and other individuals associated with the President and Mrs. Reagan would present a political conflict of interest.

Ms. RENO. You said Reagan.

Mr. BURTON. Pardon me.

President Clinton, would present a political conflict of interest. I hereby request that the court appoint Robert B. Fisk, Jr., so that he may continue his ongoing investigation without disruption and with the full independence provided by the act.

So you thought there was a conflict because of the McDougal's ties with the President. I mean that is your quote.

Ms. RENO. That is correct.

Mr. BURTON. Now, Ms. Reno, isn't this the first time that Director Freeh found himself trying to maintain the integrity of the FBI's investigation? As a result of a Washington Post story back in February on the Chinese connection, White House Counsel Charles Ruff requested documents from the Justice Department. Director Freeh voiced strong reservations about giving the White

House intelligence information that might tip off the White House to the investigation. Yet, despite Mr. Freeh's opposition, attempts were made by the Department of Justice and you to send certain information to the White House.

While Director Freeh was out of the country in Egypt, White House and DOJ political appointees forced FBI agents to provide the information Freeh had objected to. FBI agents had to call the FBI Director in Egypt to prevent this material from being sent to the White House. It was only FBI Director Freeh's 11th hour call from the Middle East which prevented this information from being forwarded to the White House, which was very sensitive.

Do you recall that?

Ms. RENO. What I do recall is that I said, what does Louis think? They said, he is in Cairo. He won't be available until the next morning. I said, get him as fast as you can, because I want to talk to him before I make a decision.

Mr. BURTON. Well, I want to—I had some personal involvement in this and investigated it, and I talked personally to the people at the FBI, and they——

Ms. RENO. But you didn't talk to me, and you didn't talk to Director Freeh, and you weren't in the room when I talked to Director Freeh.

Mr. BURTON. I did talk to Director Freeh, so let me finish.

Ms. RENO. OK.

Mr. BURTON. What happened was—according to the people I talked to, was that Louis Freeh told the people, your chief of staff, that this information should not be given to the White House in his opinion. He left and went to Egypt after giving that advice, and after he left for Egypt and was there, his chief deputy was summoned to the Justice Department and was told that that information must be given to them.

He then came over to the Justice Department and gave that information, and on his way back in the car, he said to an associate, I am not sure we should have given that information to the Justice Department without having first talked to Louis.

They called Louis in Egypt, and then Louis called you immediately and said that he didn't think that information should be given to the White House, and then you didn't give it to them.

Ms. RENO. I think the best thing to do——

Mr. BURTON. I can't hear you.

Ms. RENO. I think the best thing to do, rather than get into this hassle, is have Director Freeh come up, and let's talk about it.

Mr. BURTON. I will ask Director Freeh about this later, but I will just tell you that the information we have does not jibe with what you just told us.

Ms. RENO. Well, since you weren't there, I can understand it might not, and since you haven't asked me about it before this and have already reached a judgment, I can understand why it might, but what I would suggest——

Mr. BURTON. I talked to the FBI people who were involved directly.

Ms. RENO. If you want to talk to the FBI people, let's bring Director Freeh up here.

Mr. LANTOS. Mr. Chairman, why don't we let the FBI Director answer the question which has just been raised.

Mr. COX. Regular order, Mr. Chairman.

Mr. BURTON. We will ask Director Freeh that question when he comes before the committee later.

Mr. LANTOS. Then don't interrupt the Attorney General.

Mr. BURTON. I have the time. You will have your time later.

Mr. COX. Mr. Chairman, regular order.

Ms. RENO. What I would say, Mr. Chairman, is to try to get to the truth of it all, you should hear from the people involved. We are both here, and I refer you to your inquiry of Director Freeh at the time, because I can tell you, since you have never talked to me about it before, I am the one that talked to him, I am the one that had to wait overnight until we could find him in Cairo on his STU phone, and I know what I talked to him about, and I know the decision that I made, and——

Mr. BURTON. I understand that. I understand that you did make that decision, but the thing that I disagree with and the information that I have that contradicts that is that the FBI associate of Mr. Freeh who talked to him on the way back from the Justice Department, said, we'd better talk to Louis about this. He called Louis Freeh and then Louis Freeh initiated the call back to you.

Mr. BARRETT. Mr. Chairman, I have a parliamentary inquiry.

Mr. BURTON. Suspend the time.

The gentleman will state his parliamentary inquiry.

Mr. BARRETT. Would you entertain a motion to—or would a motion to reconsider the placing of Mr. Freeh at the table with Ms. Reno, would that be timely?

Mr. BURTON. The committee has already voted on that and we will not reconsider it at this time.

Mr. BARRETT. Mr. Chairman, my question is, would it be appropriate, under the rules——

Mr. BURTON. You are not stating a valid point of order.

Mr. BARRETT. My question is, when would it be appropriate for a motion for reconsideration?

Mr. BURTON. No.

Mr. BARRETT. No?

My question is, when would it be appropriate for a motion for reconsideration?

Mr. BURTON. We have already voted on it.

Mr. BARRETT. No, we have not voted on a motion for reconsideration. What I am asking you is, when would it be appropriate to consider a motion for reconsideration? That motion failed on a 12 to 12 vote. It is my understanding of the rules that on a tie vote, any Member can move for reconsideration, and I would like to move for reconsideration.

My question to you, Mr. Chairman, would be, when would that motion be appropriate? When would you entertain that motion?

Mr. BURTON. I am advised by counsel that only a Member who voted for the motion can move to reconsider. And we will——

Mr. LANTOS. We all voted for it, Mr. Chairman.

Mr. BARRETT. Mr. Chairman, I did vote for it, so I would move that we reconsider that vote.

Mr. BURTON. We will entertain that at the conclusion of my questioning.

Mr. BARRETT. Thank you, Mr. Chairman.

Mr. BURTON. Now, with respect to Webster Hubbell, Madam Attorney General, don't you believe you would have an inherent conflict investigating matters regarding Mr. Hubbell, who was your No. 3 Justice Department official and ran the Department of Justice with you in 1993 and 1994?

Ms. RENO. I don't know what you mean by inherent conflict. It would depend on the circumstances, sir.

Mr. BURTON. Well, you said he was a friend, and when he was about to be indicted and left the Justice Department, you indicated that you didn't think he was guilty or hadn't done anything wrong and that he was a paragon of virtue. If you want me to, I will read exactly what you said about him.

Ms. RENO. I don't know whether I called him a paragon.

Mr. BURTON. Well, but you made some pretty strong statements.

Ms. RENO. I did indeed, sir.

Mr. BURTON. In any event, do you think that there would be a conflict of you investigating his relationship with a number of the principals involved in this investigation and/or the President?

Ms. RENO. It would depend on the circumstances, sir.

Mr. BURTON. In other words, Webb Hubbell, who was a friend of—who received $100,000 from the Riadys, the Lippo Group, after 10 meetings at the White House involving the President of the United States, James Riady, John Huang, and Webb Hubbell, you don't think that those three, many of whom are being investigated for large sums of money being illegally funneled into the DNC and into the President's re-election committee and into the President's Legal Defense Fund, you don't believe that there might be a conflict of you investigating him?

Ms. RENO. What I have said, sir, is that as we continue investigations, I cannot discuss them, but if at any time the statute is triggered, I will do so.

Mr. BURTON. I know, but what I can't understand is why you can't give us an answer about whether or not you think, because of your relationship with Webb Hubbell at the Justice Department, because of his relationship with the President, his golfing buddy and long-time friend, because of his relationship and employment by the Riadys, who have fled the country, James and Mochtar Riady, and because of his ties to Charlie Trie, because of his ties to John Huang, who has taken the fifth amendment, whom your Department, I don't believe, has even contacted, you don't think there is a conflict?

Ms. RENO. The issue is, sir, whether there is specific and credible information against a person that relates to Camcon. There are also matters that other independent counsel—other independent counsel is reviewing. I cannot discuss these, and I cannot discuss how an ongoing investigation, either by me or by an independent counsel is being conducted.

Mr. BURTON. Now, let me just make a comment then. I think on its face, the American people would think that there would be a conflict of interest, and for that reason, in order for there to be a fair and impartial investigation of this whole mess, there ought to

be a person appointed as an independent counsel who has no ax to grind, who has no ties to Webb Hubbell or John Huang or to the President or anybody else, so we can get to the bottom of it. For you to keep hiding behind this thing saying, well, you will consider it, I think it is a dereliction of responsibility.

Ms. RENO. I am not hiding, Mr. Chairman. I am trying to do my duty under the independent counsel statute and under the law to conduct an investigation in a professional way, taking it wherever it leads me, and I will continue to do so.

I also have an obligation under the independent counsel statute to trigger it in certain situations and I have the discretion in others, and in each instance I have asked for an independent counsel on at least four occasions. I have referred other matters, I have used the discretionary provision, I have demonstrated an ability to it, but I am going to do it based on what I understand the evidence and the law to be.

Mr. BURTON. You said earlier that you had the ability and the authority under section 591 or 592 of the statute to appoint an independent counsel if you felt that there was a conflict. You said that earlier in your testimony.

Ms. RENO. I said something else, too, sir—if there was specific and credible information against a noncovered person, the investigation of whom I felt created a conflict.

Mr. BURTON. Well, that same situation occurred in Iran Contra. And the Attorney General, Ed Meese at that time, said even though Ollie North was not a covered person, in order for there not to be any appearance or question about propriety, he appointed an independent counsel; and the President of the United States, Ronald Reagan, concurred. Here we have you saying, you are going to take care of it yourself, even though there is an apparent, in many of our minds, maybe not your mind, there is an apparent conflict of interest that is visible to most people in America, I believe, and as a result, you just continue to say, I am going to handle it. I don't see any conflict, I don't see any problem, so we are going to proceed ahead. I just don't—and the President, of course, is not saying anything.

Ms. RENO. What I have indicated previously and have indicated and will indicate here is that the legislative history, as we read it, of the independent counsel statute, as it has been reenacted, does not provide for an independent counsel when there is an appearance of conflict. There must be an actual conflict.

Mr. BURTON. Well, does it trouble you at all that a number of your Democrat colleagues, like President Carter and Senator Moynihan and others, feel that you should appoint an independent counsel? Does it trouble you at all that there is that big difference?

Ms. RENO. "Trouble" is not the word I think, Mr. Chairman. What I strive to do is to listen to everyone who has an opinion that is based on the evidence and the law. When people start talking to me about polls, I say, forget it.

Mr. BURTON. I am not talking about polls.

Ms. RENO. When they start talking to me about how many editorials have been written about me, I say, forget it. I try to do it, and one of the people, for example, that I talked to, is Director Freeh.

Mr. BURTON. OK.

Ms. RENO. I listen to others. I have appeared before the Senate Judiciary Committee. Senator Feingold has given me his thoughts on it, and I have tried to take those into consideration. But it is not Senator Feingold's decision, it is not President Clinton's decision, it is mine; and one of the problems I have, Mr. Chairman, is that if I had to please everybody and make sure that everybody agreed with me, we would never get anything done.

Mr. BURTON. Well, my time is running out and I want to get one more thing on the record here, and I will grant you an extra 30 seconds if we have to, because I think it is important. I want to read to you:

June 20, 1994, John Huang called Mark Middleton and asked for a meeting for June 21, 1994.

June 21, 1994, John Huang and James Riady were cleared into the White House twice: 4:45 p.m., they met with Mark Middleton, who was then working in the Office of the White House Chief of Staff; 6:50 p.m., they went to a White House reception on the South Lawn hosted by the President.

The next day, June 22nd, John Huang and James Riady again met with Mark Middleton in the White House.

June 23rd, Riady had a breakfast meeting with Webb Hubbell, who at this time was under investigation by the independent counsel. June 23rd, after breakfast, Riady, accompanied by John Huang, returned to the White House to meet with President Clinton.

June 23rd, after this meeting, Riady returned to his hotel room at the Hay-Adams and placed two calls to Indonesia and then placed calls to the White House Chief of Staff's office where Middleton worked. He also called Webb Hubbell: 10:01, first call to Indonesia; 10:02, the second call to Indonesia; 11:04, call to Webb Hubbell; 11:05, call to the White House Chief of Staff's office.

June 23rd, Riady had lunch with Webb Hubbell at the Hay-Adams Hotel one block from the White House.

June 24th, Huang and Riady went back to the White House for another meeting with Mark Middleton. June 24th, Mark Middleton, John Huang and members of Riady's family had lunch in the White House mess. June 24th, Riady met again with Webb Hubbell.

June 25th, Riady, John Huang, Mark Middleton attended the President's weekly radio address.

June 26th, a Lippo company, Hong Kong-China Limited paid Webb Hubbell $100,000.

July 2nd, President Clinton calls Webb Hubbell at his home at 10:16 p.m.

July 1994, John Huang, a principal with the Lippo Group, who gave $100,000 to Mr. Hubbell, goes to work as Deputy Assistant Secretary at the Department of Commerce.

And February 1995, Mark Middleton left the White House to start his own business specializing in Asian business affairs.

And you don't think there are any conflicts with any of these people and their ties to the President and your investigation?

[Exhibits 276 and 276–1 follow:]

Hubbell/Riady Meetings, June 1994

- **The attendance of John Huang and James Riady at President Clinton's weekly radio address in the Oval Office on June 25 was the grand finale to a week of meetings involving Clinton, Huang, Riady and Webster Hubbell.**

- **June 20, 1994: John Huang called Mark Middleton and asked for a meeting for June 21, 1994.**

- **June 21, 1994: John Huang and James Riady were cleared into the White House twice:**

  4:45 pm: They met with Mark Middleton, who was then working in the Office of the White House Chief of Staff.

  6:50 pm: They went to a White House reception on the South Lawn hosted by the President.

- **June 22, 1994: John Huang and James Riady again met with Mark Middleton in the White House.**

- **June 23, 1994: Riady had a breakfast meeting with Webb Hubbell, who at this time was under investigation by the Independent Counsel.**

- **June 23, 1994: After breakfast, Riady accompanied by John Huang returned to the White House to meet with President Clinton.**

- June 23, 1994: After this meeting, Riady returned to his hotel room at the Hay-Adams and placed two calls to Indonesia and then placed calls to the White House Chief of Staff's office where Middleton worked. He also called Webb Hubbell.
  10:01 am - first call to Indonesia
  10:02 am - second call to Indonesia
  11:04 am - call to Webster Hubbell
  11:05 am - call to White House Chief of Staff's office (Middleton)

- June 23, 1994: Riady had lunch with Webb Hubbell at the Hay-Adams Hotel, one block from the White House.

- June 24, 1994: Huang and Riady went back to the White House for another meeting with Mark Middleton.

- June 24, 1994: Mark Middleton, John Huang and members of James Riady's family had lunch at the White House mess. (The Democratic National Committee later reimbursed Middleton for the cost of this lunch.)

- June 24, 1994: Riady met again with Webster Hubbell.

- June 25, 1994: James Riady, John Huang, Mark Middleton attended the President's weekly radio address.

- June 27, 1994: A Lippo company, Hong Kong China Ltd., paid Webb Hubbell $100,000.

- July 2, 1994: President Clinton calls Webb Hubbell at his home at 10:16 am.

- July 1994: John Huang began work as a principal deputy assistant secretary at the Department of Commerce.

- February 1995: Mark Middleton left the White House to start his own business specializing in Asian business affairs.

Ms. RENO. Again, I am conducting the investigation based on what I understand the evidence and the law to be. At this point, I have not triggered the independent counsel statute except as I have previously indicated to you.

Mr. BURTON. Thank you, Madam Attorney General.

Ms. RENO. But I will tell you this. I just wish I could tell you everything that I was doing and that the Task Force is doing in trying to pursue allegations. The impression is that we are not doing anything, but the fact is, we are, and we are going to continue to pursue every lead until we get to where it takes us.

Mr. BURTON. Our committee will figure in this investigation as well.

I now yield to Mr.——

Mr. BARRETT. Mr. Chairman.

Mr. BURTON. The gentleman from——

Mr. BARRETT. Mr. Chairman, based on your statements, I would move that we reconsider the vote upon which the request was made to have Mr. Freeh and Ms. Reno appear at the same time, and if that is not requested, I would have an alternative motion.

Mr. BURTON. You will have to forgive me. My parliamentarian evidently misspoke. He said a motion to reconsider must be made by a Member who was on the prevailing side of the vote, and that would be a Member on our side of the aisle.

Mr. BARRETT. I would have an alternative motion, Mr. Chairman.

Mr. BURTON. I don't see any Member who wants to reconsider on our side.

Mr. BARRETT. My alternative motion is based on the statements of Ms. Reno and Mr. Freeh. Rather than having Mr. Freeh give his formal testimony at this time, I would move that he be permitted to answer questions that pertain to statements purportedly made by him.

Mr. BURTON. That's not a motion that we can entertain at this time.

Mr. BARRETT. Why is that, Mr. Chairman?

Mr. BURTON. It's not a regular motion under the rules of the committee of the House.

Mr. Lantos, you are recognized for 30 minutes.

Mr. BARRETT. Mr. Chairman, I would appeal the ruling of the Chair.

Mr. BURTON. The gentleman appeals the ruling of the Chair. All those in favor of the ruling of the Chair signify by saying aye.

All those opposed to the ruling of the Chair signify by saying no.

Mr. BURTON. In the opinion of the——

Mr. BARRETT. I ask for a roll call.

Mr. BURTON. A roll call has been ordered. A roll call will be granted. The clerk will call the roll.

The CLERK. Mr. Burton.

Mr. BURTON. No.

The CLERK. Mr. Burton votes no.

Mr. Gilman.

Mr. GILMAN. No.

The CLERK. Mr. Gilman votes no.

Mr. Hastert.

[No response.]
The CLERK. Mrs. Morella.
Mrs. MORELLA. No.
The CLERK. Mrs. Morella votes no.
Mr. Shays.
[No response.]
The CLERK. Mr. Schiff.
[No response.]
The CLERK. Mr. Cox.
Mr. COX. No.
The CLERK. Mr. Cox votes no.
Ms. Ros-Lehtinen.
[No response.]
The CLERK. Mr. McHugh.
[No response.]
The CLERK. Mr. Horn.
Mr. HORN. No.
The CLERK. Mr. Horn votes no.
Mr. Mica.
Mr. MICA. No.
The CLERK. Mr. Mica votes no.
Mr. Davis of Virginia.
[No response.]
The CLERK. Mr. McIntosh.
[No response.]
The CLERK. Mr. Souder.
[No response.]
The CLERK. Mr. Scarborough.
[No response.]
The CLERK. Mr. Shadegg.
Mr. SHADEGG. No.
The CLERK. Mr. Shadegg votes no.
Mr. LaTourette.
[No response.]
The CLERK. Mr. Sanford.
[No response.]
The CLERK. Mr. Sununu.
[No response.]
The CLERK. Mr. Sessions.
[No response.]
The CLERK. Mr. Pappas.
[No response.]
The CLERK. Mr. Snowbarger.
Mr. SNOWBARGER. No.
The CLERK. Mr. Snowbarger votes no.
Mr. Barr.
Mr. BARR. No.
The CLERK. Mr. Barr votes no.
Mr. Miller.
Mr. MILLER. No.
The CLERK. Mr. Miller votes no.
Mr. Waxman.
[No response.]
The CLERK. Mr. Lantos.

Mr. LANTOS. Aye.
The CLERK. Mr. Lantos votes aye.
Mr. Wise.
[No response.]
The CLERK. Mr. Owens.
[No response.]
The CLERK. Mr. Towns.
[No response.]
The CLERK. Mr. Kanjorski.
Mr. KANJORSKI. Aye.
The CLERK. Mr. Kanjorski votes aye.
Mr. Condit.
[No response.]
The CLERK. Mr. Sanders.
Mr. SANDERS. Aye.
The CLERK. Mr. Sanders votes aye.
Mrs. Maloney.
Mrs. MALONEY. Aye.
The CLERK. Mrs. Maloney votes aye.
Mr. Barrett.
Mr. BARRETT. Aye.
The CLERK. Mr. Barrett votes aye.
Ms. Norton.
Ms. NORTON. Aye.
The CLERK. Ms. Norton votes aye.
Mr. Fattah.
Mr. FATTAH. Aye.
The CLERK. Mr. Fattah votes aye.
Mr. Cummings.
Mr. CUMMINGS. Aye.
The CLERK. Mr. Cummings votes aye.
Mr. Kucinich.
Mr. KUCINICH. Yes.
The CLERK. Mr. Kucinich votes yes.
Mr. Blagojevich.
Mr. BLAGOJEVICH. Aye.
The CLERK. Mr. Blagojevich votes aye.
Mr. Davis of Illinois.
[No response.]
The CLERK. Mr. Tierney.
Mr. TIERNEY. Yes.
The CLERK. Mr. Tierney votes yes.
Mr. Turner.
Mr. TURNER. Aye.
The CLERK. Mr. Turner votes aye.
Mr. Allen.
Mr. ALLEN. Aye.
The CLERK. Mr. Allen votes aye.
Mr. Ford.
[No response.]
The CLERK. Mr. Hastert.
[No response.]
The CLERK. Mr. Shays.
[No response.]

The CLERK. Mr. Schiff.
[No response.]
The CLERK. Ms. Ros-Lehtinen.
Ms. ROS-LEHTINEN. No.
The CLERK. Ms. Ros-Lehtinen votes no.
Mr. McHugh.
[No response.]
The CLERK. Mr. Davis of Virginia.
Mr. DAVIS OF VIRGINIA. No.
The CLERK. Mr. Davis of Virginia votes no.
Mr. McIntosh.
Mr. MCINTOSH. No.
The CLERK. Mr. McIntosh votes no.
Mr. Souder.
[No response.]
The CLERK. Mr. Scarborough.
[No response.]
The CLERK. Mr. LaTourette.
[No response.]
The CLERK. Mr. Sanford.
[No response.]
The CLERK. Mr. Sununu.
[No response.]
The CLERK. Mr. Sessions.
[No response.]
The CLERK. Mr. Pappas.
[No response.]
The CLERK. Mr. Waxman.
[No response.]
The CLERK. Mr. Wise.
[No response.]
The CLERK. Mr. Owens.
[No response.]
The CLERK. Mr. Towns.
[No response.]
The CLERK. Mr. Condit.
[No response.]
The CLERK. Mr. Davis of Illinois.
[No response.]
The CLERK. Mr. Ford.
[No response.]
The CLERK. Mr. Hastert.
[No response.]
The CLERK. Mr. Shays.
[No response.]
The CLERK. Mr. Schiff.
[No response.]
Mr. BURTON. The clerk has called the roll twice. I think that's sufficient, unless somebody——
Mr. LATOURETTE. Mr. Chairman?
Mr. BURTON. How is Mr. LaTourette recorded?
The CLERK. Mr. LaTourette is not recorded.
Mr. LATOURETTE. I would like to be recorded as no, please.
The CLERK. Mr. LaTourette votes no.

Mr. BURTON. The clerk will report the tally.

The CLERK. Mr. Chairman there are 13 ayes and 14 nays.

Mr. BURTON. The motion is defeated. Mr. Lantos you are recognized for 30 minutes.

Mr. LANTOS. Mr. Chairman before I begin my questioning, I respectfully suggest since our distinguished Attorney General has been on the witness stand for over 2 hours, we take a 5 minute recess as a matter of elementary courtesy.

Ms. RENO. I'm fine.

Mr. LANTOS. I know.

Mr. BURTON. Some of the Members might not be.

Mr. LANTOS. I don't think it will be inappropriate to take a 5 minute recess.

Mr. BURTON. The Chair declares a 5 minute recess.

[Recess.]

Mr. BURTON. The committee will reconvene.

I feel sorry for you reporters down there. You must be getting leg cramps. You will have to start doing deep knee bends to get in shape.

Would we clear the aisles, please, and close the doors. Can we get the people in the aisles to either leave the room or sit down.

Mr. Lantos, you are recognized for 30 minutes.

Mr. LANTOS. Thank you very much, Mr. Chairman. And let me welcome our distinguished Attorney General. It seems that Mr. Burton and some of my colleagues on the other side are fixated on the notion that since the President appoints you to your job, by definition you are incapable of conducting an investigation that involves the President.

And leaving aside the issue that, of course, the law clearly gives you the sole authority to determine whether you call for an independent counsel or not, and that is a law that we passed, not the Attorney General, so if we have any quarrel with that law, we should amend that law or repeal it, but not harass and badger the Attorney General for following the law. I would like to sort of speculate on this alleged conflict of interest.

A few weeks ago Mr. Burton alleged on national television that the White House had altered the videotapes it was providing to congressional investigators. Since that time, White House career military employees testified under oath that the tapes were not altered.

Senator Thompson stated on television just this past weekend that he thoroughly investigated that matter and concluded that the tapes had not been altered. And when, at our last hearing, Mr. Burton was asked to produce any evidence to support his unsubstantiated allegation, he was unable to produce a single shred of evidence.

But if my colleagues on the other side of the aisle really believe that you lack the integrity and judgment to determine whether or not a frivolous allegation is true, under that interpretation, whatever allegation is made concerning the President or the Vice President, you would have to disqualify yourself because you are incapable of making a judgment concerning the validity of the claim.

It seems to me that this absurd interpretation would mean that when allegations are leveled against a Member of Congress, for in-

stance, you would immediately need to appoint an independent counsel. A lobbyist alleged that Mr. Burton tried to extort campaign funds from him. Mr. Burton's favorite newspaper, the New York Times, reported that he solicited an invitation to the Pebble Beach golf tournament sponsored by AT&T at a time when AT&T had pending business before this committee. The Hill, the publication here on Capitol Hill, reported that Mr. Burton accepted illegal campaign contributions from tax-exempt religious institutions.

Well, it seems that you aren't capable of conducting an investigation with respect to the President, with respect to the Vice President, members of the Cabinet, Members of Congress. And the notion that we have heard ad nauseam this morning, that somehow the inherent conflict by virtue of your appointment to your position by the President makes it impossible for you to be objective and conduct an independent investigation, leads me to explore the history of your relationship to the President. So may I ask a few specific questions.

How well did you know President Clinton before you were appointed Attorney General?

Ms. RENO. I had never met him. I had only met Mrs. Clinton briefly.

Mr. LANTOS. You had never met the President prior to your——

Ms. RENO. Until I met with him, I think it was the night of February 9th, prior to his nomination of me on February 11th.

Mr. LANTOS. So it's probably fair to say, on the basis of your testimony, that you are not long-time friends?

Ms. RENO. That's correct.

Mr. LANTOS. Now, since you have served as a member of his Cabinet, how close has been your social relationship? Would you consider yourself one of President Clinton's confidantes? Are you frequently participating in the various social activities of the President and the First Lady? Do you consider yourself a close personal friend or confidante of the President?

Ms. RENO. No, I do not, and I do not socialize with them.

Mr. LANTOS. How about the Vice President? What has been the extent of your personal relationship with Mrs. Gore and the Vice President? How close is your social relationship; how frequent is that relationship?

Ms. RENO. I had not met the Vice President before the day that I was nominated, and I had only met Mrs. Gore briefly. I would characterize my relationship with them as the same as with the President.

But in deference to the chairman, I'd really like to make clear what my position is. Under the Independent Counsel Act, no matter how well or how little I know the President, I am required to trigger the independent counsel statute provided—and there is—I have no discretion on that. But what I have to do is to make a judgment as to whether the evidence is specific and credible to indicate that there may have been a violation of Federal law.

That's the decision I have to make. And it doesn't—when it goes to the President and Vice President, who are covered persons, it—I don't have discretion. I have got to do it when I reach that threshold. And from my reading of the history of the independent counsel statute, Congress put that threshold there so that everything was

not referred that might—anything that was frivolous would not trigger the statute.

Mr. LANTOS. I very much appreciate your elaborating on this point.

Let me ask specifically, has the President or the Vice President put any pressure on you directly, indirectly, through others with respect to the question of appointing an independent counsel?

Ms. RENO. None whatsoever.

Mr. LANTOS. Your testimony under oath, Madam Attorney General, is that there has been no attempt by the President or the Vice President to influence your decision with respect to this matter?

Ms. RENO. That's correct, sir.

Mr. LANTOS. May I ask, and I apologize for the personal nature of this question, but I think it's necessary given the context, are you expecting, after you conclude your very distinguished tenure as Attorney General, to look perhaps for an ambassadorial appointment or another high-level appointment by this administration that might influence your objectivity and independence with respect to this issue?

Ms. RENO. No, sir, I'm not. I'm looking to getting in my truck and going across the country and seeing all the places that I haven't had the chance to really explore.

Mr. LANTOS. Well, if and when that time comes, and we all hope it will be a long time in the future, we all will wish you well.

But I think it was important to underscore these items, because the sickeningly persistent innuendo, Madam Attorney General, that you are protecting your old friend Bill Clinton and your old friend Al Gore because of your close personal relationship with them, or because of your political aspirations in the future, have to be put to rest.

You are, without question, one of the most nonpartisan, nonpolitical public servants in a highly politicized city, and we are all enormously fortunate to have you in the position as Attorney General.

Let me raise a question concerning the release of FBI Director Freeh's memorandum to you. I read the letter that you jointly sent to Mr. Burton. I wonder if you would care to elaborate on the reasons why you feel this request was inappropriate and why it would, in fact, interfere with an ongoing criminal investigation?

Ms. RENO. As I said at the outset, Congressman Lantos, I very much respect and think that—and I think the oversight function is very important. I want to try to work with everybody concerned to make sure that we honor that function and that responsibility of Congress. But when it relates to a pending investigation or a pending prosecution, that becomes a very difficult line to walk.

And it is important for three reasons. One, the responsibility for investigation and prosecution lies within the executive branch. We've got to present it in the court. We've got to do what's right. And having been a prosecutor, come January 20th it will be for 20 years in my life, it is sometimes a very difficult decision, but it is one that is an important decision for the American people. It is terribly important that politics not be a part of it. Thus, I think, in this instance, it is really important that we pursue this just based on the evidence and the law.

If I were to disclose what we were planning to do or what was being suggested in an investigation, and the road map was out there for all the people who were the subject of the investigation to see, nobody would—with common sense would suggest that that's a good idea. You don't tell the people you're investigating how you are going to investigate them.

Second, as I have said on a number of occasions, it is very important for me to make sure that my subordinates in the Department of Justice know that they can speak freely to me; that I'm the one that's going to be responsible for the decision; that the buck stops with me and that they can speak freely and openly, and that I don't want yes people around me. And I can say proudly I haven't had yes people around me because I sure get different views on a lot of occasions.

If Congress can come into a pending investigation and say, we want to know all about it, that creates a real issue of Congress, who has other responsibilities, not those of investigation and prosecution for the determination of whether a crime has been committed. That creates a situation where you have an outside influence in an investigation where it just, in the history of this Nation and our checks and balances and the separation of the different branches of government, it just doesn't hold up. And, thus, I know it's frustrating for the chairman to have me say, well, that's a——

Mr. LANTOS. A little frustration won't hurt him, Madam Attorney General.

Ms. RENO. Well, I don't know. Let him speak for himself. But where the oversight function can come in, as indicated, is as the investigation proceeds, when matters can be discussed. And one of the points of the independent counsel statute is that it provides, it gives me an opportunity to provide, in an appropriate forum, with approval of the court, a notification as to why I took action. And then I can make a statement to this committee, and I have made it on occasion to other committees, that we are going to continue this investigation and that I'm going to be the one ultimately responsible for it.

So I'm not ducking anything. I'm not trying to protect anybody. I'm trying to do the job of conducting an investigation in the right way, recognizing that along the way I not only have to pursue the objects of the investigation, but I have got to constantly review it to determine whether the Independent Counsel Act has been triggered and whether—and if so, I intend to trigger it.

Mr. LANTOS. Madam Attorney General, it's obvious to all of us that the strategy on the other side is to drive a wedge between Director Freeh and yourself. Mr. Burton started out this hearing by making the startling and historically totally inaccurate statement that it's a unique situation that the Attorney General and the FBI Director are in disagreement on an issue.

My reading of American history is diametrically opposed to that, because in almost every recent instance an Attorney General and an FBI Director differed, and differed publicly, and differed for protracted periods of time. Perhaps the best known case is the confrontation between the late Robert Kennedy and J. Edgar Hoover, but there are countless such instances.

On the scale of the historic relationship between Attorneys General and FBI Directors, how would you rate your relationship with Director Freeh?

Ms. RENO. I haven't compared it to others, but I think it's an excellent working relationship, because I have a public servant of the highest honor, who has a great variety of experiences in the criminal justice and the judicial system, who is not afraid to tell me what he thinks.

And he knows that I value his opinion. He knows that I'm not always going to agree with him. But we have a relationship where we can pick up the phone, talk back and forth, walk across the street, talk it out, work it out, and we find ourselves in agreement much of the time. But if we were in agreement all the time, I'd get suspicious.

Mr. LANTOS. The question was repeatedly asked of you by Mr. Burton whether Director Freeh's recommendation was constitutional or not. I didn't quite understand that question, because his recommendation to you is not a constitutional issue. He expressed his views to you, as other officials in the Department did, and you made the final determination, taking into account all of the input.

Was there any discussion with all of your associates, including Mr. Freeh, which questioned your sole authority to make the final judgment concerning the invocation of the independent counsel statute?

Ms. RENO. Again, if I were to get into the discussions and what was discussed——

Mr. LANTOS. I'm not asking for details.

Ms. RENO. But the decision is mine and mine alone. I'm the one responsible for it.

Mr. LANTOS. I want to talk for a minute about the length of these independent counsel investigations and their cost. Former Republican Senator Warren Rudman said, and I think I quote him accurately, that these independent counsels are kings in a country that doesn't like kings. They have no limits: no time limits, no budgetary limits.

We have independent counsels that go on for 4, 5, 6 years, spending tens of millions of dollars. What is your general judgment about the way this law is now written?

Ms. RENO. What I have said from the beginning is that I don't comment on independent counsels' activities because I want to do everything I can to ensure their independence.

With respect to the overall policy——

Mr. LANTOS. Yes.

Ms. RENO [continuing]. I have said that it is better that I finish my job and see how it has operated, the independent counsel statute has been implemented, in the investigations that are ongoing, and then make a judgment. Because if I were to make judgments with respect to the independent counsel statute now and said it should be changed in certain ways, that might deflect from what I am trying to do, which is to use the statute as it is drafted and use it the right way.

I have made one comment that goes to the general issue, because it was raised, and that is the budgeting issue. I do think that everybody in Government should have a budget and be accountable

for it. And I would have—as I recollect, and we can confirm it for you—written to Senator Hatch in these last several years suggesting that there might be some revision of the budget policy so you can hold each person who is spending the money accountable.

Mr. LANTOS. One of the key issues in this entire investigation has been our judgment that Mr. Burton and his colleagues attempted to portray violations of the letter or the spirit of campaign finance laws as if they had been all one-sided, mistakes committed purely by the Democratic side.

In 1995, the Republican House-Senate dinner invitation put a very clear price tag on Federal property: $15,000 contributors were invited to a breakfast hosted by then Senator Bob Dole in the Senate Caucus Room; $45,000 contributors were invited to a luncheon hosted by Speaker Gingrich in the Great Hall of the Library of Congress.

Were you asked by Mr. Burton or any other colleague on the other side to have an independent counsel appointed to investigate these facts?

Ms. RENO. I think it is important—the only time I have ever heard Mr. Burton say anything like—about independent counsel in that context was what he said at the outset. But I think it is important that I not comment for the very reasons that I have discussed previously on how matters should be handled or on what we are doing, because part of it is necessary to protect people who may be the subject of the investigation as well.

And it is important that it be done in a professional, orderly, confidential way to ensure the efficacy of the investigation, to provide for an appropriate decorum with respect to people or witnesses or other people that might be inappropriately implicated in the investigation, though it's done the right way, and to make sure that people can speak their mind.

Mr. LANTOS. Madam Attorney General, I will not ask you to comment on my next observation, but I think it is important to make it, because it is important to underscore that this pretended horror on the other side that calls were made from the White House is unprecedented in American history. I would like the record to show that President Reagan made fund-raising calls from both the White House and from Camp David. These calls included a direct solicitation of Richard DeVoss, president of Amway, asking him to raise $3,350,000. No one is calling for an independent counsel to investigate this.

But I think it's important to realize, as we clearly do on this side of the aisle, that what is called for is a fundamental review of campaign finance laws so that the American people again will be able to have confidence in the way their Government officials function in this arena.

Madam Attorney General, I did not think that my respect for you could increase during the course of this hearing, because it was such a high level, but the dignified, and candid, and straightforward and professional answers you gave to Mr. Burton have served to increase my respect and admiration for you as a person and for the work you are doing.

And I want to yield 5 minutes now to my colleague, Mr. Kanjorski.

Mr. KANJORSKI. Thank you very much, Mr. Lantos.

Madam Attorney General, when you make this process and this decision as to what your final determination will be on the selection of an independent counsel or not, is this done with your advisers around the table, or is this done on a request on your part that this material be provided in a memorandum form?

Ms. RENO. It's done in both ways.

Mr. KANJORSKI. In regard to the——

Ms. RENO. Oftentimes I don't make the decision around the table. I leave the table, think about it, take my walks, figure it out, come back, read something, go back and say I need to talk to some more people, get more issues clarified in the law. It is an evolving process.

Mr. KANJORSKI. The advisors that you have, how many of them would you say give you a written memorandum as opposed to oral advice?

Ms. RENO. There are significant numbers of written memorandums prepared. It varies, again, from case to case and how straightforward it is.

Mr. KANJORSKI. I find it highly unusual that in the tobacco industry that the relationship between tobacco and the cause of cancer was contained in memorandums in legal files of some of the outstanding law firms of this country for more than 30 years.

In the asbestos industry, legal files contained memorandums and studies of scientists within those industries that indicated there were adverse health reactions and relationships to the cause of cancer and asbestos that were contained in those files for more than 50 years.

And unusually, in this instance, a written memorandum provided for you in an advisory manner by the chief investigator of the United States appears to have been partially or totally disclosed outside of the confidentiality of that relationship.

Is that a reasonable conclusion, that it has been disclosed outside? I have read reports in the New York Times and the Wall Street Journal that indicate portions of this memorandum were read in their totality to members of the press. Is that right?

Ms. RENO. I don't know, sir, but I think, clearly, there has been some discussion of it. And what that goes to are leaks.

I think it is so important that Government be as open as possible. As I indicated earlier, one of the ways that I was responsive to the people that I served in Dade County was that I wrote close-out memorandums that were summaries, that didn't contain information that related to other investigations and that I could be held responsible. And I think I should be held responsible at the conclusion of my efforts and be as open as I possibly can. So I'm not trying to avoid that.

Mr. KANJORSKI. I'm limited in time, and I want to direct particularly to this leak. Do you consider this a leak?

Ms. RENO. I, frankly, have not had a chance to think about just what it is because I have been concentrating first on making the appropriate decision and second preparing for the chairman.

Mr. KANJORSKI. How many people prepared written memorandums for your consideration in regard to the decision?

Ms. RENO. I have not counted the number.

Mr. KANJORSKI. Do you have a rough guesstimation?

Ms. RENO. There are at least six.

Mr. KANJORSKI. Were they all in your possession or in a very confidential group in the Department of Justice, or were they scattered and copyrighted and sent out in free distribution to the Department? Were there a limited number of people that would have had access to this material?

Ms. RENO. Because I consulted with a large number of people, both senior staff, long-time career people, a large number of people had access to these memorandums.

Mr. KANJORSKI. To these memorandums. To your knowledge, has the FBI or the Director of the FBI ordered an investigation as to how this memorandum was leaked to the press?

Ms. RENO. Well, again, we don't know that it leaked. Its existence certainly became evident.

Mr. KANJORSKI. It is the only one I have read about. You said many memorandum were prepared, and I saw no other referred to, Madam Attorney General.

Ms. RENO. Well——

Mr. KANJORSKI. There is a saying in this town, and we all recognize that this is a political town, and regardless of your decision in this case, unless you were satisfactory in making the decision to appoint an independent counsel you know you would have been here today. And that would be perfectly acceptable. It would be a political act on the part of the majority, and we would expect that. And this is a political witch-hunt.

But the fact that there is this difference between the Attorney General of the United States and the Director of the FBI, where confidential discussion and information apparently leaked to the press, that disturbs me a great deal. Because just recently Senator Hatch thinks that the FBI should make a private investigation of this entire matter, and I am very disturbed as to this investigating agency's ability to hold confidentiality.

I think that is the most important thing we are going to discuss here today. How did this all happen? And when it did happen, should we take some action now? I don't know what is in that memorandum. Quite frankly, since a good number of the press know and, obviously, a lot of people in the Department of Justice know, maybe the American people ought to know. I am not sure I am opposed to giving carte blanche approval on my part to release that document. But it does substantially annoy me that that type of a legal confidentiality between the chief investigative agency of the United States and the chief law enforcement officer of the Attorney General of the United States cannot remain confidential; that in a matter of hours—I know we have an old saying in this town that it is cover your own something, and I hope that we are going to have some investigation into the determination of how that happened, to determine whether or not we have a subset of political activities ongoing in this city as a result of this investigation.

I see my time has expired. Mr. Lantos may have an additional question.

Mr. LANTOS. I would like to yield to Mr. Sanders for whatever time we have left, and then we will give you the balance of the time the next round.

Mr. SANDERS. Thank you very much, Mr. Lantos, and I would like to welcome the Attorney General. I would like to make a brief statement and then ask the Attorney General several questions.

Mr. Chairman, this committee has had an enormous opportunity to seriously address one of the major crises facing this country, and that is that we are living under an absurd campaign finance system which allows the wealthiest people in this country to use their financial resources to exert enormous influence over the economic and political policies of our government.

Tragically, the United States of America today has, by far, the lowest voter turnout of any industrialized nation on earth. All over America working people and middle-class people are giving up on the political system because they say, well, I have one vote, but how does that one vote compare to the millionaire or the billionaire who can contribute hundreds of thousands of dollars to the political party of their choice, whether it is the Republican party, the Democratic party, or the candidate of their choice.

Ordinary people, as Mr. Lantos indicated a moment ago, do not go to fund-raising dinners at $45,000 a plate. Ordinary people do not contribute huge sums of money to the political party of their choice.

It seems to me that what this committee should be doing, if it were serious, and if it were serious about campaign finance reform, which admittedly you are not serious about, what we should be doing is trying to understand why people contribute hundreds of thousands of dollars, what they get in return, and how this has created a situation in this country so that tens of millions of people no longer even participate in the political process because they are so disgusted with it.

The fact is that one-quarter of 1 percent of the people contribute over 80 percent of all political contributions, and that is absurd. It has got to change. And we should point out at the end of all these hearings you don't believe in campaign finance reform. Your colleagues don't believe we should limit the amount of money that the wealthy and the powerful pay. And I think that is at the root of the problem of all of these hearings.

But let me ask our distinguished Attorney General a question, if I might.

Mr. BURTON. Well, the gentleman's time has expired. I will allow one question because I took a little extra time.

Mr. SANDERS. I appreciate that, Mr. Chairman.

And let me ask the Attorney General, do you believe, having looked at this situation so carefully, that the current campaign finance laws adequately protect the political process from undo influence from wealthy special interests?

Ms. RENO. Sir, from my experience, they need to be reformed, and I think it is important that everyone work together to seek a reform.

Mr. SANDERS. Thank you.

Mr. BURTON. The gentleman's time has expired. Mr. Cox of California is recognized for 10 minutes.

Mr. COX. I thank the chairman. Madam Attorney General, I would like to read to you from yesterday's——

Mr. LANTOS. Excuse me. If I may raise a point of order. I apologize to my good friend of California.

Mr. BURTON. Suspend the time for a moment. The gentleman will state his point of order.

Mr. LANTOS. On this side, Mr. Chairman, we are very anxious to have every colleague have an opportunity to question our distinguished Attorney General. She has an obligation. Might it be possible to have the rounds restricted to 5 minutes on both sides so even the more junior Members have a chance to ask questions?

Mr. BURTON. The Attorney General has indicated that she could be with us, I think, until around 2 o'clock; is that correct?

Ms. RENO. [Nodding in the affirmative.]

Mr. BURTON. And we already have passed on the procedure that we are going to follow today. We are only talking about 15 minutes additional on each side. So we have 10 minutes, 10 minutes, 10 minutes, three times, and then we will go to the 5-minute rule for the rest of the Members.

Mr. Cox.

Mr. COX. I thank the chairman.

Again, welcome, Madam Attorney General. I would like to read to you from page 1 of yesterday's Los Angeles Times:

Carrying envelopes stuffed with bundles of $50 and $100 bills, a slightly built man with a stringy mustache left his hotel room in Monterey Park, California, on an unusual quest: He was looking for volunteers to accept $10,000 in cash. . . . In exchange, he allegedly collected a small packet of personal checks made out to the "DNC," the Democratic National Committee, an entity that some of the check writers had never heard of.

Hundreds of thousands of dollars may have flowed to the Democratic party coffers through these methods.

And, again, I am reading from a page 1 story in the Los Angeles Times. To continue:

Records show the $80,000 originated in the Bank of China in the account of a Macao-based businessman,

Ng Lap Seng.

On August 7, 1996, the money was wired to an account at the Riggs National Bank, in Washington, D.C., held by Yah Lin "Charlie" Trie, a controversial Democratic fund-raiser and longtime friend of President Clinton's.

Antonio Pan and Trie are among a handful of figures in the fund-raising controversy who are believed to be overseas.

Pan is no stranger to the White House.

Records show he visited the executive mansion at least eight times between August 1995 and October 1996. Pan was an associate of both Trie and another controversial Democratic fund-raiser, John Huang. Both Pan and Huang were former executives of the Indonesia-based Lippo Group, whose owners, the Riady family, were longtime supporters of Clinton.

James Riady, we have learned in our hearings, is so close to President Clinton that he is in possession of a unique zip code that permits him to send his mail directly to the President without even the President's staff reading it. In 1 week, in June 1994, as the chairman stated earlier, James Riady was admitted to the White House four times, each time accompanied by John Huang. They met with President Clinton, and days later $100,000 went from the

Lippo Group to Webster Hubbell. At that time, Webster Hubbell was under investigation by an independent counsel.

Now, you had said at the time that Webster Hubbell resigned from the Department of Justice, "I don't believe he did a thing wrong." And that is perhaps understandable because you worked with him and you were close to him. He was in your department. But of course he was prosecuted and he did go to jail.

Our question is not whether there should be an investigation. There ought to be one. The question is not whether it ought to be conducted in accordance with Justice Department policies. Of course, it must. And the independent counsel statute provides that it must. But the question is whether there is any appearance of a conflict of interest with the administration investigating itself.

And with all respect to my colleague from California, who earlier asked you whether your relationship with President Clinton antedates your nomination and confirmation as Attorney General, I think it is quite clear that you are a member of the President's cabinet.

So I would like to ask you about the law, because the law gives you discretion, and we are here because of what you had to say; that this is your call. The law makes it a matter of your discretion. Of course, you are following the law whichever way you go. It is a matter of your discretion and we are here to ask you about your discretion.

Specifically, in the exercise of your discretion, have you begun a preliminary investigation under the independent counsel statute of John Huang?

Ms. RENO. No, we have not.

Mr. COX. Have you, in your discretion, begun a preliminary investigation into Charlie Trie?

Ms. RENO. By preliminary investigation, do you mean the preliminary investigation, on both these questions, that is referred to——

Mr. COX. The independent counsel investigation.

Ms. RENO. With respect to what is described as a preliminary investigation under the Independent Counsel Act, we have not commenced a preliminary investigation under the act.

Mr. COX. Have you commenced an independent counsel preliminary investigation, preliminary investigation with respect to Antonio Pan?

Ms. RENO. No, we have not.

Mr. COX. Have you commenced a preliminary investigation with respect to Webster Hubbell?

Ms. RENO. The—I'm not sure what I can tell you, but——

Mr. COX. You can tell me that under the statute. You can tell me that, and you have already——

Ms. RENO. I have seen press reports that an independent counsel is pursuing this matter. I cannot, I don't think, without further commenting and affecting his independence, I don't think I can comment further.

Mr. COX. Well, I am asking you a different question: whether or not you have commenced a preliminary investigation. I don't want to ask you about what anybody else is doing. Have you commenced a preliminary investigation of Webster Hubbell?

Ms. RENO. I don't think that I can comment with respect to whatever action has been taken under the independent counsel statute and the need for confidentiality.

Mr. COX. And is that a claim of privilege on your part?

Ms. RENO. It's not a claim of privilege, it is a claim that it's confidential.

Mr. COX. It is not a claim of privilege and, therefore, it is simply your preference not to answer this committee. If you do not have a claim of privilege, I think you are required to answer the question.

Ms. RENO. What I have tried to do is to make sure that I do not comment in any way that would affect what an independent counsel is doing. I will be happy to talk with the independent counsel and see what I might be able to comment on and what I can't, but I do not think you want me to do anything that might imperil an independent counsel's investigation.

Mr. COX. Indeed, my concern is that you are not even commencing these investigations.

Have you commenced under the independent counsel statute a preliminary investigation of Mark Middleton?

Ms. RENO. No, I have not.

Mr. COX. Earlier in your testimony today you stated that it is your interpretation of the law that a political conflict of interest or any conflict of interest in order to permit you to proceed under the independent counsel statute must be actual rather than potential. Is that an accurate statement of your testimony?

Ms. RENO. That's correct.

Mr. COX. Now, I would like to read to you the statute: "When the Attorney General determines that an investigation or prosecution of a person by the Department of Justice may"—may—"result in a personal, financial, or political conflict of interest, the Attorney General may conduct a preliminary investigation."

Now, is it still your view, having been refreshed with the language of the statute, that you must have an actual conflict of interest?

Ms. RENO. Yes, we will be happy to provide you with the letter in which we outlined our position to Senator Hatch.

Mr. COX. Can you explain to me why section 591(c) does not mean what it says?

Ms. RENO. I will be happy to provide the——

Mr. COX. Right now. Can you tell me now?

Ms. RENO. I do not have the memorandum with me.

Mr. COX. If somebody could supply you with a copy of the statute, it would be greatly helpful to me.

Ms. RENO. Here is what the statute says. It says, when the Attorney General determines an investigation or prosecution of a person by the Department of Justice may result in a personal, financial, or political conflict of interest, the Attorney General may conduct a preliminary investigation of such person in accordance with section 592, et cetera.

[The information referred to follows:]

a rate of pay at or above level II of the Executive Schedule under section 5313 of title 5;

(4) any Assistant Attorney General and any individual working in the Department of Justice who is compensated at a rate of pay at or above level III of the Executive Schedule under section 5314 of title 5;

(5) the Director of Central Intelligence, the Deputy Director of Central Intelligence, and the Commissioner of Internal Revenue;

(6) the chairman and treasurer of the principal national campaign committee seeking the election or reelection of the President, and any officer of that committee exercising authority at the national level, during the incumbency of the President; and

(7) any individual who held an office or position described in paragraph (1), (2), (3), (4), or (5) for 1 year after leaving the office or position.

(c) PRELIMINARY INVESTIGATION WITH RESPECT TO OTHER PERSONS.—

(1) IN GENERAL.—When the Attorney General determines that an investigation or prosecution of a person by the Department of Justice may result in a personal, financial, or political conflict of interest, the Attorney General may conduct a preliminary investigation of such person in accordance with section 592 if the Attorney General receives information sufficient to constitute grounds to investigate whether that person may have violated Federal criminal law other than a violation classified as a Class B or C misdemeanor or an infraction.

(2) MEMBERS OF CONGRESS.—When the Attorney General determines that it would be in the public interest, the Attorney General may conduct a preliminary investigation in accordance with section 592 if the Attorney General receives information sufficient to constitute grounds to investigate whether a Member of Congress may have violated any Federal criminal law other than a violation classified as a Class B or C misdemeanor or an infraction.

(d) EXAMINATION OF INFORMATION TO DETERMINE NEED FOR PRELIMINARY INVESTIGATION.—

(1) FACTORS TO BE CONSIDERED.—In determining under subsection (a) or (c) (or section 592(c)(2)) whether grounds to investigate exist, the Attorney General shall consider only—

(A) the specificity of the information received; and

(B) the credibility of the source of the information.

(2) TIME PERIOD FOR MAKING DETERMINATION.—The Attorney General shall determine whether grounds to investigate exist not later than 30 days after the information is first received. If within that 30-day period the Attorney General determines that the information is not specific or is not from a credible source, then the Attorney General shall close the matter. If within that 30-day period the Attorney General determines that the information is specific and from a credible source, the Attorney General shall, upon making that determination, commence a preliminary investigation with respect to that information. If the Attorney General is unable to determine, within that 30-day period, whether the information is specific and from a credible source, the Attorney General shall, at the end of that 30-day period, commence a preliminary investigation with respect to that information.

(e) RECUSAL OF ATTORNEY GENERAL.—

(1) WHEN RECUSAL IS REQUIRED.—(A) If information received under this chapter involves the Attorney General, the next most senior official in the Department of Justice who is not also recused shall perform the duties assigned under this chapter to the Attorney General.

(B) If information received under this chapter involves a person with whom the Attorney General has a personal or financial relationship, the Attorney General shall recuse himself or herself by designating the next most senior official in the Department of Justice who is not also recused to perform the duties assigned under this chapter to the Attorney General.

(2) REQUIREMENTS FOR RECUSAL DETERMINATION.—Before personally making any other determination under this chapter with respect to information received under this chapter, the Attorney General shall determine under paragraph (1)(B) whether recusal is necessary. The Attorney General shall set forth this determination in writing, identify the facts considered by the Attorney General, and set forth the reasons for the recusal. The Attorney General shall file this determination with any notification or application submitted to the division of the court under this chapter with respect to such information.

(Added Pub. L. 95-521, title VI, § 601(a), Oct. 26, 1978, 92 Stat. 1867; amended Pub. L. 97-409, §§ 3, 4(a), Jan. 3, 1983, 96 Stat. 2039, 2040; Pub. L. 98-473, title II, § 228(b), Oct. 12, 1984, 98 Stat. 2030; Pub. L. 100-191, § 2, Dec. 15, 1987, 101 Stat. 1293; Pub. L. 103-270, §§ 3(j), (k), 4, June 30, 1994, 108 Stat. 735, 736.)

AMENDMENTS

1994—Subsec. (b)(8) to (6). Pub. L. 103-270, § 4(b), redesignated par. (8) as (6) and substituted "; and" for the period at end, added par. (7), and struck out former pars. (6) and (7) which read as follows:

"(6) any individual who leaves any office or position described in any of paragraphs (1) through (5) of this subsection, during the incumbency of the President under whom such individual served in the office or position plus one year after such incumbency, but in no event longer than a period of three years after the individual leaves the office or position;

"(7) any individual who held an office or position described in any of paragraphs (1) through (5) of this subsection during the incumbency of one President and who continued to hold the office or position for not more than 90 days into the term of the next President, during the 1-year period after the individual leaves the office or position; and".

Subsec. (c). Pub. L. 103-270, § 4(a), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "PRELIMINARY INVESTIGATION WITH RESPECT TO PERSONS NOT LISTED IN SUBSECTION (b).—The Attorney General may conduct a preliminary investigation in accordance with section 592 if—

Mr. COX. Precisely. That is just what I read to you. So you and I are reading off the same page, and I believe there can be no cavil about what that sentence says. If a person being investigated by the Department of Justice may result in a personal, financial, or political conflict of interest, then you can go and appoint an independent counsel following a preliminary investigation by the Department of Justice.

I am just asking whether you have started, even commenced, begun, preliminary investigations with respect to any of these people covered in yesterday's Los Angeles Times article, and your answer is no. I am trying to understand your interpretation of the law.

Ms. RENO. At any moment I will see if I have the copy of the letter here.

Mr. COX. Madam Attorney General, because my time is limited, I think if you could get back to us in writing, I would greatly appreciate it.

Ms. RENO. I will be happy to send you a copy of the letter we sent to Senator Hatch.

[The information referred to follows:]

Office of the Attorney General
Washington, D. C. 20530

June 19, 1997

The Honorable Orrin G. Hatch
Chairman, Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

At the oversight hearing on April 30, you expressed your opinion that I have applied incorrect legal standards in making my determination not to commence a preliminary investigation under the Independent Counsel Act at this time, and asked me to obtain an opinion from the Office of Legal Counsel on two issues:

1. Whether I have applied the correct legal standard in determining whether there were "sufficient grounds to investigate," within the meaning of the Independent Counsel Act; and

2. Whether I must determine that an actual conflict of interest may result before the first discretionary provision of the Act, 28 U.S.C. § 591(c)(1), can be invoked, or whether my determination that an appearance of a conflict may result suffices.

I have also received your letter reiterating your concerns and your request, and have reviewed your position carefully.

The Department of Justice now has nearly twenty years of experience with the Independent Counsel Act. During that time, the career prosecutors in the Criminal Division have devoted enormous effort applying the statute in a wide variety of factual contexts. Their work has created a body of administrative practice and expertise interpreting the statute. I therefore have consulted the staff of the Criminal Division in considering your questions. Considerations of institutional consistency, fairness of administration, and prosecutorial expertise all weigh in favor of this course. However, I have also consulted with the Office of Legal Counsel, which has independently considered the issues noted above, researched and reviewed all of the relevant materials, and reached the same conclusions that are set forth in this letter.

As I promised, I have carefully considered the arguments you presented at the hearing and in your letter. While I have great respect for your views, I believe that I have correctly interpreted the statute.

1. "Specific and Credible Evidence" Standard

You suggest that I am relying on an incorrect standard for determining whether the Act's mandatory and discretionary provisions have been triggered. In your view, I mistakenly believe that there must be proof that a crime has been committed, when the proper standard requires only information sufficient to constitute grounds to investigate whether a crime may have been committed. You correctly observe that in 1987, the Congress amended the Act to clarify the standard for triggering a preliminary investigation, changing "has committed" a violation of Federal law to "may have violated" Federal law. See S. Rep. No. 100-123, at 15 (1987).

I agree that the appropriate standard to be applied is whether there is specific and credible evidence sufficient to constitute grounds to investigate whether a federal crime may have been committed. That is the standard articulated by the Independent Counsel Act itself, 28 U.S.C. § 591(a) (whether there is specific and credible "information sufficient to constitute grounds to investigate whether any person . . . may have violated Federal criminal law"), see 28 U.S.C. § 591(c)(1), and that is the standard that I have applied in making this and all my prior determinations under the Independent Counsel Act. Invocation of the procedures of the Act does not require a showing of proof of every element of an offense sufficient to support a conviction. On the other hand, before the Act is invoked there must be sufficient indication that the conduct to be investigated is criminal rather than innocent. We do not initiate criminal investigations based on sheer speculation or conclusory assertions without supporting facts sufficient to indicate that a crime may have been committed.

So that there is no question, I would like to quote from my report the standard I have applied in making my determination:

> [T]he Act does not permit or require me to commence a preliminary investigation unless there is specific and credible evidence that a crime may have been committed. In your letter, you suggest that it is not the responsibility of the Department of Justice to determine whether a particular set of facts suggests a potential Federal crime, but that such legal determinations should be left to an independent counsel. I do not agree. Under the Independent Counsel Act, it is the Department's obligation to

> determine in the first instance whether particular conduct potentially falls within the scope of a particular criminal statute such that criminal investigation is warranted. If it is our conclusion that the alleged conduct is not criminal, then there is no basis for appointment of an independent counsel, because there would be no specific and credible allegation of a violation of criminal law. See 28 U.S.C. § 592(a)(1).

Report at 2-3 (emphasis added).

At different points in my report, I articulated this statutory standard in several different ways. See, e.g., id. at 2 ("whether the allegations are sufficiently specific and credible to constitute grounds to investigate whether an individual may have violated Federal criminal law"); id. at 3 ("specific and credible allegations of criminal conduct"); id. ("specific and credible evidence that a person not covered by the mandatory provisions of the Act has committed a crime"); id. at 4 ("specific, credible evidence that any covered . . . official may have committed a Federal crime"); id. at 5 ("specific and credible evidence to suggest that any crime was committed"). These merely semantic variations were not intended as departures from the statutory standard, which I have applied: whether there is sufficient specific and credible information to warrant investigating whether a crime may have been committed.

Indeed, as I noted at the hearing, other Attorneys General have similarly articulated the standard in slightly varying ways, but I am confident that they, too, all applied the appropriate standard. For example, Attorney General Barr, in his August 10, 1992, report declining to seek an independent counsel in the Banca Nazionale de Lavoro matter, used the following phrases to identify the appropriate standard, among others:

> "The Independent Counsel Statute applies where there is specific and credible evidence that a 'covered person' . . . has committed a crime." (id. at 2.)
>
> "The threshold requirement for triggering the Statute under either the mandatory or the discretionary provision is the receipt of specific information from a credible source sufficient to constitute grounds to investigate whether some person -- covered or not -- has committed a Federal crime." (id. at 5.)
>
> "... [A]s to the mandatory provision of the Statute, I have concluded that there is no specific and credible information that a 'covered person' committed a crime. As to the discretionary provision of the Statute, I

> have concluded that, for most of the allegations relating to noncovered Government officials, there is no specific and credible information that any crime was committed." (id. at 7.)

Your letter also suggests that the standard of "specific and credible evidence" on which I rely is different from the statutory standard of "information sufficient to constitute grounds to investigate." However, the Act directs that I assess whether I have received "information sufficient to constitute grounds to investigate" solely in terms of the specificity and credibility of the information. 28 U.S.C. § 591(d)(1). That subsection of the Act goes on to direct:

> The Attorney General shall determine whether grounds to investigate exist not later than 30 days after the information is first received. If within that 30-day period the Attorney General determines that the information is not specific or is not from a credible source, then the Attorney General shall close the matter. If within that 30-day period the Attorney General determines that the information is specific and from a credible source, the Attorney General shall, upon making that determination, commence a preliminary investigation with respect to that information. . . .

28 U.S.C. § 591(d)(2). Thus, the standard of "specific and credible evidence" sufficient to warrant further investigation, which is the standard on which I have relied, is derived directly from the Independent Counsel Act itself and, as noted above, is the same standard that has been applied by prior Attorneys General.

At bottom, I do not believe that our disagreement on this first issue is really over the legal standard being applied. Rather, I believe that the difference between us on this point is factual. You believe that the facts known to you, largely from media reports and public statements, meet the applicable legal threshold. While I have the greatest respect for your views, based on the information that we have gathered during our investigation to date, I cannot agree. As I have stated on numerous occasions, however, I am continuing to review the facts as they are developed by the Task Force, and I will not hesitate to invoke the procedures of the Act if the legal standard I have set forth above is met.

2. "Actual vs. Apparent Conflict of Interest"

In my report to you I stated that invocation of the first discretionary provision, 28 U.S.C. § 591(c)(1), requires my prior determination that an investigation or prosecution by the

Department of Justice may result in an actual conflict of interest, rather than the perception or appearance of one. You take issue with my reading of the statute, but neither the language of the statute nor the legislative history supports your suggested reading of the law.

The plain language of the discretionary provision at issue requires that I find that Department of Justice investigation or prosecution of a particular person may "result in a personal, financial, or political conflict of interest." 28 U.S.C. § 591(c)(1). The statute does not authorize invocation of that provision based upon only the "appearance" of a conflict of interest. The distinction between an actual conflict and the appearance of a conflict was established at the time the provision at issue was adopted. See, e.g., Pub. L. No. 95-521, Title VI, § 603(a), 92 Stat. 1824, 1874 (1978) (codified at 28 U.S.C. § 528) ("The Attorney General shall promulgate rules and regulations which require the disqualification of any officer or employee of the Department of Justice . . . from participation in a particular investigation or prosecution if such participation may result in a personal, financial, or political conflict of interest, or the appearance thereof." (emphasis added)). In other words, when Congress intended to prevent the appearance of a conflict as well as the actual conflict, "it knew how to do so." See Custis v. United States, 511 U.S. 485, 492 (1994). The absence of the term "appearance" (or any synonym thereof) in section 591, then, indicates that I should look to conflicts of interest, not to the appearance of conflicts, in assessing the need for an independent counsel.

The legislative history further underscores the plain meaning of the statute, as I noted in my report to the Committee. I would like to set it forth at some length because it leaves no doubt as to the proper interpretation of the first discretionary provision.

As originally enacted in 1978, the special prosecutor provisions of the Ethics in Government Act (the predecessor of the Independent Counsel Act) contained no discretionary provision. As a result, the Department determined that it was unable to seek an independent counsel when allegations were made involving members of the President's family. In 1982, therefore, a bill was introduced that would have extended the mandatory coverage of the Act to members of the President's family. S. 2059, 97th Cong. (1982). As passed by the Senate, S. 2059 included both a mandatory provision requiring appointment of an independent counsel to investigate members of the President's family, and a provision permitting discretionary appointment "if the Attorney General determines that investigation of such person by the Attorney General or other officer of the Department of

Justice may result in a personal, financial, or political conflict of interest, or the appearance thereof." Id. at § 4 (emphasis added).

When the bill was introduced on the House floor, however, it did not contain either the provision for mandatory coverage of the President's family or the language permitting the Attorney General to seek an independent counsel based upon only the appearance of a conflict of interest. As introduced in the House, the section regarding the discretionary appointment of an independent counsel provided that the Attorney General could consider the appointment of an independent counsel only upon a determination that a Department of Justice investigation or prosecution may result in a "personal, financial, or political conflict of interest." The House passed this version of the bill. See 128 Cong. Rec. 30,365-66 (1982). The Senate subsequently concurred in the House amendments and passed the bill, leading to the present language. 128 Cong. Rec. 31,625.

The failure to enact the clause "or the appearance thereof" by Congress is significant. To be sure, one should be careful not to assume reflexively that rejection of language always implies an intent to reject the substance of the language, as noted in the Report to the Attorney General on the misuse of legislative history that you cite. See Report to the Attorney General, Using and Misusing Legislative History: A Re-Evaluation of the Status of Legislative History in Statutory Interpretation 108 (1989) ("rejection of a phrase listing examples of a broad authority cannot be understood to exclude those examples"). That does not mean, however, that an examination of rejected language can never be significant. To the contrary, as the same report recognizes, legislative history may be appropriately used to interpret "the meaning of the statute with the adopted language, as informed by comparison with the rejected language." Id. at 109. That proves to be the case here. Comparing the bill with the "appearance" clause to the one enacted, especially in light of the existence of contemporary statutory language containing just such a clause, see 28 U.S.C. § 528, indicates that the statute as enacted is narrower in scope than it would have been with the "appearance" clause.

This view of the significance of Congress's failure to enact the "appearance" clause into law is borne out by other parts of the legislative history as well. When introducing the bill in the House, Congressman Hall, the floor manager of the bill, emphasized that the omission of the language regarding the appearance of a conflict was deliberate:

> The Senate-passed bill provides that the Attorney General may apply for the appointment of a special prosecutor to investigate persons other than the class

> of individuals specifically covered whenever the Attorney General determines a personal, financial, or political conflict of interest or the appearance thereof may result if an officer of the Department of Justice conducts the investigation. The bill as amended deletes the reference to appearances, and thereby requires the Attorney General to determine that an actual conflict may exist in order to utilize the special prosecutor procedures.

128 Cong. Rec. 30,273 (1982).

Subsequent congressional action has confirmed this interpretation of the phrase "personal, financial, or political conflict of interest." The 1994 re-enactment of the Act added a second discretionary provision governing the investigation of Members of Congress and allowing for the appointment of an independent counsel if the Attorney General determined that such appointment "would be in the public interest." Pub. L. No. 103-270, § 4, 108 Stat. 732, 736 (1994) (codified at 28 U.S.C. § 591(c)(2)). Prior to that time, appointment of an independent counsel to investigate a Member could be made only under the first discretionary provision, which required a determination that prosecution by the Department may "result in a personal, financial, or political conflict of interest." Pub. L. No. 97-409, § 4(a)(2), 96 Stat. 2039, 2040 (1983) (codified as amended at 28 U.S.C. § 591(c)(1)). The Senate Report on the re-enactment discusses the difference between the two discretionary provisions as follows:

> This paragraph [now section 591(c)(2)] removes the requirement under current law in 591(c), that, before using the independent counsel process in a case involving a Member of Congress, the Attorney General first determine that an investigation or prosecution by the Department of Justice "may result in a personal, financial, or political conflict of interest." In its place, the section merely requires the Attorney General to determine whether an independent counsel proceeding would be "in the public interest."
>
> This broader standard enables the Attorney General to consider a larger range of factors and to exercise greater discretion in deciding when cases involving Members of Congress should be handled through the independent counsel process. For example, the Attorney General could consider not only whether an actual conflict of interest might result if the Department handled the matter, but also whether an appearance of a conflict of interest might weaken public confidence in the investigation and any prosecution.

S. Rep. No. 103-101 at 36 (1993) (emphasis added). The House Report echoed this view almost verbatim:

> The ability of the Attorney General to use the independent counsel provision with regard to a Member would no longer rest on a determination that investigation or prosecution by the Attorney General or other officer of the Department of Justice "may result in a personal, financial, or political conflict of interest." The broader discretionary provision found in H.R. 811 would permit use of the independent counsel procedure with regard to Members of Congress not only in situations involving conflicts of interests, but also cases involving appearances of conflict and/or any other circumstances where the Attorney General determines that its use would be in the public interest.

H.R. Rep. No. 103-224 at 16 (1993) (footnotes omitted); see also H.R. Conf. Rep. 103-511 at 10 (1994).

In short, the legislative history is clear. Both the Congress that originally enacted the conflict of interest provision, and the Congress that most recently re-enacted the Independent Counsel Act after it had expired in 1992, expressed in the plainest terms their understanding that the discretionary provision that is now section 591(c)(1) applied only when an investigation may result in an actual conflict of interest, rather than the perception or appearance of a conflict of interest.

The legislative history that you reference does nothing to refute this conclusive history. The 1978 Senate Report accompanied the original passage of the Act. Since the Act at that time did not contain any discretionary provision, the Report could not possibly have been interpreting that part of the Act. Rather, it was describing the reasons why coverage of certain officials was made mandatory under the Act. The same is true of my testimony in 1993. As I noted in my report to the Committee, when I referred to the "appearance" of a conflict I was describing the basis for the mandatory provisions of the Act.

The language you quote from Senator Levin is from a floor debate during the course of the 1987 reauthorization of the Act on a proposed amendment that would have provided for mandatory coverage of all Members of Congress under the Act. Senator Levin was making the point that it cannot be validly presumed, as it can with persons covered by the mandatory provisions of the Act, that there is any actual conflict of interest or even an appearance of a conflict of interest when the Department of Justice investigates Members of Congress. Neither Senator

Levin's remarks nor the debate within which they occurred focused upon or even mentioned the discretionary provision or its specific requirements; he was simply providing an accurate general description of the Act and the reasons for its mandatory coverage of a small group of executive branch officials.

Finally, the 1982 Senate Report's discussion of the availability of the discretionary provision of the Act to address an appearance of a conflict of interest is irrelevant because, as I noted above, the Senate version of the discretionary provision, which that report accompanied, contained language expressly providing that the appearance of a conflict was sufficient, language that was dropped from the final bill.

In summary, the language of the statute clearly indicates that section 591(c)(1) can only be invoked if I find that a conflict of interest may arise, not if there is only the appearance of a conflict. Moreover, the legislative history supports this plain reading of the statute.

* * * * *

I have given your legal arguments careful consideration. For the reasons stated above, I do not agree that I have applied an incorrect standard in making my determinations under the Independent Counsel Act. I will continue to apply the requirements of the Act to the facts as we know them, in a dispassionate and non-political fashion, in determining whether at any time I should seek an independent counsel to investigate this matter.

Sincerely,

Janet Reno

cc: The Honorable Patrick J. Leahy
Ranking Minority Member

Mr. COX. I think you understand my puzzlement, because this is really about your discretion. I think you are quite right to say the buck stops here, it stops with me, but one of the reasons we are going to talk to the head of the FBI after we are finished with you is that——

Ms. RENO. Don't say it like you're finished with me. It sounds like you're giving me a hard time. I think you're—I appreciate the chairman's thoughtfulness in terms of just pursuing it. But I hope you're not finished with me, because I hope that you will continue your oversight function.

Mr. COX. I mean to do so.

You told the chairman that you discussed your decision not to go forward with an independent counsel with political as well as career people at the Department of Justice but you declined to answer his question when he asked you specifically whether you discussed this matter with Eric Holder or Mr. Hogan, your chief of staff. And I would like to ask you those questions once again.

I don't want to ask you what you discussed with them, and I think I can understand the basis of your——

Ms. RENO. I discussed my decision with senior staff at the Department of Justice. I discussed it with Director Freeh. I discussed it with lawyers in the Department. I have——

Mr. COX. Does that include Eric Holder and Mr. Hogan?

Ms. RENO. Again, I don't think that I should talk about what people advised me when it is my decision.

Mr. COX. We may have a disagreement about whether you have to answer this question. Is it your view you do not have to answer this question?

Ms. RENO. My hope is that this committee would understand how important it is to have full and frank discussion and that they would honor that.

Mr. COX. For that reason, I do not wish to ask you anything about the content of your conversation with these people, but I do wish to know whether or not you discussed this question with them. Those two people, either one of them, did you discuss——

Ms. RENO. Discuss what question with them?

Mr. COX. Your decision whether to proceed with an independent counsel in this matter.

Ms. RENO. I think if I tell you who I discussed it with, then your next question is going to be what did you discuss, and I am trying my level best to answer the question——

Mr. COX. What is your basis for declining to answer the question, I mean apart from discretion? Do you believe that we cannot properly, as Members of Congress, know the answer to this question?

Ms. RENO. I just would hope that you'd realize that you made me responsible and that you'd ask me the questions about why I did something or why I didn't.

Mr. COX. Well, Mr. Chairman, it is my understanding that absent a claim of executive privilege, it is perfectly within the province of this committee to know the answer to the question that you earlier put and the question I just put again.

Since the witness is obviously uninterested in answering the question that we have fairly put to her, I would request of the Attorney General, and ask the chairman to make the same request,

that we get a valid claim of privilege in writing from the Department of Justice following the hearing.

Ms. RENO. Here is the answer. This is in my letter to Senator Hatch of April 14, 1997. Fourth, even this discretionary provision is not available unless I find a conflict of interest of the sort contemplated by the act. The Congress has made it very clear that this provision should be invoked only in certain narrow circumstances. Under the act, I must conclude that there is a potential for an actual conflict of interest rather than merely an appearance of a conflict of interest. The Congress expressly adopted this higher standard to ensure that the provision would not be invoked unnecessarily. See 128, Congressional Record, H9507, daily edition, December 13, 1982, statement of Representative Hall.

Moreover, I must find that there is the potential for such an actual conflict with respect to the investigation of a particular person, not with respect to the overall matter. Indeed, when the act was reauthorized in 1994, Congress considered the proposal for a more flexible standard for invoking the discretionary clause which would have permitted it to use its use to refer any matter to an independent counsel when the purposes of the act would be served. Congress rejected this suggestion, explaining that such a standard would substantially lower the threshold for use of the general discretionary provision. H.R. Conference Report No. 511, 103d Congress, second session, 9/19/94.

Mr. COX. Mr. Chairman, I see my time has expired. With all respect to the Attorney General, I am a lawyer, the statute trumps your memo, and the statute says "may." It is clearly potential.

Ms. RENO. Be happy to get any memorandum you have and consider it.

Mr. COX. With respect to the questions that are still pending that the Attorney General has refused to answer, I would reiterate my request of the Attorney General that she provide us with a written statement of her claim of privilege and her refusal to answer those questions.

Mr. BURTON. We will make that request and will pursue this further.

[The information referred to follows:]

U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

February 25, 1998

The Honorable Christopher Cox
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Cox:

During the oversight hearing, you and the Attorney General engaged in a brief discussion concerning the discretionary clause of the Independent Counsel Act, 28 U.S.C. § 591(c). This letter is in further response to your questions.

At the beginning of your colloquy with the Attorney General, you indicated that "the question is whether there is any appearance of a conflict of interest with the Administration investigating itself (emphasis added)." A short time later, however, you asked the Attorney General whether she had previously testified that "a conflict of interest, in order to permit you to proceed under the Independent Counsel statute, must be actual rather than potential (emphasis added)." The Attorney General's answer to you, to the effect that she had so testified, makes clear that she believed you were again drawing a distinction between an appearance of a conflict of interest and an actual conflict. Indeed, it is that distinction that has formed the basis for several prior Department of Justice communications concerning the discretionary clause of the Independent Counsel statute. However, having reviewed the transcript of your questions to the Attorney General, it seems that you were drawing a different distinction--namely, between a conflict of interest that has already materialized and one that may materialize if, for example, the Department were to proceed with a certain line of investigation.

A "potential" conflict of interest--in the sense of an actual conflict that may materialize with respect to a person not otherwise covered by the Act--is sufficient to permit the Attorney General to trigger the discretionary clause of the Independent Counsel statute, so long as there is specific and credible evidence that that individual may have violated federal criminal law. The issue we have discussed at some length previously, is whether a mere appearance of a conflict of interest is sufficient. The statute and its legislative history make it clear that such an appearance is not sufficient grounds

under section 591(c). In light of your expressed interest in this provision of the Act, I am enclosing for your information a copy of the Attorney General's response to Senator Hatch concerning this issue.

At this point, the Attorney General has not concluded that she has a potential conflict of interest with respect to any individuals not covered by the Act as to whom we have specific and credible evidence. Therefore, she has not found it necessary to determine whether she should exercise her discretion to utilize the procedures of the Act with respect to any of the individuals who are now subjects of the campaign financing task force investigation.

I hope this information has been helpful to you, and again, we apologize for any confusion during the hearing.

Sincerely,

Andrew Fois
Assistant Attorney General

cc: The Honorable Dan Burton
Chairman
Committee on Government Reform and Oversight

The Honorable Henry A. Waxman
Ranking Minority Member
Committee on Government Reform and Oversight

Office of the Attorney General
Washington, D. C. 20530

January 27, 1998

Honorable Dan Burton
Chairman
Committee on Government
Reform and Oversight
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

This responds to your letter of December 16, 1997, which requested the identity of those Department of Justice officials who provided me with advice concerning my recent decision not to seek the appointment of an independent counsel for the President and Vice President with regard to their telephone solicitations of campaign contributions.

In making my decision, I sought advice from many people in the Department, both career and non-career employees. As the Department has informed other congressional committees, the Campaign Finance Task Force is headed by Charles LaBella, who reports through Lee Radek, Chief of the Public Integrity Section, to Mark Richard, the Acting Assistant Attorney General with regard to this matter. Mr. Richard in turn reports to Deputy Attorney General Eric Holder, who reports to me.

I must respectfully decline to answer your specific question, however. The same principles that have limited the information I have been able to provide Congress about our ongoing investigation require that I decline to identify specifically the individuals who advised me about the decision in question. The basis for this position is the executive branch's constitutional responsibility to protect the integrity of ongoing criminal investigations and prosecutorial decisionmaking. See Memorandum for the Attorney General from Charles J. Cooper, Assistant Attorney General, Office of Legal Counsel, Re: Response to Congressional Requests for Information Regarding Decisions made Under the Independent Counsel Act, 10 Op. O.L.C. 68, 72-81 (1986) (section entitled "Protecting the Integrity of Criminal Investigations"). Our longstanding position on the confidentiality of ongoing criminal matters is based in significant part on "the separation of powers between the executive and legislative branches." Id. at 72.

The constitutional allocation of responsibilities requires that the Department seek to accommodate Congress's legitimate information needs while at the same time protecting the independence and integrity of the Executive's investigative and prosecutorial process. See United States v. American Tel. & Tel. Co., 567 F.2d 121, 127 (D.C. Cir. 1977) ("[E]ach branch should take cognizance of an implicit constitutional mandate to seek optimal accommodation through a realistic evaluation of the needs of the conflicting branches in the particular fact situation."). Therefore, I am committed to seeking to satisfy Congress's needs in this area by explaining my decisions regarding whether to appoint an independent counsel. I firmly believe, however, that it is an inappropriate intrusion into the conduct of this ongoing criminal investigation for Congress to inquire into the details of my consultations in connection with these decisions, including identification of the individuals with whom I have consulted.

As Director Freeh and I stated in our December 8th letter to you about the Director's memorandum to me:

> Public and judicial confidence in the criminal justice process would be undermined by congressional intrusion into an ongoing criminal investigation. Access to the confidential details of an ongoing investigation would place Members of Congress in a position to exert pressure or attempt to influence the prosecution of specific cases, irreparably damaging enforcement efforts.

I believe that the same concerns would be implicated by disclosure to Congress of the identities of individuals who are advising me in a pending criminal matter. This, too, could place Members of Congress in a position to exert pressure upon these individuals, and at the very least would surely create the perception of such pressure. It thus would undermine confidence in the fair administration of justice. These concerns clearly outweigh any possible legislative or oversight desire to know the names of the people who advised me about this decision that I alone made -- and for which I alone am accountable.

Moreover, as both Director Freeh and I testified at your Committee's hearing last month, it is imperative that I -- and future Attorneys General -- receive forthright and frank advice from subordinates who need not fear that their identities and views will be made known outside of this institution. The potential chilling effect on the candor of the advice I will receive is especially evident where, as here, the investigation is an ongoing one where I will no doubt be seeking advice in the

days ahead from many of the individuals who advised me on the decision that is the subject of your request.

I trust that you will recognize the sensitivity of this area and that you will find the above response sufficient.

Sincerely,

Janet Reno

cc: The Honorable Henry A. Waxman
Ranking Minority Member

Mr. BURTON. Mr. Lantos.

Mr. LANTOS. Before yielding to my friend from Vermont, I want the record to show that the Attorney General has been fully forthcoming in answering all appropriate questions. Questions directed to the Attorney General that interfere with her official responsibilities as Attorney General are inappropriate questions, should not be asked, and she is perfectly proper in not responding to them.

I now would like to yield to my good friend from Vermont for the balance of his questioning time.

Mr. SANDERS. Madam Attorney General, let me open a discussion on an area that, to the best of my knowledge, we really have not talked about this morning yet.

It is my understanding that the decision you made with regard to the phone calls made by the President and Vice President related to whether they were in violation of the Pendleton Act. Can you tell us what the purpose of the Pendleton Act is, and what were your findings regarding the President and Vice President's calls in relation to the Pendleton Act?

Ms. RENO. The Pendleton Act was adopted in the 1800's and in the 1880's. My understanding from my reading of the legislative history is that people would come to Federal offices and say, look, this is how you got your job, better contribute. And just the fact of solicitation within Federal offices created a chilling effect.

Obviously, as technology has changed, those issues have changed.

One of our findings is, let me—a significant open legal issue under section 607 is whether a telephone call solicitation from Federal work space to a private location is a solicitation in the Federal workplace. This is a difficult issue made more complicated by the legislative history of 607 and by the only Supreme Court decision discussing the statute.

However, I have concluded, based on the clear facts developed in the course of this preliminary investigation, that I need not finally resolve this legal issue; and I do not finally resolve the legal issue. But I therefore assume for purposes of this investigation, that under section 607 a solicitation over the telephone could be deemed to have occurred in both the location from which the call was placed and the location where the call was received. And so I do not reach the issue of whether 607 would cover this. I assume it for the purposes of discussion.

Mr. SANDERS. The chairman and others have expressed great shock that the head of the FBI and you are in disagreement. I don't know about the chairman, but in my staff and the world that I work in, there is usually a lot of disagreement among serious people.

My understanding is that you are the No. 1 law enforcement person in this country; is that correct?

Ms. RENO. The chairman said that Director Freeh was the No. 1 law enforcement person. I have never quibbled about that. I have got my responsibilities and I am going to do them.

Mr. SANDERS. You are the Attorney General of the United States of America. How many attorneys do you have working under you?

Ms. RENO. The last I counted there were about 6,000 in U.S. Attorney offices and in main Justice and other offices across the country.

Mr. SANDERS. In your effort to do the best job that you can, is it uncommon that people who work with you or under you occasionally express disagreement with you?

Ms. RENO. Occasionally express disagreement? What—the reason I feel so strongly about this is I think they have learned that they can speak openly and fairly; and we have such good discussions, and they so inform the issue.

Mr. SANDERS. My time is up. Thank you very much.

Mr. LANTOS. I want to yield to my good friend and distinguished colleague from New York, Mrs. Maloney.

Mrs. MALONEY. Thank you, Mr. Chairman. Attorney General Reno, am I correct that you have been the Attorney General of the United States for almost 5 years?

Ms. RENO. That's right.

Mrs. MALONEY. I am also correct that you are familiar with the responsibilities under the Independent Counsel Act?

Ms. RENO. I have learned an awful lot about it in the last 4½ years.

Mrs. MALONEY. Among those responsibilities is the determination of whether to apply for the appointment of an independent counsel, correct?

Ms. RENO. That's correct.

Mrs. MALONEY. And are there certain statutory standards for making that determination?

Ms. RENO. Yes, there are.

Mrs. MALONEY. In fact, during your tenure as Attorney General, you have made determinations to apply for the appointment of an independent counsel on a number of occasions and haven't you done so on at least four occasions?

Ms. RENO. That's correct.

Mrs. MALONEY. And at least one of those occasions involved President Clinton?

Ms. RENO. That's correct.

Mrs. MALONEY. With respect to your current decision, isn't it true that you reviewed all information reasonably available to you?

Ms. RENO. That's right.

Mrs. MALONEY. Did you include all information provided to you by the FBI?

Ms. RENO. That's correct.

Mrs. MALONEY. Did you thoroughly review all information provided to you prior to making your decision?

Ms. RENO. I went over it very carefully.

Mrs. MALONEY. Did you have any discussions or communications with President Clinton or White House personnel prior to making your decision?

Mrs. MALONEY. The only communication I had was with Chuck Ruff, the White House Counsel, when I called him to find out why we had not been notified prior to the hearing, and prior to responding to Chairmen Hyde and Hatch, why we had not been notified when Congress had been notified before us and we had responded

to a 30-day letter. I wanted to know why that had happened. That is the only conversation that I have had.

Mrs. MALONEY. Did President Clinton or any White House personnel participate in any way in your decision?

Ms. RENO. No.

Mrs. MALONEY. Did you have any discussions with President Clinton or any White House personnel regarding what your decision would be?

Ms. RENO. No.

Mrs. MALONEY. Isn't it true that you were not President Clinton's first choice for Attorney General?

Ms. RENO. That's right.

Mrs. MALONEY. Isn't it true that prior to your appointment as Attorney General, you had no political or personal connection with President Clinton?

Ms. RENO. The only personal connection I had was that I had helped start a drug court in Dade County that has proven very successful, and the Public Defender in that drug court was Mrs. Clinton's brother.

Mrs. MALONEY. Isn't it true that you made your decision independently after you reviewed carefully all the evidence?

Ms. RENO. I think I described to the chairman my process, which was—I mean, it is review all the evidence, go back and talk to people, hear people out, see what evolves, think about it, get memorandums early enough so that you can really go through it in detail.

I would come back with a list of things and call people in and say, what about this, what about that, what can we do here. And it has been a very detailed process because I wanted to make sure that I did what I thought was right.

Mrs. MALONEY. Was your decision in any way influenced by the White House or political concerns?

Ms. RENO. No.

Mrs. MALONEY. Do you have any doubt that you have fulfilled your statutory obligations fairly, fully and without bias?

Ms. RENO. Absolutely. As I mentioned to the chairman at some point, he and I may disagree and I may have done the wrong thing, but I know I have tried to do what was right to the best of my ability.

Mrs. MALONEY. Madam Attorney General, we have heard many allegations today that the scope of your investigation was too narrow. I might suggest that the scope of your investigation include issue advertising. Issue advertising is securing large amounts of soft money in our campaign system and the Triad Management Services, this particular group allegedly funneled millions of dollars into issue ads, into two nonprofit organizations, Citizens for Reform and Citizens for the Republican Education Fund. These practices allowed wealthy donors to pour unregulated sums of money, large sums of money into congressional races without even minimal disclosure requirements.

It has been reported in numerous newspapers. In one ad financed by Triad a candidate from Montana was accused of beating his wife. The paper has alleged that the ad was produced in coordi-

nation with the candidate's opponents. My question is, is coordination between a campaign and an outside group legal?

Ms. RENO. With respect to all of these issues, I think that I should not, again, comment on this, on what is legal and what is not legal while the matter is pending. As I said in April, coordination between Presidential candidates and their national party committees on the national party spending for political advertisements does not appear to be forbidden either by the act or the public financing laws. But I think it is important that the FEC continue to look at that, as I understand they are, and that, as we develop any evidence that indicates that we should take action, we would do so. And otherwise, I do not think I should comment.

Mrs. MALONEY. You mentioned earlier that you believed that we should, as a Congress, move forward with campaign finance reform. We have had numerous oversight hearings, many of which you have participated in. Yet there have been very few hearings and very little serious discussion on how to reform the campaign finance system.

Would you agree that if we were to limit the amount of soft money that could be contributed, many of the abuses you have investigated could not have taken place?

Ms. RENO. Again, I think——

Mrs. MALONEY. Many that have been mentioned in the press could not have taken place.

Ms. RENO. I think it is very important that we work together to achieve reform. I do not think that I should talk about the specifics of it while my major responsibility is the conduct of this investigation.

Mrs. MALONEY. Earlier you talked about the Pendleton Act. Do you think that the Pendleton Act should be amended to provide greater clarity about what actions constitute a violation of that law?

Ms. RENO. Yes, ma'am.

Mrs. MALONEY. You do. And you did mention earlier that you thought that we should limit the amount of money for independent prosecutors. Do you think we should also limit the amount of time?

Ms. RENO. I did not suggest limiting money for independent prosecutors. What I talked about was the budget process whereby they have a budget that they spend and that they are responsible for, rather than just having access without limitation. I do not think it would limit their independence, and I think it would be a sounder process.

Mrs. MALONEY. My time is up, but just in closing, it has been pointed out repeatedly that you alone have the statutory responsibility, the legal responsibility to make a determination for an independent counsel. I just want to note that I am sure that you have dealt with this matter in a fair and unbiased manner.

Thank you for your testimony today.

Mr. BURTON. The gentlelady's time has expired.

Mr. Barr.

Mr. BARR. Thank you, Mr. Chairman.

Turning your attention, Ms. Reno, to Mrs. O'Leary. In your opinion, your notification with regard to Mrs. O'Leary, at page 2, you make the statement that if Mrs. O'Leary was involved in the solici-

tation of the donation and the donation was an expressed quid pro quo in exchange for the meeting, as Mr. Chung's allegations suggest, these facts could constitute a potential violation of Federal criminal law.

Which particular Federal criminal laws would you have in mind, or could that possibly apply to only 201, or might there be others, such as 18 U.S.C. 600, 641?

Ms. RENO. Let me do this, Congressman. What I have tried to do is provide for the notification to the court that I want to make sure I do not in any way interfere with, as we reflect here.

Therefore, based on the results, we have tried to make clear that we are continuing this investigation, that we do not have evidence sufficient with respect to Mrs. O'Leary to proceed. But what I would like to do is to make sure that I do not in any way interfere with the ongoing investigation, and I will provide you that answer if I can.

[The information referred to follows:]

U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General Washington, D.C. 20530

February 25, 1998

The Honorable Bob Barr
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Barr:

This is in response to inquiries you made of the Attorney General during her testimony before the House Government Reform and Oversight Committee on December 9, 1997.

During the course of the preliminary investigation of former Secretary of Energy Hazel O'Leary, we considered whether the facts alleged by Mr. Johnny Chung might support a violation of several criminal statutes. Our primary focus was on whether there was a violation of 18 U.S.C. § 201, and we considered both the bribery and gratuity provisions of that statute. Additionally, we considered whether there was a potential violation of the Hobbs Act, 18 U.S.C. § 1951, the federal extortion law, 18 U.S.C. § 872, or the Procurement Integrity Act, 41 U.S.C. § 423. As stated in the Attorney General's public filing in this matter, the conclusion that Mrs. O'Leary had no involvement in or knowledge about the solicitation of the charitable donation renders discussion of these criminal statutes, with respect to Mrs. O'Leary, primarily academic. However, they certainly will bear on our continuing investigation of the allegations.

You also inquired about our reasoning with respect to the conclusion contained in the public filing that Mr. Chung received "one or two general 'thank you' statements" from Mrs. O'Leary during the meeting and the subsequent Africare dinner. We are unaware of any press reports of alleged quotes of Mr. Chung that contradict that conclusion. We are sure you will appreciate that in light of the continuing nature of the investigation we are not able to comment or discuss the matter further.

In addition, you raised a question about the February 26, 1996 Memorandum for the Vice President and the talking points attached to that memorandum. Taking the entire document in context, it is clear that the funds referred to in the talking points which are to be raised, in part, through the Vice President's telephone calls are for the DNC's budget, not for the Clinton-Gore budget. Thus,

while we obtained and carefully reviewed the document about which you questioned the Attorney General, it did not alter or cast into any question our conclusion that the Vice President was soliciting soft money for the DNC when he made the telephone calls in question.

We hope that this information satisfactorily responds to your questions. Please do not hesitate to contact us if we can be of further assistance with regard to this or any other matter.

Sincerely,

Andrew Fois
Assistant Attorney General

cc: The Honorable Dan Burton
Chairman
Committee on Government Reform and Oversight

The Honorable Henry A. Waxman
Ranking Minority Member
Committee on Government Reform and Oversight

Mr. BARR. Well, let me maybe approach it in a different way. Could an expressed quid pro quo between a solicitation and a meeting be a violation of provisions of the U.S. criminal code in addition to section 201, possibly section 600, possibly section 641, not with regard to the facts of this case in particular, but as a general matter?

My understanding is that you did those statutes.

Ms. RENO. Again, this has been addressed specifically with respect to section 201.

Mr. BARR. I understand.

Ms. RENO. And I do not—I just would like to make sure that we do not do anything that would affect an ongoing investigation if I comment further. And at the conclusion, when I get back to the Department, I will clarify it and let you know what I can say and can't say without interfering with the ongoing investigation.

Mr. BARR. That would be the ongoing investigation of Mrs. O'Leary?

Ms. RENO. There is not an ongoing investigation of Mrs. O'Leary.

Mr. BARR. Which one might you be referring to?

Ms. RENO. At page 5 of the notification, it says, the circumstances surrounding the solicitation and payment of the donation and whether it was linked in any way possible to a possible meeting with Secretary O'Leary and the SINOPAC delegation are disputed and subject to differing interpretation by the participants. These circumstances and whether there may have been some unlawful contact by some participants warrant further investigation by the Department of Justice. As a result, we are limited in how much we can reveal about the details of our preliminary investigation.

However, there is no evidence whatsoever that suggests that Mrs. O'Leary had any involvement in or knowledge about the alleged solicitation of the Africare donation or any possible connection that anyone was drawing between the meeting and the donation. So that is what I wanted to check, to make sure that I don't say anything that would interfere with the subsequent followup on that matter.

Mr. BARR. You are talking about the O'Leary matter and the Department of Energy?

Ms. RENO. That's correct.

Mr. BARR. You are not talking about other investigations that might involve other parties and possible violations of 18 U.S.C. 201, 600 or 641?

Ms. RENO. I would not comment.

Mr. BARR. With regard to, in particular, the section that you just quoted from pages 5 and 6—and it is a common theme throughout the entire paper with regard to the evidence vis-a-vis Mrs. O'Leary—was Mr. Chung interviewed?

Ms. RENO. Let me just check and see what I—my understanding is that it is in the notification. I can't—I was sure it was and that he was interviewed.

Mr. BARR. He was interviewed?

Ms. RENO. Uh-huh.

Mr. BARR. Were his responses to questions, did it indicate, as reports have indicated generally, that the Secretary did thank him expressly for the $25,000 contribution?

Ms. RENO. I don't know whether it is here, but I——

Mr. BARR. It is not in the paper. My question, whether or not it is in the paper—I mean, were his responses——

Ms. RENO. He has stated that his belief that Mrs. O'Leary knew about the solicitation was based solely on the Secretary's signature on the letter he received, confirming the meeting, which our investigation determined was an autopen signature, and one or two general thank-you statements she made during the meeting and when she stopped by his table at the Africare dinner. These facts are plainly insufficient to support a reasonable inference that Mrs. O'Leary was involved in the solicitation and amount to little more than speculation.

Mr. BARR. Press reports state very clearly that Mr. Chung said that Energy Secretary O'Leary thanked him expressly for a $25,000 contribution. Were his answers to questioning by the Department consistent with those press reports?

Ms. RENO. This notification reflects what the investigation revealed, and I do not—I think it outlines the press reports and I think it compares them.

Mr. BARR. So the answer to the question is what?

Ms. RENO. The press reports are not consistent with the notification.

Mr. BARR. But are they consistent with his answers to questions during the interviews by the Department of Justice?

Ms. RENO. His press reports are—he originally alleged that he was able to secure a meeting with Secretary O'Leary only after he had donated $25,000 to a charity she supports. He stated that his belief that Mrs. O'Leary knew about the solicitation was based solely on the Secretary's signature on the letter he received, confirming the meeting, which our investigation determined was an autopen signature; and that information jibes, if that is your question, with one or two general thank-you statements she made during the meeting and when she stopped by his table at the Africare dinner afterwards.

Mr. BARR. So press reports that Chung said that Energy Secretary O'Leary expressly thanked him for the $25,000 contribution are inconsistent with his answers provided to the Department of Justice interviewers?

Ms. RENO. I can check for you and see exactly, if this doesn't clarify it for you. Let me try to clarify it to the extent it would be appropriate in a followup for you.

[NOTE.—The information referred to can be found on p. 629.]

Mr. BARR. Well, the document from which you are reading is an accurate reflection of the Department's work. That would certainly be a correct statement, wouldn't it?

Ms. RENO. That's correct. And what I will do is check and see what I can provide you in terms of what he said with respect to the thank-yous.

Mr. BARR. If he had in fact stated that Mrs. O'Leary expressly thanked me for a $25,000 charitable contribution to Africare, would that change the Department's position?

Ms. RENO. I think that is what he said originally, and I think with questions of the people who were there and the investigation that was done in this matter, this notification sets forth the Department's findings.

Mr. BARR. With regard to Mr. Gore, are you familiar—I did not see reflected in your paper your notification on Mr. Gore—we have it, I think, as document 292—which is a memorandum to the Vice President, dated February 26, 1996, subject, DNC and Reelect Budgets. Are you familiar with that document?

Ms. RENO. I don't know what document you are referring to without looking at it, sir.

Mr. BARR. OK. If somebody could hand this to the Attorney General, please. It is on the screen. It is a document dated, as indicated, entitled, as I have indicated. And it goes on to state that the President and Vice President would actually be doing the calls, the calls reflecting the subject matter of the memorandum, DNC and Reelect Budgets. If, in fact, that was the basis for the calls that the Vice President made, about which there is little dispute, would not that clearly indicate that the Vice President knew that he was, in fact, making calls for reelect money, which is Federal money, which clearly would be covered by 18 U.S.C. 607?

Ms. RENO. I don't have a specific recollection of how this issue was addressed. I do not think it is addressed in the notification, and I will provide you that information if it is appropriate.

Mr. BARR. Why wouldn't it be? Wouldn't this document be relevant?

Ms. RENO. What I would like to do is check it out because it is not addressed in the notification, and I want to make sure since——

Mr. BARR. Would it not——

Mr. LANTOS. Regular order.

Mr. BARR. Would it not, on the face of it, appear to be relevant?

Mr. BURTON. The time of the gentleman has expired. Mr. Lantos is recognized for 10 minutes, or someone on your side.

Mr. LANTOS. I am delighted to yield to my good friend from Wisconsin, Mr. Barrett.

Mr. BARRETT. Thank you. And thank you, Mr. Chairman.

Ms. Reno you showed a lot of enthusiasm when my colleague Mrs. Maloney suggested or asked whether you thought the Pendleton Act should be updated. I just want to offer my assistance. I would be more than willing and, in fact, anxious to work with you in your office. I think that there is a number of Members on a bipartisan basis who would like to make sure that our laws are at least understandable. And clearly I think it is in everyone's best interests if we understand what the law is. So I just wanted to make that offer to you.

With respect to the Pendleton Act, one of the criticisms that we have heard about your decision is that once you framed the issue, that it was basically a done deal that there would be no independent counsel. Could you help me understand how you went about framing the issue and why you framed it the way you did?

Ms. RENO. From the outset of the investigation, we have tried to consistently, regularly, constantly review the evidence that is developed in the ongoing investigation of campaign finance. We have

tried to follow all the leads. But my message to everybody has been, if you have determined that the statute, the Independent Counsel Act, may be triggered, look at it carefully, consult with the lawyers in the Department who have had experience, both through Republican and Democratic administrations, in implementing and construing the act to make sure that if it is triggered, we respond immediately. And so as information is developed, we look at it, discuss it and see whether it has triggered the statute.

In the specific instance of the President and the Vice President, 607 was the specific issue that was triggered. With respect to Mrs. O'Leary, it is a separate issue that, really, there is some common denominators to it, but we have tried to take every instance and pursue it. Some people say there is a larger theory, and we try to look at it to see what is the specific and credible information that indicates that there may have been a violation of Federal law. And we are constantly looking for that issue to see whether the statute would be triggered.

Mr. BARRETT. So that when we hear comments from, particularly from the other side, but even from this side of the aisle, about an allegation that involves, for example, Chinese money, why did that not—why was that not a part of the consideration here?

Ms. RENO. Again, I have to be careful in how I comment on it. But with respect—the statute has two parts, as Chairman Burton has described. One covers covered persons, and if I find specific and credible information concerning a covered person, then I have got to trigger the statute. I do not have specific and credible information that a covered person knowingly violated a law with respect to the issues that you discuss. I have got to have that information.

With respect to other people who are not covered, I still have got—the threshold is to find that there is a conflict investigating a person for whom I have specific and credible information. And then I must look at the totality. What is the transaction, what is the relationship, how is a covered person impacted in it? There, each has to be looked at on a case-by-case basis.

Mr. BARRETT. Much has been made and many comparisons have been made with the decision by President Reagan to appoint an independent counsel in Iran-Contra concerning that case. My recollection is that that ended in 1992, when President Bush ended that investigation and pardoned six people. Am I right? Is that the one where——

Ms. RENO. I don't remember all the details. I don't remember how many people.

Mr. BARRETT. Because so much has been made that that was such a great Profiles in Courage move, we never got the end of the book. I do not recall exactly. Maybe I am mistaken. I thought that that is how the Iran-Contra special counsel——

Ms. RENO. I just tried to concentrate on what I have to deal with since March 12, 1993.

Mr. BARRETT. Which brings me to my next question. Could you run through, please, for me the different cases where you have appointed an independent counsel?

Ms. RENO. Again, I can tell you that I have sought the appointment of at least four.

Mr. BARRETT. And those cases are?

Ms. RENO. The first case was the case that the chairman alluded to which—in which I originally appointed a special counsel because the Independent Counsel Act was not then in effect. It had lapsed. I made a statement that when the Independent Counsel Act was passed, I would seek to use the processes of the act, and the court then appointed another independent counsel, Kenneth Starr, and you are generally familiar with the press accounts of Mr. Starr.

I have referred related matters or agreed to Mr. Starr pursuing related matters with respect to that.

Mr. BARRETT. So it is commonly known as the Whitewater.

Mr. LANTOS. I am sorry. My friend's time has expired. We have to move on to Congresswoman Norton.

Mr. BARRETT. I understand. Thank you very much.

Ms. NORTON. Welcome, Madam Attorney General. I just want to note for the record, since I sat in on the deposition that was taken this week of Ms. O'Leary, that not only was the submission to the court closing out that matter made with the most definitive language, but in a letter from the counsel of this committee, that matter has apparently been closed out as well. In that letter of December 8, counsel said that the reason for calling her was because there was no access to Justice Department sources as is, of course, appropriate and that, quote, "the committee will not be calling Ms. O'Leary before a hearing next week." No other subpoena was issued to your client. It seems to me that all questioning on that matter is indeed moot.

Madam Attorney General, I am sure there is confusion since people have seen tapes, and there is every indication that Democrats and Republicans alike were going around raising all kinds of money from anybody in sight. In your investigation of the President and the Vice President, was there any evidence of a request for a quid pro quo or any kind of quid pro quo such as a job or a contract or a promise of any sort?

Ms. RENO. With respect to ongoing matters, if there was specific and credible information of the kind that you just talked about, it would trigger the statute. With respect to these specific calls covered in the notification, that is not—there has not been specific and credible information to that effect.

Ms. NORTON. Is some information of any kind of quid pro quo required under the statute?

Ms. RENO. With respect to the matter covered by this notification, section 607, it is simply a telephone call, as I have assumed here, though I have not decided, a telephone call to a non-Federal location soliciting money or receiving money would be covered. You do not need the quid pro quo.

Ms. NORTON. Well, apparently under Department policy there are, there is more than one gate through which an investigation must enter. The Department policy apparently also involves aggravating circumstances. Could you give me an example, that is to say that the statute is triggered not automatically, but if——

Ms. RENO. If you had a situation where a person sent computer mailings to Federal offices soliciting money, and the Department of Justice said, look, it looks like it has been a mistake, please don't do it again, and it was done again and again in total disregard to

the admonitions, that might be conceivably a basis for it. But it is very dangerous to do what ifs.

Ms. NORTON. Yes, but clearly, you are implying that a single incident where you might not be able to show intent might not trigger the statute because the Department would look at its own policy to see if there were aggravating circumstances.

Ms. RENO. We have tried not to address the issue of intent. We have tried to address the issue of exactly what was done and whether it was a violation of the law.

Ms. NORTON. And there is departmental policy as well as the law to be considered?

Ms. RENO. And the departmental policy specifically provided under the Independent Counsel Act, in determining under this chapter whether reasonable grounds exist to warrant further investigation, the Attorney General shall comply with the written or other established policies of the Department of Justice with respect to the conduct of criminal investigations.

Ms. NORTON. And those would be policies that were in effect before you became Attorney General.

Ms. RENO. That is correct.

Ms. NORTON. You have testified that you have appointed independent counsels, or your view that there should be an independent counsel has taken place on four occasions.

Ms. RENO. At least four occasions.

Ms. NORTON. Could any of those—could an independent counsel in any of those investigations conceivably reach a covered person in the normal course of an investigation, such as the President or the Vice President?

Ms. RENO. Well, with respect to the first one, the President, Whitewater——

Ms. NORTON. I am now speaking about an appointment that is investigating other than the President and the Vice President.

Ms. RENO. It could conceivably, but it would depend on the circumstances.

Ms. NORTON. But nothing would keep an independent counsel from going there if that is where the evidence led?

Ms. RENO. If it was related, and there you get into the discussion of what is related to the independent counsel's jurisdiction. And if it were related, I would just let the independent counsel handle it as a related matter, or in other instances as I have done, I might refer it because it is connected.

Mr. BURTON. The gentlelady's time has expired.

Mr. Shadegg.

Mr. SHADEGG. Thank you Mr. Chairman.

I would like to begin my remarks with a few prefatory statements. First of all, I served in the Arizona attorney general's office for 8 years. During that time, we prosecuted many public officials. We prosecuted a member of the Governor's cabinet for a felony and convicted him, and we prosecuted the Governor himself for a felony, so I have been—I was at that time the third ranking lawyer in the office—where you are now, and I think I have some judgment to bring to that issue.

I also believe, Madam Attorney General, that I can fundamentally disagree with what you did without being partisan or seeking

partisan gain, and that one of the problems here is that you view your critics as totally partisan and trying to change your view and don't look at their criticism in a fair manner.

Indeed I would argue, Madam Attorney General, that if you are correct that a technical violation of the law by the Vice President cannot be proven or the President could not be proven, the greatest disservice you have done to them is by not allowing the appointment of an independent counsel to make that point.

I do believe, Madam Attorney General, that you believe you have done the right thing. I do believe that, in your words, you have made your decision based upon the law and the facts. I believe indeed that you have thoroughly focused on crossing the T's and dotting the I's. But regrettably, I think you have missed the larger picture. I think you have approached this as a line prosecutor and not in a fashion that you should as the sitting Attorney General.

I do not think your job is to cross the T's and dot the I's. I think your job is to step back and look at the forest and look at the whole picture. I think it is your job to have a higher calling and to ensure that there is public confidence in the decisions you make and that no one will believe that the President or the Vice President is above the law or that they were cleared by someone who had a conflict of interest.

And I would cite in support of that position your own testimony on May 14, 1993, to the Senate Governmental Affairs Committee in which you said, the credibility and public confidence engendered by the fact that an independent and impartial outsider has examined the evidence and concluded that prosecution is not warranted serves to clear a public official's name in a way that no Justice Department investigation ever could. And indeed I think that is the problem here.

I would like to walk through just a series of events in your report and address some of those if I can. I believe you invited us to go over your report.

Ms. RENO. Which report?

Mr. SHADEGG. The report with respect to Vice President Gore and the question of whether or not he illegally sought hard money contributions in the calls he made from the White House.

First of all, your report concludes, does it not, Madam Attorney General, that Vice President Gore did, in fact, make calls from his White House office, and I believe it concludes that he did so on 10 or 11 occasions, and that he spoke to at least 45 people; is that correct?

Ms. RENO. That's correct.

And I would like to make a point respecting your experience as the third ranking officer in the Attorney General's Office. You fundamentally disagree with me, and, as I mentioned to the chairman earlier, I may not be right, but I have tried to reach the right conclusion. One of the things that I have tried to do is to listen very carefully to my critics. I don't listen to critics who talk to me about polls or throw the New York Times at me. I try to read the New York Times in terms of its substance, and I try to listen to people.

Mr. SHADEGG. Because my time is very limited, I would like to talk to you about some criticism that I have about this report.

Ms. RENO. I would like to be able to respond because I think it is only fair to do so, and if you would permit me, I would be grateful because I think it is important to understand the process.

I have specifically said, when others said, oh, he or she is after you, that's not the issue. The issue is what are the facts, what is the law. And I have tried to follow that. I believe I have done the right thing. I know what it is like to be criticized. I got criticized bitterly by people for asking for the appointment of at least four independent prosecutors and I get criticized bitterly for not asking for it. And I am damned if I do and damned if I don't and so I try to look at the evidence and the law. I try to look at the evidence and the law presented by my critics and thus I would be happy to talk with you about your criticisms.

Mr. SHADEGG. Good. Your report also concludes that some of the money raised by the Vice President was in fact used by the DNC as hard money. That is on page 8. You would agree with that?

Ms. RENO. That is correct.

Mr. SHADEGG. Your report also concludes that at least for the purposes of the report, you assume that the statute makes it illegal for the Vice President from the White House to raise hard money contributions.

Ms. RENO. That is correct.

Mr. SHADEGG. You make that assumption. OK. You also then, so, for example——

Ms. RENO. When you say the White House, again we are talking about the official places in the White House.

Mr. SHADEGG. Let us assume that. So if you had found that Mr. Gore had solicited money for the purpose of influencing an election for a Federal office, that is hard money, from his White House office and had known that he was doing so, you would have concluded at least that an independent counsel was necessary; would you not?

Ms. RENO. It would depend on the circumstances, sir. Again, what I would try to do is apply the policy that I have described here with respect to whether there were aggravating circumstances.

Mr. SHADEGG. Putting aside the aggravating circumstances questions, you then conclude, I believe at page 10 of the report, that there is, and in your words, no evidence on which to conclude that the Vice President was raising contributions that were hard money. That is, that were campaign contributions; is that correct?

Ms. RENO. That he was soliciting hard money.

Mr. SHADEGG. No evidence to believe that he was doing that.

Ms. RENO. That's correct.

Mr. SHADEGG. And based on that, you conclude there is no reasonable ground to believe that a further investigation of the allegation that he broke the law is required.

Ms. RENO. That's correct.

Mr. SHADEGG. OK. Would you agree with me, Madam Attorney General, that the best evidence of whether or not the Vice President was soliciting hard money campaign contributions would be his own words?

Ms. RENO. It would be a variety of information.

Mr. SHADEGG. Certainly it would be fairly good evidence, would it not, his own description of what he was doing?

Ms. RENO. Yes, but again we wanted to make sure that we did not rely on the Vice President predominantly, that we looked at all the evidence.

Mr. SHADEGG. But your report pretty well concludes that, No. 1, yes, he made the calls. Yes, some of the money was used as hard money. But he didn't know of the DNC policy to use it as hard money so he didn't know he was raising hard money, and you just agreed with me that if he was raising hard money, that that would appear to be a violation of the law, at least your report assumed that, and that it was likely, absent the issue of aggravating circumstances, that you would have called for an independent investigation, right?

Ms. RENO. Depending on the circumstances and the aggravating circumstances.

Mr. SHADEGG. I simply want to go to the Vice President's own press conference on this issue, a press conference, importantly, that occurred before the defense of soft money had occurred. And I want to point out that in the transcript of that press conference, the Vice President does not once say that he believed he was raising soft money.

I would like to read from that press conference. The first paragraph that I would like to read reads as follows:

First of all, I want to spell out the facts of my role in the campaign. First of all, to state the obvious, I was a candidate for re-election in the campaign. I worked very hard for the re-election of President Clinton and myself. I am very proud that I was able to be effective in helping to re-elect President Clinton, and I was very proud that I was able to also, as a part of that effort, to help raise campaign funds.

Now he describes them himself as campaign funds. Then we if we could put on the screen, at a later point in the press conference, he says, we felt, as we were preparing for our campaign, a general sense that we wanted to make sure that we had the ability to compete.

Now he is talking about our campaign. First he was talking about to help raise campaign funds. Now he is talking about funds "for our campaign."

At an additional point in the campaign, and we can put this one up, I was helping to raise funds for the campaign. I think there is a sentence that is not pertinent. Then he says, but I don't think it is surprising to people that when a President and a Vice President are running for re-election and the Vice President helps to raise funds for the campaign. Each of these appear to me, Madam Attorney General, to be references to his re-election campaign, which would be hard money; would they not?

Ms. RENO. That's correct.

Mr. SHADEGG. Then the last one I want to bring to your attention is that in that same portion of the transcript, at the same——

Ms. RENO. What I answered, when you asked is that correct, contributions to the Gore campaign would be hard money.

Mr. SHADEGG. Right. As a matter of fact, your report finds that he used, although he said at the press conference he used a DNC credit card, in point of fact he used a Clinton/Gore credit card for most of the calls, and your report also finds that; does it not?

Ms. RENO. That is correct.

Mr. SHADEGG. At page 14 I believe it says that.

The last quote I want to bring to you from his press conference is that it says point blank, he says, "My counsel advises me that there is no controlling legal authority, the phrase that became famous from that press conference, or case that says there was any violation of law whatsoever in the manner in which I asked people to contribute to our re-election campaign."

Now, we have had four different references to our campaign, the campaign and, in this case, a specific reference to the manner in which I, the Vice President, asked people to contribute to our re-election campaign.

It seems to me, Madam Attorney General, that is very strong evidence that he thought he was raising hard money, and my question to you is why nowhere in your lengthy report where you resolve all these doubts in favor of the Vice President and say no independent counsel is necessary, that press conference is not discussed even once and his own words in it aren't used even once?

I want to suggest that the reason is the Vice President had not had time to shape his testimony to talk about soft money at the press conference. Indeed at the press conference what he says is that he and the President aren't covered by the statute and besides which the statute doesn't apply to him. Now, later your investigative report shows that he didn't believe it was hard money. I think this is pretty clear evidence that at the time he did it he thought it was hard money.

Ms. RENO. Based on the interview of over 200 witnesses, based on the analysis of documents, we disagree.

Mr. SHADEGG. Why isn't the press conference mentioned in your report, then?

Mr. LANTOS. Regular order, Mr. Chairman.

Mr. BURTON. You may answer that, Ms. Reno.

Ms. RENO. What we have tried to do is to take all the information that was available to us in the investigation. We have looked at the issue with respect to the credit card. As it indicates, we have looked at the documentation. We have looked at the notes on the documentation. We have talked to the people who were solicited, and we have tried to find out from them just what was solicited.

Mr. SHADEGG. But the press conference is not mentioned in your report.

Ms. RENO. I don't think it is, sir.

Mr. BURTON. The gentleman's time has expired. Mr. Lantos.

Mr. LANTOS. I am very pleased to yield 5 minutes to my friend and colleague, Congressman Fattah.

Mr. FATTAH. Thank you, and thank you, Mr. Chairman. It is good to see everyone. I want to wish everyone a happy holiday season. I am glad the chairman brought us all to town so that we could be here together.

To the Attorney General, it must be a very difficult job because since Clinton's election he has been followed by a string of allegations, and if one would have appointed an independent counsel on each and every occasion, there probably would not be room for any other activity.

Since his election in 1992, we have had allegations from Jerry Falwell that he has been involved in murders in Arkansas. We had Whitewater. We had Filegate, Travelgate. Now we have the campaign scandals. And I have left out a few like Gary Aldrich saying that he was sneaking out of the White House at night going downtown to a hotel or something of the sort. So it is difficult to follow all of this. But I think it is safe to assume that as you deal with allegations, there has to be some foundation before one would embark on a process under which an independent counsel would be appointed. And the threshold as set by the Congress, not by you, is that there be specific and credible evidence that the President, not that he beat the Republicans but that he actually did something wrong, before you would cause an independent counsel to be appointed; is that correct?

Ms. RENO. Specific and credible information that he may have violated Federal criminal law.

Mr. FATTAH. Because in the public arena, and there has probably not been another person who has attracted such wild and comprehensive allegations from his conservative and partisan opponents, but let me move to the question of what happens after an allegation. There is an investigation. And whether it is a preliminary investigation by the Justice Department or whether it is a congressional investigation, investigations are set aside to try to determine what the facts are. Now, Senator Thompson had an investigation in the Senate related to the matters that have brought you here today even though you are headed to a very important meeting on international law enforcement matters. And Senator Thompson spent millions of dollars. He subpoenaed documents and witnesses and depositions. Are there any limitations between the Senate investigation processes and what is available to the Justice Department in terms of proceeding?

Ms. RENO. I do not really want to discuss what we can do that a congressional committee can't. But it is important that we——

Mr. FATTAH. Let us walk through it. Now both the Senate committee can issue subpoenas and the Department of Justice can issue subpoenas for documents and for persons to come and present either before a grand jury or before the Senate in that case; is that accurate?

Ms. RENO. That is correct.

Mr. FATTAH. So in the search for the truth, there is at least in terms of documents or personal testimony, the Republican majority in the Senate, and in that case also the Republican majority here in the House, we have spent $4 million. We have done hundreds of depositions. In this search for the truth the Republican party, even though it wants to criticize your process, has had processes available to it, to chase the wildest allegations that they want to make about the White House as relates to this matter, and the point I am trying to make is that even though you have been brought here today as part of the committee's oversight responsibility, if there is any feeling on behalf of this committee and its majority, even after the failings of the Thompson committee in the Senate and their—the fact that they have now retired from this process, that this committee could subpoena people, depose people, and we have done it to search out any avenue of information that

somehow because of your process being improper that we think should be brought to light and that this committee could make referrals to the Justice Department; isn't that correct?

Ms. RENO. As I understand it, it is, sir.

Mr. FATTAH. So if we found some evidence that there was some actual wrongdoing or to go back to the original allegation that the Chinese Government had a conspiracy to influence the Presidential election which is how Senator Thompson started out his hearing, and at best we have been able to determine is that to the degree that the Chinese Government had some interest in elections in America, it was in the congressional elections, but to the degree that we found any information, we could refer it to the Justice Department.

So I guess the question that I am really trying to get at is that you have been brought here today because the majority has a complaint about your decisionmaking process.

Mr. LANTOS. The gentleman's time has expired. I have to move on to Mr. Cummings.

Mr. FATTAH. Thank you, Mr. Chairman. Mr. Cummings.

Mr. CUMMINGS. Thank you, Mr. Chairman.

Madam Attorney General, I thank you for being here. In listening to your testimony, I am just very impressed with your independence and your forthrightness and I think that a lot of people in America feel the same way.

I find it very interesting, a few moments ago, I guess hours ago now, Mr. Lantos was asking you about your relationship with the President. And it is interesting to note that in the past many times when Presidents appointed Attorney Generals they were people who they knew well. In some instances, they were best friends, and with John Kennedy, it was his own brother. President Kennedy appointed his own brother.

I was just wondering about your feelings with regard to the significance of having a distance, the Attorney General having a certain distance from the President. Do you have any opinions on that just generally?

Ms. RENO. I try to call it like I see it. I will take the evidence where it leads me. But I have been, in the 4½ years that I have been Attorney General, I have never once felt that I did not have access to the President on issues of policy or administration policy or anything in which access to the President was important or desirable, and I have always found a very good, frank, thoughtful commentator on the other end.

Mr. CUMMINGS. When it comes to matters like this, though, when you are addressing issues that directly could affect the President and his future, or the Vice President for that matter, does it give you any more comfort when you, say, come before a body like this, or when you are making those decisions, to know that there has always been—that you are not, as Mr. Lantos said, a good friend or a buddy of the President? I mean does it give you any additional level of comfort?

Ms. RENO. I am just curious, because I think the statute, as I mentioned earlier, assumes that there is a conflict. The President of the United States can fire me whenever he wants, and so you could assume a conflict there. But Congress has set the threshold,

and it said that the Attorney General shall determine that threshold, and I call it like I see it.

Mr. CUMMINGS. I think that you have probably already answered this question by what you just said, but so that the American public can be very clear, when you make these decisions, you don't worry about the President firing you, do you?

Ms. RENO. I don't worry about the President firing me. As I told the Senate Judiciary Committee at my confirmation hearing, I will follow what the President says, but when I think he asks me to do wrong or to do something like that, I will say, bye, Mr. President, I am going home, but I will get in my truck and go explore America first. And I can tell you that in these 4½ years, the President has never asked me to do anything remotely in the realm of doing something wrong.

Mr. CUMMINGS. A little bit earlier, a statement was made, and it was more it seemed an implication that perhaps you may have felt that the President or the Vice President were above the law. You don't feel that way, do you?

Ms. RENO. I have spent an awful lot of time subjecting them to this really stiff scrutiny of the law. I have, as has been indicated, asked for the appointment of an independent counsel with respect to the President. I will follow the law, and I will apply it.

Mr. CUMMINGS. I guess I speak from the standpoint of a defense counsel when I ask this question and make this statement. We have spent a lot of time here talking about why you didn't appoint a special prosecutor, and there has been substantial criticism, but I guess there is something that we haven't talked about a lot here today, and that is fairness to the person being investigated. I think it is very important in our judicial system, and in this whole, in all that you do, I guess, you take into consideration fairness, not just from a standpoint of the State's—I am sorry, the country's, the Federal Government trying to bring charges, but also fairness to the person being investigated. Could you speak on that for just a moment, please?

Ms. RENO. I think one of the worst things imaginable is to charge a person or to take action with respect to a person who is innocent, and I think the prosecutor in America has a very important responsibility to make sure that innocent people don't get prosecuted and that the guilty get prosecuted and convicted according to principles of due process and fair play, and that they are convicted in a court and not in headlines.

Mr. CUMMINGS. And so I guess when you talk about waking up at 3 or 4 a.m., and trying to figure all of this out, I guess you are looking at both sides of that, the side of the Federal Government and your responsibility as a sworn officer, and at the same time fairness to those who may be accused.

Ms. RENO. My responsibility as a member of the cabinet of the Federal Government as Attorney General is the same: It is to protect the innocent and to convict the guilty, and I owe that responsibility to the American people, because they are the Government.

Mr. CUMMINGS. Thank you very much.

Mr. BURTON. The gentleman's time has expired. Mr. Horn.

Ms. RENO. Mr. Chairman, would you give me 3 minutes?

Mr. BURTON. I will give you 4 minutes.

Ms. RENO. Thank you, sir.

Mr. BURTON. The committee will recess subject to the call of the Chair, but don't anybody move.

[Recess.]

Mr. BURTON. The committee will come to order.

I think that was about 2 minutes and 13 seconds, so you're pretty fast.

Ms. RENO. Thank you, Mr. Chairman.

Mr. BURTON. Mr. Horn.

Mr. HORN. Thank you very much, Mr. Chairman.

It is good to see you, Madam Attorney General. I can recall the fine job you did when as a member of the Civil Rights Commission, I went to Dade County with my colleagues on a terrible murder situation, and you were a most impressive State's attorney and you have been a most impressive Attorney General in many ways. But I am going to raise one question with you that I would like to see what your thinking is.

We are simply amazed as we get into this about the abuse of illegal foreign money, the money that is laundered through noncitizens or straw donors, and what I want to bring up is a situation where money seems to have clearly carried the political favor in ways that would never have been dreamed possible if we thought about it.

I want to ask you a few questions about the dog track case in Hudson, WI, and I do it for two reasons. One is a very able Federal judge, Barbara Crabb, who was nominated and appointed by President Jimmy Carter, a Democrat, who is handling this case, and has had this to say about it. Quote: "Drawing all reasonable inferences from the undisputed facts, I believe there is a distinct possibility that improper political influence affected the decision."

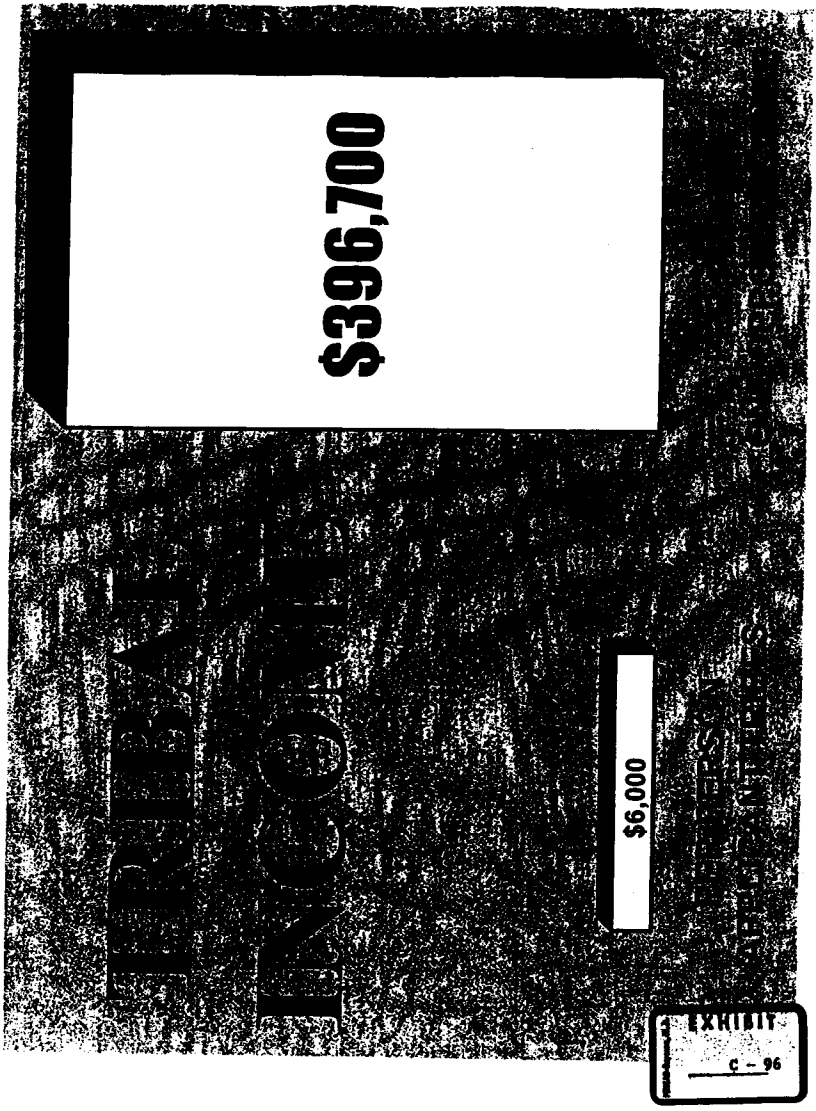
Second, I raise this question because I think it is going to shed some light on what is going on in some parts of the Department of Justice. By now, the facts are pretty well-known. The career professionals in the Department of the Interior that has jurisdiction over Indian gaming law at the local level approved an application by Indian tribes to take land into trust for a casino at a greyhound track in Hudson, WI. Then, after the first round of approvals, very high-priced Washington lobbyists began to weigh in against the dog track.

They had meetings with the President, with the Vice President and his staff, with seeing your White House staff, with the chairman of the Democratic National Committee, with the chair of the re-election campaign of the President, no stone was left unturned. The night before Secretary Babbitt made the decision to reject the application, which was almost unheard of, practically every single Indian gaming request has been approved by the Secretary of the Interior, one of the lobbyists for the dog track opponents, had a $420,000 fund-raiser for the President of the United States. He sat next to the President that night before, your Deputy sat next to the President, the night before, Gorelick.

Now, the Secretary of the Interior indicated to one lifelong friend

the next day that the poorer tribes—and that was true, this was a fight between Indian tribes that are very well off in Minnesota, the neighboring State, who already have a casino, didn't want the competition. The members of the poorer tribes in Wisconsin that wanted the license, were getting about $6,000 per year.

[The information referred to follows:]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Mr. HORN. The people in the tribes in Minnesota get a delivery to them from the casino receipts of $400,000 per person. They are not exactly people without means, and the ones in Wisconsin are. They have poor education, poor health care, and when the Secretary made that decision, he made victims out of that tribe. He turned his back on good schooling and on good health care.

The White House policies and huge campaign contributions, said the Secretary to a lifelong friend, he said, the poor tribes are going to lose. White House politics, huge campaign contributions from tribal opponents of the Hudson Dog Track had carried the day.

Now, before we begin, I want to make one point about fairness. The Hudson Dog Track matter is not some inside-the-beltway congressional dispute. It involves real people, and that is what I mentioned, people that are very poor, that they haven't been able to help themselves, but that a casino would help them. They would get medical insurance, health clinics, schools, hospitals, care for the elderly. They would be able to build roads. And when you think of that gap of $6,000 a person for the poor tribes and $400,000 for the rich ones, it makes you shudder.

Now, let me ask you a few questions on this round.

Madam Attorney General, there is currently an investigation to determine whether the independent counsel should be appointed in the Hudson Dog Track matter. That investigation is being conducted by the Department of Justice lawyers; am I correct on that?

Ms. RENO. That is correct.

Mr. HORN. There is also an ongoing civil lawsuit involving the Hudson Dog Track; is that correct?

Ms. RENO. That is correct.

Mr. HORN. And that is being defended by Justice Department lawyers; is that correct?

Ms. RENO. That is correct.

Mr. HORN. So within the Department of Justice, you have lawyers both defending and investigating the same matter. How do we deal with this? It seems a clear conflict of interest, and if you were a law professor I think you would give this case to your students for a final exam and I wondered what you think they would say?

Ms. RENO. Well, here is what I think they would say. When I came to Washington, I was immediately faced with situations where we might be investigating a prison guard, but at the same time, defending the lawsuit against him, and I asked about this potential for conflict. And when the Civil Division or the Environment and Natural Resources Division might be representing one part of the Government and another part of the Government have other interests, we tried to build an appropriate structure that will permit that, and we constantly review it to determine whether it's appropriate.

As you have pointed out, there is now a preliminary investigation underway, and time will tell what that dictates. But we have been very careful in this instance to try to make sure that we have separate teams. Each team reports to the Department's senior leadership and to me, and even then, the issue of conflict arises and we try to address it. I cannot comment on the pending preliminary investigation, as that is obviously ongoing, and we are proceeding on that.

Mr. BURTON. The gentleman's time has expired. I will yield to you 5 minutes on the next round.

Mr. Kucinich.

Mr. KUCINICH. Thank you very much, Mr. Chairman.

Ms. Reno, I would like to go back to the beginning of this particular session and ask you to respond to some, what might be considered very fundamental questions, such as, for those viewers, what is an independent counsel? How do you define it?

Ms. RENO. An independent counsel is a person appointed by a special division of the court, and my understanding is that the people, the three-judge panel on this special division is named by the Chief Justice. The independent counsel has the authority to pursue the investigation that the special division outlines, together with related matters, and we can refer additional matters that may not be related, but may have some relevance.

The independent counsel is appointed after application by the Attorney General and after the Attorney General has determined that the evidence is specific and credible to indicate that this person may have violated Federal law, and that there is no need for further investigation.

Mr. KUCINICH. Why is it called independent?

Ms. RENO. It is called independent because there is a need in certain situations such as with covered persons where the Congress has presumed that a conflict exists to have someone who does not have that conflict make an independent judgment.

Mr. KUCINICH. So that there might be a conflict within Justice, let's say, or a conflict within the administration?

Ms. RENO. If there were a conflict within Justice, for example, if I had a personal conflict, I have been friends with somebody for all of our lives or something like that, then the Deputy Attorney General would be the deciding authority.

Mr. KUCINICH. What about the independent counsel himself or herself? What are the specific powers? Once an independent counsel is named, what can an independent counsel then do?

Ms. RENO. An independent counsel has all the authority of the Attorney General, including the power to use the grand jury, to enter into plea bargains, and to grant immunity. The only person that can remove the independent counsel is the Attorney General.

Mr. KUCINICH. And have you ever had reason to consider removing an independent counsel? If you found an independent counsel was in possible conflict, would you remove an independent counsel, or if the independent counsel was in conflict?

Ms. RENO. It would depend on the circumstances.

Mr. KUCINICH. For example, a report out of the Rocky Mountain News in Denver, CO, October 22, 1997, points out that Kenneth Starr, who is an independent prosecutor, has volunteered to help Paula Jones gratis in her lawsuit against the President, and has demonstrated, this is a direct quote, "his regard for the appearance of a conflict"—"his regard for the appearance of a conflict of interest by contributing to Republican candidates and continuing to represent tobacco companies and defense contractors." That is a direct quote from the Rocky Mountain News.

Now, you, as the Attorney General, have the responsibility for, as you say, reviewing the conduct of the independent counsel. And I would ask you, has this matter ever been called to your attention?

Ms. RENO. That specific matter has not been called to my attention, but we—I don't think—what I have tried to do is avoid commenting on the activities of the independent counsel in any public fashion so that I don't do anything that would impair the independence of it.

Mr. KUCINICH. And Madam Attorney General, I respect that, and I think that you have handled yourself in a manner before this committee which is very fair and impartial——

Ms. RENO. Let me point out one point so that I can clarify. I have seen press accounts—when I indicated that I was not aware of the specific situation, I have seen press accounts that there have been political contributions, but that is just to correct the record.

Mr. KUCINICH. I guess what is instructive here is that when we use the word "independent," that word has a lot of meaning to people. For example, we have one Independent in this whole Congress, Mr. Sanders. People presume that you are independent of political parties, that you are independent of political influence. If evidence is submitted that perhaps an independent counsel is not, it raises questions about the whole notion of independence.

So I think in these hearings, we may come to some kind of a conclusion that may help us strengthen the whole idea of the independent counsel and the independent counsel statute so that we can truly have counsels who are independent, if that is what we are seeking here. Furthermore, I would like to echo the concerns expressed by the Independent Member of this Congress, Bernie Sanders, about we have gone through all of these hearings and yet, no effort is being made, bipartisan effort, to bring about campaign finance reform.

Now, when I am back in my district talking to people about these hearings, they feel that a lot of this is a waste of time and they particularly feel it is a waste of time when they don't see any action being taken about the underlying problem which exists here, which is there is a problem with the campaign financing laws and if this Congress doesn't go ahead and fix those laws after all of this, this exercise will be seen as being hypocritical and totally a sham.

Mr. BURTON. The gentleman's time has expired. I would now yield my 5 minutes to Mr. Horn.

Mr. HORN. I thank the chairman. To continue the discussion, Madam Attorney General, let me ask you a few more questions.

As I understand what is going on, and you say you have a way to resolve this within the Department of Justice with different teams and so forth, we seem to have one of those teams vigorously defending Secretary of the Interior Babbitt, who was ordered, really, by the White House to make this decision against decisions he and other Secretaries had readily approved. They are apparently not only defending Mr. Babbitt, they are defending the President, because he did sit next to this lobbyist and $420,000 was delivered as a result of that party.

Harold Ickes and Bruce Lindsey, longtime Presidential aide and friend, and what gets me here is the issue of documents when

there is a civil case involved, civil litigants have been deprived of various documents they have sought, and you have gone to court, as I understand it, or the Department of Justice representing you have gone to court to protect these particular claims of privilege. It just seems to me that is very unfair in terms of the civil claimants; namely, the Indians in this case.

So how do you expect the American people really to have confidence about this matter, because here is truly an appearance situation, where no matter how—I like your business of, you know, I will take the heat, et cetera, I like people that way. On the other hand, you have the problem of what do the American people think when they see this is what your attorneys are doing, they are spending their time at the White House. They aren't spending their time with the poor Indians, and how do you explain it?

Ms. RENO. I want to really make sure that we have clarified the issue, because a lot has been included in the chairman's letter to me and in the statement that you just made.

First of all, I want to put at rest any suggestion that the Department has invoked executive privilege with respect to any documents in the Hudson Dog Track matter. As you know, we have not been asked by your committee to produce any documents in this matter and therefore, could not have invoked any privileges against your committee. Moreover, the White House did not consult with the Department in connection with its response to document requests that it received from this committee. Thus, the Department has only raised objections based on privilege with respect to document requests in the civil litigation, and I would note that principles governing the assertion of executive privilege, vis-a-vis Congress and the resolution of privilege issues in civil discovery, are very different.

Now, you say, oh, they have to go to court. The case is in court, and the perfect answer here is, if these claims of privilege are not legitimate, I believe the judge who is presiding is the judge to whom you referred, and I think that she will judge fairly.

Mr. HORN. Well, I certainly hope she does, but the question would be also, does this committee have a right to look at those documents? As you know, three or four letters were sent to you. They were never replied to until the Assistant Attorney General had one hand-delivered to us after several months this morning, and he doesn't use the word executive "privy" note with interest in his letter, he uses the word "privilege." And I hope you're right, that the judge will say, this is nonsense, and that she will demand that these files be turned over so they can have a fair trial, shall we say.

But I think our worry here is, do we have two standards in Justice, when we have all of those people that Justice attorneys are helping, Secretary Babbitt, the President, Bruce Lindsey and Harold Ickes, and we have a group of poor Indians out there that would like a little justice out of the court system. Now, that's fine, but we shouldn't have the perception that the Department of Justice is against them.

Ms. RENO. As I have pointed out, the matter is now in a preliminary investigation, and we will see what the course of that investigation reveals.

Mr. HORN. Well, let me just note here that claims of privilege we don't find—well, the Congressional Research Service, we turned this whole thing over to, and they gave us a number of the precedents on this, and the chairman has already put that in the record. We would be glad to send it to you again. They didn't find any claim of privilege asserted in this case very persuasive, and you as Attorney General or your representatives have fought on the side of the President to keep documents from the Independent Counsel in the Espy case, as I understand, and Justice has fought on the side of the President to keep documents from the Independent Counsel in the Whitewater investigation. Now, we are fighting on the side of the disappointed—against the disappointed tribes in the Hudson Dog Track case. That, I think, bothers all of us.

Again, we are talking the appearance. You might—your people might be the fairest in the world, but they aren't acting that way when they sort of stiff this committee like the White House Counsel's office does, and has for 5 years, I might add, having been here for 5 years and seen it. I just don't see how we can rely on Justice and your appointees or your career service, as the case may be, when they appear to be the chief supporters of secrecy, and that bothers me.

Ms. RENO. The Department's assertion of privileges with respect to documents requested in the civil litigation was consistent with our prior interpretation of the relevant privilege doctrines and court precedents. If you will look carefully, it is unclear to what extent the Congressional Research Service memorandum disagrees with the Department's position, since that memorandum focuses primarily on a very different question: The assertion of privileges by the executive branch as against a document request from Congress. It bears re-emphasis that this Department has not invoked any privilege in the dog track matter with respect to your committee, and in any event, as I point out, a neutral judge is going to make the decision, as is appropriate in the litigation in Wisconsin.

I do not know what the preliminary investigation will reveal. If it triggers an independent counsel statute, I am going to do it.

Mr. HORN. I might say, I served under 11 Attorney Generals in a row at Justice and I must say my favorite one was Elliott Richardson and you know what he did in similar circumstances, and I think both of you could continue to be heroes if you do what he did.

Mr. BURTON. The gentleman's time has expired.

Mr. Blagojevich. Did I pronounce your name correctly?

Mr. BLAGOJEVICH. Pretty close, Mr. Chairman. I am going to have a congressional committee on how to pronounce my last name.

Madam Attorney General, I just want to see if we can elaborate a little bit on the issue regarding your decision to not disclose the internal memorandum between FBI Director Freeh and yourself regarding this ongoing criminal investigation. Can you tell us to the best of your knowledge some of the previous patterns, precedences and so forth regarding open criminal files that the Attorney General is responsible for and decisions made by some of your predecessors with regard to releasing contents of those files to congressional oversight committees?

Ms. RENO. We have provided that in a previous letter. We received the chairman's response that cited some cases. We have in

the correspondence that was delivered last night indicated that those are closed investigations which present a different problem, and we reiterate the three points that we have tried to raise, which is, first of all, people should feel free to speak their mind to the Attorney General and know that the decision is hers and that she stops there, and that people ought to be able to talk freely without thinking they are going to be held before congressional committees, and everybody is subjected to this scrutiny. I knew what I was getting into, and I think it is my responsibility, and I will be delighted to continue to exercise that.

The second is just laying out for people what you are going to do in an investigation is the dumbest thing I know to do. I mean if you are conducting a professional, effective investigation, you are going to keep it close to the vest and do it the right way.

Third, if Congress gets into it, you have some real issues with respect to separation of powers, and Congress is basically an open forum. Its processes are open, and it is just inconsistent with the conduct of an efficient investigation.

As I indicated and ran out of time, I think I have a responsibility to be accountable to the American people and the way I have always tried to fulfill that accountability is by saying, while an investigation is under way, don't make it public, but let me try to answer questions when it is concluded.

Finally, something alluded to earlier, there are some people that may get hurt that should not be hurt by publication of documents. I don't know about this one, but you have got to make sure that the processes are fair and that they seek justice for all.

Mr. BLAGOJEVICH. Is it not a fact, Madam Attorney General, that some of your predecessors, irrespective of the political party that they were appointed by, took the same approach in previous investigations, and if that is the case, can you elaborate on some of those?

Ms. RENO. I do not have the correspondence with me, but I would refer you to the letter that we first sent the chairman in response to his request.

Mr. KUCINICH. And this is the letter from Charles Cooper?

Ms. RENO. It relates—it cites Mr. Cooper's letter.

Mr. BLAGOJEVICH. Mr. Cooper was part of which administration?

Ms. RENO. Reagan.

Mr. BLAGOJEVICH. The Reagan administration. And the position that Mr. Cooper enunciated is essentially the position you have undertaken here; is that correct?

Ms. RENO. That is correct, and what I have tried to point out is that I have tried to look at the institution, rely on the lawyers that advised Attorneys General in President Reagan's, President Bush's administration, as well as President Carter's.

We shouldn't have shifting sands and shifting foundations. The institution has construed it, career lawyers have construed it, and we should work together to understand how that applies, not just in a Republican administration, but in a Republican and Democratic administration, so that we can ensure that investigations and prosecutions in this country are nonpartisan and nonpolitical.

Mr. BLAGOJEVICH. Thank you very much.

Mr. BURTON. The gentleman yields back the balance of his time.

Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

Madam Attorney General and Director, FBI Director Louis Freeh, we thank you for making yourselves available today to help us clarify some of these issues that have been troubling our oversight committee.

Madam Attorney General, are you aware of any restraints or any limitation whatsoever on the FBI agent's ability to follow leads and investigate covered persons as defined under the independent counsel statute where there is yet no independent counsel appointed to deal with the allegations about this particular person?

Ms. RENO. I have tried to stress—and I hope you will ask Director Freeh about this, because I want to make sure that every transaction and every lead is followed. I think Congressman Cox had a whole litany of issues. I can't comment on those issues except to say, this investigation is not over. We are proceeding with all leads. We are trying to make sure that we leave no stone unturned.

If at a point along the way there is specific and credible information developed that a covered person may have violated the law, then I have got to trigger the preliminary investigation, and if it proves correct, I have to trigger the appointment of an independent counsel; and I am prepared to do that.

Mr. GILMAN. Well, before an independent counsel is appointed, can they still go after covered persons as defined?

Ms. RENO. If you go after covered persons, you have to have specific and credible information that they may have violated the law, and the preliminary investigation is instituted. You can also go after transactions, and as you develop the information concerning transactions, you can—it may develop that a covered person is involved.

We are going to make sure we pursue every lead. But my ultimate responsibility is the legal decision that I make, myself alone, and that is whether the independent counsel statute has been triggered. You cannot investigate a covered person if the independent counsel statute has been triggered.

Mr. GILMAN. It has not been triggered, you mean?

Ms. RENO. If it has not been triggered—I am sorry, yes.

Mr. GILMAN. So doesn't it make a pretty difficult threshold for the FBI to pursue some of these leads if an independent counsel definition has not yet been triggered?

Ms. RENO. We are trying to make sure that we leave no stone unturned and that every lead is pursued. If it is pursued and specific and credible information is not developed, then we cannot pursue it. But, for example, if we—under the situation in the notifications that I have filed, if we proceed with our investigations across the board and develop evidence, additional evidence concerning the violation of 607, then the statute specifically provides that the preliminary investigation is instituted.

Mr. GILMAN. And that would mean that you have already then triggered an independent counsel to permit that to be pursued?

Ms. RENO. I would have triggered the act, but the preliminary investigation would determine whether further investigation was necessary to show that the evidence was specific and credible, or that it was not.

Mr. GILMAN. And you would make that determination; is that correct?

Ms. RENO. I would make it just like I have made it on at least four occasions and on additional referrals.

Mr. GILMAN. So if the Director of the FBI says we have some potentially covered personnel, then you would have to make a decision as to whether or not to trigger the independent counsel in order to enable them to proceed; is that correct?

Ms. RENO. Just exactly what I have been doing. I mean, I have triggered it just with respect to this investigation four times now.

Mr. GILMAN. Well, doesn't that somewhat create a "catch-22" position in order to be able to bring in a covered person?

Ms. RENO. I don't think so. It just requires care in making sure that the independent counsel statute is complied with.

Mr. GILMAN. Madam Attorney General, you indicated on several occasions today that you are not concluding that this is a final determination on an independent counsel, and if there is some substantial information or evidence that comes forward, you would still consider the appointment of an independent counsel at a later date; is that correct?

Ms. RENO. I would even tell you that—you talk about substantial evidence. All the statute requires is specific and credible information that the Federal criminal law may have been violated. So I don't know that it even rises to the level of substantial. But we are constantly looking at that issue to make sure that we don't miss something that would trigger the statute.

Mr. GILMAN. So you are not closing down the opportunity then at some later date, if there is credible evidence, that you would be able to move ahead with an independent counsel?

Ms. RENO. Right. And I wanted to make that point to Congressman Cox and to others who have lists of things that—what about this and what about that? I can't—as I expressed my frustration to the chairman, I wish I could sit down with you and say, this is everything that we are doing, see if you've got any other ideas about what we can do better.

That is not the way it works in this country in terms of the authority of the prosecutor, but we are pursuing every lead that we can.

Mr. GILMAN. Thank you.

Thank you, Mr. Chairman.

Mr. BURTON. The gentleman's time has expired.

Mr. Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman. I thank you, Ms. Reno, for spending all of this time with us.

As riveting as it is to go over and over the issue of phone calls and where they might have been made from and whether they were soliciting hard or soft money or no money at all, I think we have heard extensively on that issue. I would like to broaden the scope a bit, if we might, to discuss money in politics generally and a little bit of the hard money-soft money distinction. That is a distinction that I think is being made, and I think that it goes to the issue that most people are concerned about, which is just the tremendous amount of money and the perceived, if not the real, need by candidates to get more money to get their message out at least

to the extent that the opposition may be doing that; and the extent to which some people think there may have been some coordination between candidacies and so-called issue ads, and whether or not that is a violation or a concern that we should have.

If the committee members were around, we had a tape that we were going to show—I don't know.

Mr. BURTON. I beg your pardon? Which tape are you referring to?

Mr. TIERNEY. He'll know.

Passing on that, there was—there have been discussions, on both the Democratic and the Republican side, about whether or not certain so-called issue advocacy advertisements were, in fact, campaign advertisements.

I was going to show you a tape, and I see it is sporadically coming up and going on on the side, but the issue is whether or not particular ads were, instead of being advocacy ads or issue ads, actually campaign ads run by different candidates; and whether or not those people, certain candidates, had coordinated the efforts of their campaigns with the people doing issue ads.

Is this a concern under the current campaign finance reform? Would the coordination of issue advertisements or issue advocacy advertisements and campaign ads be a problem that we should be concerned about?

Ms. RENO. I have not looked at the campaign reform package in detail, because I have thought it important for me to concentrate on the investigation and on performing my responsibility here. As I have said in the past, coordination between the Presidential candidates and their national parties on national party spending, at least up until a certain point and during the time covered by the events in question here, was assumed by the FEC. Congress created, under the FECA, the FEC that set administration—provided for the administration of the act and set the policy for the act; and they are currently considering this issue.

The whole area is a confusing area and a very complex area of the law, but just to give you some indications, these cases are not—each varies a bit on the facts, and they are not directly on point because they do not directly relate to national parties. But two circuits have recently held that an advertisement does not constitute express advocacy subject to the FECA unless the ad uses explicit terms, such as vote for, elect, support or defeat. There are two other cases that indicate perhaps to the contrary, and I think it is very important for the American political process that we do everything we can to clarify what can and cannot be done.

It is a very difficult area of the law, because of the first amendment issues that have arisen, but if we could work together to come up with something that gives people an understanding of what they clearly can and can't do, it would make such good sense.

Mr. TIERNEY. Well, I think this is a fair question to ask, so I will.

Do you agree, at least, that there is a large amount of misunderstanding, or at least uncertainty, as to what is allowed and what is not allowed with respect to raising moneys and spending moneys under the current statute on campaign finance laws?

Ms. RENO. Actually, there is a great debate on that issue, and just looking at those four opinions that I cited to you, arising in different contexts, there is clear confusion.

There is also the issue of the first amendment and *Buckley* v. *Valeo* and what can and can't be done under the Constitution in terms of political expression. It is a very complex area, and the best way to address it is for people of goodwill to sit down and figure out how we come up with something that makes sense.

Mr. TIERNEY. Ms. Reno, whenever there is a vote in Congress, if any particular Congressman or Congresswoman voted on a matter that affected the economic interest of any one of his or her major campaign contributors, wouldn't there at least be the perception by some that there was some conflict of interest involved there?

Ms. RENO. It would all depend on the circumstances, but you have to look at each case, and what-ifs are not good for prosecutors to respond to.

Mr. TIERNEY. Well, I guess it goes to another time due to the prospect that maybe we all ought to take a good, hard look at some public financing of campaigns in order to try to avoid all of these finer distinction areas that are so difficult and so complex and end up with us here in endless hours of hearings on fine points of where the phone call was made, whether or not the phone call was made, or what kind of money was solicited.

And I will end with that. Thank you very much for your time.

Mr. BURTON. The gentleman's time has expired.

Mr. Shays.

Mr. SHAYS. Greetings. I was reluctant to come today because on my wall is a bill that you and I worked together on closely, a wonderful note from you, and I have lots of respect for you, and yet I feel I have strong disagreements that could affect that friendship. I think if I could have that feeling, I wonder how you have a feeling with the President of the United States whom you clearly have to work with.

To me, it is about two issues: accountability, you hold people who commit illegal acts accountable; and it is about, frankly, reform. This Congress exposes wrongdoing, but then reforms the system. We saw it happen in 1974; we saw it happen in the HUD investigation where we brought forth reform, so to me, accountability and reform are both the same thing.

Mr. Cox asked, I think, an incredible question. He said, under the independent counsel statute, have you commenced a preliminary investigation on John Huang? You said, no. He asked, under the independent counsel statute, have you commenced a preliminary investigation on Charlie Trie? You said, no.

Then, under Antonio Pan, you said, no. Webb Hubbell, I don't know the answer, we will come back. Mark Middleton, you said, no.

I want to ask you, under the independent counsel statute, have you committed to a preliminary investigation of the Vice President for his fund-raising?

Ms. RENO. I have triggered an investigation of the Vice President and have made available through approval of the court the fact that I have with respect to only 607.

Mr. SHAYS. So that isn't under the independent counsel statute? You did it before that? This is not under the independent counsel statute? You didn't trigger the phase——

Ms. RENO. Let me just give you the—because we received a 30-day letter from both Senator Hatch and Congressman Hyde on——

Mr. SHAYS. I am asking if you triggered the 90-day finding?

Ms. RENO. We will come back to that in just a minute. Let me get the letter for you.

[The letter referred to follows:]

U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

February 25, 1998

The Honorable Christopher Shays
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Shays:

In the course of the oversight hearing, you asked the Attorney General whether she had initiated a preliminary investigation pursuant to the Independent Counsel Act, 28 U.S.C. §§ 591-599, of the Vice President's role in a fundraiser at the Hsi Lai Buddhist Temple. While the Attorney General responded to you that she had not, she wished to provide you with a copy of a recent letter she sent discussing the same question, and did not have a copy available at the hearing. In a letter of October 3, 1997, the Attorney General responded to a request by the majority party members of the Committee on the Judiciary, United States House of Representatives, that she seek appointment of an independent counsel to investigate campaign financing allegations; she specifically referred to the Hsi Lai Temple fundraiser at pages six and seven of her letter.

In light of your expressed interest in the same issue, I am enclosing for your information a copy of the October 3 response. Please do not hesitate to contact me if I can be of further assistance with regard to this or any other matter.

Sincerely,

Andrew Fois

Andrew Fois
Assistant Attorney General

cc: The Honorable Dan Burton
Chairman
Committee on Government Reform and Oversight

The Honorable Henry A. Waxman
Ranking Minority Member
Committee on Government Reform and Oversight

Office of the Attorney General
Washington, D. C. 20530

October 3, 1997

The Honorable Henry J. Hyde
Chairman, Committee on House Judiciary
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

On September 4, 1997, the Department of Justice received a letter from you and the other nineteen majority party members of the Committee on the Judiciary of the United States House of Representatives in which you request the appointment of an independent counsel to investigate possible fundraising violations in connection with the 1996 presidential campaign. You made that request pursuant to a provision of the Independent Counsel Act (the Act), 28 U.S.C. § 592(g)(1), which provides that "a majority of majority party members [of the Committee on the Judiciary] . . . may request in writing that the Attorney General apply for the appointment of an independent counsel." The Act requires me to respond, setting forth the reasons for my decision on each of the matters with respect to which your request is made. 28 U.S.C. § 592(g)(2).

With respect to each of the matters mentioned in your letter, I have considered all the information known to me as a result of the Department of Justice's ongoing investigation into campaign finance allegations; I have not confined myself to the facts set out in your letter, which are apparently drawn in substantial part from press accounts, and which in some cases are inaccurate or incomplete. You should also know that because many of these matters are the subject of active, ongoing investigation before a grand jury, I am extremely limited in the extent to which I can reveal details concerning these matters. However, I will address each of your identified areas of concern in turn.

With respect to two of the matters mentioned in your letter, I have initiated a "preliminary investigation," as that term is defined in the Independent Counsel Act. The first concerns the allegation involving former Energy Secretary Hazel O'Leary and a $25,000 donation made to a charitable organization by Johnny Chung. The preliminary investigation in that matter began on September 19, 1997. A copy of the Notification to the court initiating the preliminary investigation is enclosed.

The second involves allegations that Vice President Al Gore solicited political campaign contributions as defined in the Federal Election Campaign Act (FECA) in telephone calls that he made from his White House office. The preliminary investigation in that matter began on October 3, 1997. A copy of the Notification to the court initiating the preliminary investigation in that matter is also enclosed.

In each of these cases, I concluded, based upon the results of an initial 30-day inquiry, that a preliminary investigation was necessary. As required by the Act, I will report to you at the end of the preliminary investigation of these matters as to whether or not I have sought appointment of an independent counsel.

With respect to one additional matter identified in your letter -- information indicating that the President may have made phone calls from the White House to solicit political contributions within the meaning of the FECA -- I initiated a 30-day initial inquiry pursuant to the provisions of the Act on September 15, 1997. If, at the conclusion of that inquiry, I determine that the information is sufficient to warrant further investigation of whether the President may have violated federal criminal law, then I will order the initiation of a preliminary investigation into that matter, as well. As required by the Act, I will inform you of my decision at that time.

With respect to the other matters discussed in your letter, I have not initiated a preliminary investigation. If an independent counsel is ultimately appointed with respect to any of the three matters outlined above, I will consider whether these matters, among others, should be referred to the independent counsel as necessary to fully investigate and prosecute the matter on which an independent counsel is sought, or as related to that matter. However, none of them warrants a preliminary investigation pursuant to the Independent Counsel Act.

As you know, matters relating to campaign financing in the 1996 federal elections are under active investigation by a task force of career Justice Department prosecutors and Federal Bureau of Investigation (FBI) agents. I recently added to the task force significant numbers of new investigative and attorney personnel. The task force is continuing to pursue the investigation vigorously and diligently. I can assure you that I have given your views and your arguments careful thought, but at this time, I am unable to agree with your view that an independent counsel should be appointed to handle the investigation of those matters not already subject to Independent Counsel Act procedures.

I would like to briefly address your general observations regarding the Independent Counsel Act. I agree that the statute requires that I conduct a preliminary investigation when I find specific and credible evidence that a covered person "may have violated any Federal criminal law." 28 U.S.C. § 591(a). This does not, of course, mean that the Act is triggered by speculation or innuendo. Nor is it triggered, as you put it, when it is merely "possible" that a covered person committed a crime; rather, it requires specific and credible information which supports a conclusion that a crime may have been committed. This is the standard that I have consistently applied in making determinations under the Act, and I will continue to do so.

I also agree that I am not permitted under the Act to decline to conduct a preliminary investigation based on a lack of evidence of the required criminal state of mind. That is a correct reading of the Act.

However, I must again correct one misunderstanding of the Act contained in your letter. As I explained in detail in my letter of June 19, 1997, to you, in order to invoke the discretionary clause, it is necessary that I find the potential for an actual conflict of interest, as opposed to the mere appearance of a conflict of interest. The plain language of the Act so requires, and its legislative history could not be more explicit. My testimony, which you quote at length, is inapposite; I was describing the basis for the mandatory provisions of the Act. The portions of my testimony quoted by you in your letter have no application to the discretionary provisions of the Act.

1. Allegations Against Covered Persons

Let me now turn to the specific allegations in your letter. You request that I seek appointment of an independent counsel with respect to five broad areas.

a. Bribery of the President. You identify a number of particular political (and, in one case, non-political) donations or contributions by six different individuals and entities -- Johnny Chung, Ernest Green, Charlie Trie, Lippo companies, Mark Jimenez and his employees, and residents of Guam -- and you suggest that those donations or contributions were made in exchange for particular official actions by the President. You correctly note that if this suggestion is accurate, these transactions could violate a number of federal criminal statutes. However, at this time we are aware of no specific and credible evidence -- indeed, we are aware of no evidence whatsoever -- indicating that the President may have demanded, sought, received or accepted, or agreed to receive or accept, any of these donations or contributions in quid pro quo exchange for official action, or participated in any criminal conspiracy to do so.

Indeed, your letter cites no more than speculation in newspaper articles based on the fact that certain government actions favorable to a contributor followed or preceded a contribution. However, it would be inappropriate to commence a criminal investigation every time an elected official took action that benefited any contributor, in the absence of actual evidence that there may have been a quid pro quo. We are aware of no such evidence in the matters to which you refer.

Moreover, several of the transactions to which you refer, based on available information, involve mere access to the President or the White House, purportedly obtained by virtue of political donations. The courts that have addressed the issue have held that such access in exchange for political contributions is not an "official act" that can provide the basis for a bribery or extortion prosecution. See United States v. Carpenter, 961 F.2d 824, 827 (9th Cir. 1992) ("granting or denying access to lobbyists based upon levels of campaign contributions is not an 'official act'").[1] Indeed, one court has focussed on the constitutional right to "petition the Government for a redress of grievances" guaranteed by the First Amendment in refusing to find that alleged gifts provided in hopes of access to an elected public official could amount to a scheme to defraud the public of the official honest services:

> We do not think that the desire to gain access, by itself, amounts to an intent to influence improperly the legislators' exercise of official duties. The government points to no legislative duty to provide equal access to all members of the public; and, from a practical standpoint, we doubt one exists.

United States v. Sawyer, 85 F.3d 713, 731 (4th Cir. 1996). To the extent that the allegations you have set out suggest simply a decision by an elected politician to provide access to political contributors, we conclude that no federal violation is suggested.

The campaign financing task force is investigating the circumstances surrounding many of these contributions for other

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[1] See also, United States v. Rabbitt, 583 F.2d 1014, 1028 (8th Cir. 1978)(official who would make introductions and "gain a friendly ear" for contributors does not commit extortion); United States v. Loftus, 992 F.2d 793, 796 (8th Cir. 1993)(while merely providing introductions and access insufficient to support extortion charges, intending to influence the decisions of those officials on behalf of payors makes out an offense). These two cases stand for the proposition that it is not an extortion when a government official accepts payments in exchange for using his influence to obtain access or meetings with other government officials.

potential violations. Should it develop any evidence that suggests that the President or any other covered person may have participated in any criminal conduct in this regard, I will invoke the procedures of the Act.

b. Unlawful use of government facilities by the President. You next cite two types of events involving the President that occurred within the White House -- Democratic National Committee coffees and overnight stays by guests in the Lincoln Bedroom -- and suggest that these constituted illegal solicitations of political contributions (in violation of 18 U.S.C. § 607), or were benefits made possible by Act of Congress provided in exchange for political activity (in violation of 18 U.S.C. § 600), or amounted to illegal conversions of government property (in violation of 18 U.S.C. § 641).

Section 607 does not apply to events occurring within the residential areas of the White House, and applies only to solicitation of so-called "hard money" contributions. Many of the events you mention may fail to meet even these preliminary requirements of a section 607 offense. Even more broadly, we are aware of no evidence, and you have directed none to our attention, that would suggest that the President requested or received a contribution within the meaning of the FECA from anyone in the course of either the coffees or the overnight visits by his guests. Merely entertaining his supporters in the White House does not constitute a violation of section 607. There are, as you are aware, other difficult legal issues under section 607 as well, but it is sufficient for the moment to discuss only these.

Like the bribery and extortion statutes, section 600 does not apply to providing access in exchange for political contributions; rather, it provides criminal penalties only for promising "any employment, position, compensation, contract, appointment, or other benefit, provided for or made possible in whole or in part by any Act of Congress" in exchange for political activity. As broad as this statute may be, it does not cover mere access, as you assert. An elected official who decides to provide access to a political supporter is not providing a federally funded benefit such as federal employment or a federal contract. We are unaware of any legal precedent or legislative history that would suggest that section 600 is applicable to anything other than the sort of "benefits" expressly set out in the statute.

Section 600 was originally enacted as section 3 of the Federal Hatch Act of 1939, "An act to prevent pernicious political activities." The Hatch Act arose out of extensive hearings by the Congress into political abuses, many of which arose out of the New Deal benefit programs that began during the 1930s, and which are documented in the report by a special Senate

Committee, popularly known as the "Sheppard Committee." S. Rep. No. 1, 76th Cong., 1st Sess. (1939). As is plain from the Report, and as reflected in the language of section 600 itself, Congress was concerned with what was found to be widespread coercion of political support from unwilling citizens in exchange for employment, contract benefits, or other benefits flowing from federal relief programs:

> [W]e have heard from the lips of our people who are working on the W.P.A., and those receiving direct relief, that intimidation, threats, and coercion have been exerted upon them respecting their vote at our elections. That in many instances the threat has been made that if the worker, or the recipient of direct relief, did not vote for the party, or the candidates, as requested the worker would be immediately discharged from the W.P.A. and the recipient of direct relief would not receive further assistance.

84 Cong. Rec. H9604 (daily ed. July 20, 1939)(remarks of Rep. Springer). Thus, based on the language of the statute itself and the legislative history describing the concerns that led to passage of the statute, we conclude that visiting the President in the White House is not a federal program "benefit" within the meaning of 18 U.S.C. § 600.

Finally, you suggest that section 641, the criminal statute barring conversion of government property, was violated by the President when he used the White House for his "private use." The White House is the personal residence of the President, provided to him for his "private use" during his term in office. The mere occupancy and use of the space that has been provided to him as his home is not a criminal theft or conversion of government property. Furthermore, the law recognizes that political events may take place in the White House so long as their costs are reimbursed. 5 U.S.C. § 7324(b)(1); 5 C.F.R. 734.503(a). To the extent that any of these events may have occurred in settings or been of a nature that reimbursement of expenses to the Government was required, and to the extent that there may be questions outstanding as to whether appropriate reimbursement was made, we have no evidence that the President played any role in that process or made any decisions concerning whether or how reimbursement should occur.

Thus, the facts known to me at this time do not indicate that the President -- or any other covered person -- violated any of these criminal statutes in connection with these events. If additional facts should come to light warranting a reassessment of that conclusion, I will do so.

c. Tax violations by the Vice President. You next note that the Hsi Lai Temple, in Hacienda Heights, California, is a

tax-exempt organization and allege that by attending a political fund-raising event at the Temple the Vice President participated in a conspiracy to evade taxes owed by the Temple and to impair the lawful functions of the Internal Revenue Service (IRS), in violation of 26 U.S.C. § 7201 and 18 U.S.C. § 371. The task force has been engaged in thoroughly investigating that event, and as a result has gathered considerable information concerning the Vice President's role in it. To date, we have discovered no information that indicates that the Vice President may have violated the laws you cite, or any other law, in connection with the Hsi Lai Temple event. Absent specific and credible information to that effect, I cannot initiate a preliminary investigation under the Independent Counsel Act.

Should a tax-exempt organization engage in activity prohibited by virtue of its tax-exempt status, the violation may lead to revocation of the organization's tax-exempt status and assessment of taxes due. Such matters are within the jurisdiction of the IRS. Of course, tax privacy laws mean that we have no knowledge of whether any such process is underway. However, if in conducting any examination involving the Hsi Lai Temple, the IRS determines that the Temple or any individuals may have violated federal criminal tax law, then the IRS, using its normal enforcement criteria for referrals, may refer that matter to the Justice Department for further investigation or prosecution. If such a matter implicates a person covered by the Independent Counsel Act, then the preliminary provisions of the Act would be triggered. In any event, we aware of no evidence at this time to suggest that the Vice President was a knowing participant in any conspiracy to violate the nation's tax laws or to obstruct the IRS in its functions.

d. Extortion of campaign contributions by the Vice President. You suggest that the Vice President's solicitations of political donations and contributions constituted illegal extortions or solicitations of a bribe. In order to constitute extortion, a solicitation of political campaign contributions must involve some threat of violence, the wrongful use of a victim's fear that economic harm would result from not providing the funds being solicited, or involve a quid pro quo bribe. 18 U.S.C. § 1951(b)(2) (definition of extortion); 18 U.S.C. § 872 (extortion by officers or employees of the United States). The Vice President is an elected public official and is entitled to seek the financial support of the public. A mere request by him for the assistance of potential donors is not extortion;; nor is it a request for a bribe.

You do not identify any particular instances of threats or other extortionate conduct by the Vice President. The press reports quoted by you, in which anonymous individuals allegedly stated that they "felt pressure," are not sufficient to suggest a violation of law. Should any information come to light that the

Vice President may have actually threatened any of the donors whom he allegedly called seeking political contributions, we will, of course, reassess our conclusions under the requirements of the Independent Counsel Act.

e. FECA violations by the President and Vice President. Finally, you suggest, in general terms, that an independent counsel must be appointed to investigate the involvement of the President and Vice President in possible illegal conduit contributions and contributions by foreign nationals. You suggest that because the President and the Vice President were closely involved in the fundraising of the Democratic National Committee, "reasonable people can ask" whether they participated in alleged violations of the law. While the task force is closely scrutinizing allegations of illegal fundraising, it has to date uncovered no evidence indicating that either the President or the Vice President engaged in conduct constituting a criminal violation of the FECA.

2. Conflict of Interest -- The Act's Discretionary Provisions

In addition to your contention that there is specific and credible information suggesting that covered persons may have violated the law, you also renew the argument advanced in your last letter that investigation of any of the campaign financing matters created a potential conflict of interest warranting my use of the discretionary clause under the Independent Counsel Act.

In urging me to conclude that this investigation poses the type of potential conflict of interest contemplated by the Act, you point to the facts that I was appointed by, and serve at the pleasure of, the President, and that in the past I ran for office as a Democrat. These facts are not by themselves sufficient to establish a conflict of interest with respect to investigations that do not involve alleged criminal conduct by a covered person. As I have noted before, except in extraordinary circumstances not presented by the facts known to us at this time, it is not a conflict of interest for the Department of Justice to investigate allegations of corruption and wrongdoing within the Executive Branch, even at relatively high levels. I cannot accept the suggestion in your letter and from others that merely because some of these allegations involve events that were participated in by the President or Vice President, or involve individuals known to the President or Vice President, or might have an adverse impact on the Democratic Party, there ought to be an independent counsel.

You also allege that in some instances I and the Department have provided to the White House "sensitive information" pertaining to the task force's investigation. I assure you that any such information provided to the White House has been

furnished properly pursuant to my national security obligations and has not impinged in any way on the interests of the criminal investigation. My obligation to keep the President informed of matters affecting the national security has not created any conflict with the Department's conduct of the criminal investigation. Moreover, even were an independent counsel to be appointed, I would still retain my responsibility to relay to the President relevant intelligence necessary for him to exercise his responsibility to protect the national security.

You further cite as evidence of a conflict of interest my opposition to Congressional grants of immunity for what you describe as "low-level figures" such as persons who served as conduits for illegal contributions. The decision to confer immunity upon potential criminal defendants is a significant one, and making it without adequate consideration or information can have a damaging impact on criminal investigations, either by depriving the Department of leverage to secure a witness's full cooperation or by immunizing conduct that is more serious than appears. Indeed, in this case, some of the immunized witnesses revealed in their testimony that they were not mere conduits but had also destroyed relevant documents. Accordingly, the Department of Justice has always attempted to consider these decisions carefully. I am confident that an independent counsel would do the same.

As I have previously pointed out to you, there are times when reliance on the discretionary clause is appropriate, and I have done so myself on a few occasions. However, in each of those cases, I considered the particular individuals involved and the particular factual context in which the allegations against those persons arose, and concluded that it would create a potential conflict of interest for the Department of Justice to investigate the matter. Moreover, even after finding the existence of a potential conflict, I must consider whether under all the circumstances discretionary appointment of an independent counsel is appropriate. In each case, therefore, the final decision has been an exercise of my discretion, as provided for under the Act.

I have undertaken the same examination here. Based on the facts as we know them now, I have not concluded that any conflict of interest would ensue from our vigorous and thorough investigation of the allegations contained in your letter.

In conclusion, I assure you, as I have before on numerous instances, that allegations of violations of federal criminal law with respect to campaign financing in the course of the 1996 federal elections will be thoroughly investigated, and, if appropriate, prosecuted. The Task Force continues to review documents and interview witnesses in connection with many of the events discussed in your letter. If at any time in the course of

the investigation we are made aware of information that a covered person, or a person as to whom the Department of Justice would have a conflict, may have violated the law I will invoke the appropriate provisions of the Act. But with all due respect for your views to the contrary, at this point it appears to me that -- with the exception only of the three specific allegations which have triggered review under the Independent Counsel Act -- these matters should continue to be investigated by the Department of Justice and its career investigators and prosecutors. Should future developments require me to reconsider my decision, I will do so.

Sincerely,

Janet Reno
Attorney General

Enclosures (2)

cc.: The Honorable John Conyers, Jr.
Ranking Minority Member

United States Court of Appeals
For the District of Columbia Circuit

FILED SEP 19 1997

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT Special Division
INDEPENDENT COUNSEL DIVISION

NOTIFICATION TO THE COURT PURSUANT TO 28 U.S.C. § 592(a) OF THE INITIATION OF A PRELIMINARY INVESTIGATION OF HAZEL R. O'LEARY	))))	No._____

NOTIFICATION OF PRELIMINARY INVESTIGATION

Section 592(a) of the Independent Counsel Reauthorization Act of 1994 requires that the "Attorney General shall promptly notify the division of the court specified in section 593(a) of the commencement of [any] preliminary investigation and the date of such commencement." In accordance with the provisions of section 592(a), the Court is hereby notified that a preliminary investigation of Hazel R. O'Leary, former Secretary of Energy, was initiated on September 19, 1997.

Johnny Chung alleged in a television interview that he had been solicited for a bribe in exchange for a meeting with the former Secretary. In the brief time available under the Independent Counsel Act for the initial inquiry, due to the unavailability of witnesses and documents, I have been unable to determine the specificity and credibility of his allegations. Under the Act, I am therefore required to initiate a preliminary investigation.

Respectfully Submitted,

JANET RENO
Attorney General of the
United States

Date: Sept. 19, 1997

United States Court of Appea
For the District of Columbia Circu

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCU
INDEPENDENT COUNSEL DIVISION

FILED OCT 03 1997

Special Division

In re ALBERT GORE, JR.)
) No.
)

NOTIFICATION TO THE COURT PURSUANT TO 28 U.S.C. § 592(a)
OF THE INITIATION OF A PRELIMINARY INVESTIGATION

In accordance with the Independent Counsel Reauthorization Act of 1994, I hereby notify the Special Division of the Court that on this date I commenced a preliminary investigation pursuant to 28 U.S.C. § 592(a)(1) involving Vice President of the United States Albert Gore, Jr.

I have conducted an initial inquiry to determine whether I have received information sufficient to constitute grounds to investigate. Because the initial inquiry period is limited to 30 days, and because of the complexity of the factual and legal issues presented by this matter, I have been unable to determine whether there is sufficient specific and credible evidence to suggest a violation of Federal criminal law. As a result, I am required to commence a preliminary investigation. 28 U.S.C. § 591(d)(2).

Respectfully submitted,

Janet Reno
Attorney General of the United States

DATED: 10/3/97

Mr. SHAYS. Let me just go on then.

Under the independent counsel statute, have you committed—commenced a preliminary investigation of Ron Carey of the fundraising of the Teamsters and the possible connection between the DNC and the Teamsters? Under the independent counsel statute, have you commenced a preliminary investigation of Secretary Babbitt and the Indian gaming?

Ms. RENO. As I testified earlier, there is a preliminary investigation under way.

Mr. SHAYS. As I look at it, it seems to me that basically you have decided to focus very narrowly, and that you are missing kind of the big, what I call "corrupt" picture. You see a jigsaw puzzle, and I see one that on the table would seem to me that you would want to commence an independent counsel for a variety of people that Mr. Cox asked you about and I have asked you about. It seems to me like you bump into the trees, and you don't take a walk back and look at the forest.

Let me ask you, under the independent counsel statute that exists today, would you have commenced an investigation of Watergate when you had these three no-good people who basically broke—maybe good, but they broke in. Would you have triggered one? Would your mind have said, "Maybe it is going to lead to something?"

Ms. RENO. Watergate? You think that is two-bit?

Mr. SHAYS. No, I don't think it is two-bit.

Ms. RENO. I didn't think it was two-bit.

Mr. SHAYS. Don't change the subject. The issue was, when you saw what you thought was a break-in, and people thought it was not going to lead anywhere, would you have triggered it?

Ms. RENO. I disagree with your suggestion that it wasn't going to lead anywhere.

Mr. SHAYS. So you don't think these issues are going to lead anywhere? You don't think any of these are as significant as a break-in to Watergate?

Ms. RENO. Let me suggest to you what is important. If you and the chairman and Mr. Lantos had specific—there was specific and credible information that you may have violated the law and all the people on the front row served on the committee with you, and they, because they served with you, might be part; but there was no specific and credible evidence that they were part of this big picture that you talk about. I don't think that they should be pushed along into it.

I think——

Mr. SHAYS. I have a unanimous consent I want to make. I just need to make a unanimous consent before my time expires here.

Mr. BURTON. What is it?

Mr. SHAYS. We have discussed a number of concerns that we have about the Department and its potential conflicts; and in order to assist you in reviewing these conflicts, I would like to enter into the record, for your review, records relating to Mark Middleton and his dealings with various foreign nationals, the Lippo Group and the DNC; records relating to Charlie Trie; records relating to Antonio Pan, and records relating to Webster Hubbell as it relates to $100,000 of the Lippo payments and his withholding of informa-

tion. And I would submit that for the record, and then ask that it be provided to the Department.

Mr. BURTON. Without objection.

[NOTE.—The cassette tapes may be found in committee files.]

[The transcription of the two cassette tapes, and the information referred to follows:]

TELEPHONE CALL PLACED BY WEBSTER HUBBELL FROM THE FEDERAL CORRECTIONAL INSTITUTION, 14601 BURBRIDGE ROAD SE., CUMBERLAND, MARYLAND 21501, TO SUZY HUBBELL

TAPE 27A; DATE: 6/19/96; TIME: 17:53; DURATION 01:53

WEBSTER HUBBELL: Hi Gorgeous.
CAROLINE HUBBELL: How are you?
WEBSTER HUBBELL: Great, now that I hear your voice. I miss you. I wrote you a long letter today. I just miss you. How are you?
CAROLINE HUBBELL: Good. I took a little nap.
WEBSTER HUBBELL: That was your biggest problem at work last time.
CAROLINE HUBBELL: What being tired?
WEBSTER HUBBELL: No, that your kids got a nap and you didn't. Is Mommy home yet?
CAROLINE HUBBELL: Yes, you all have the best sense of karma.
WEBSTER HUBBELL: The bond is so strong between us.
CAROLINE HUBBELL: You all know where the other one is.
WEBSTER HUBBELL: Well, the force is strong between us.
CAROLINE HUBBELL: It's a good thing.
WEBSTER HUBBELL: The force is strong in us too. Anything going on?
CAROLINE HUBBELL: No, not with me. Mom is taking something downstairs.
[Suzy gets on the phone.]
SUZY HUBBELL: Hi.
WEBSTER HUBBELL: Hi.
SUZY HUBBELL: How are you?
WEBSTER HUBBELL: Fine, it is about to get really loud here because they are about to do mail. Can I call you back in 15 minutes?
SUZY HUBBELL: Sure.
WEBSTER HUBBELL: I love you. Everything ok?
SUZY HUBBELL: Sure.
WEBSTER HUBBELL: Have you heard from anybody?
SUZY HUBBELL: No
WEBSTER HUBBELL: Well, I'll call you in 15 minutes if that is good.
SUZY HUBBELL: Sure.
WEBSTER HUBBELL: OK, bye.

TELEPHONE CALL PLACED BY WEBSTER HUBBELL FROM THE FEDERAL CORRECTIONAL INSTITUTION, 14601 BURBRIDGE ROAD SE., CUMBERLAND, MARYLAND 21501, TO SUZY HUBBELL

TAPE 27B; DATE: 6/19/96; TIME 18:05; DURATION 11:35

SUZY HUBBELL: Hi.
WEBSTER HUBBELL: Hi baby. How are you?
SUZY HUBBELL: Fine. What do we want for dinner?
WEBSTER HUBBELL: You want Lebanese take out?
SUZY HUBBELL: No, we aren't going to do that. What can we cook?
WEBSTER HUBBELL: Oh, what can you cook? Let's see. Let me think. Of course, I always look in my freezer and see what we have. But since I'm not there I am going to assume that you have a nice pork tenderloin, grilled veal, lemon butter and a light pasta to go with it.
SUZY HUBBELL: I think we are going to have pasta with grilled vegetables and chicken.
WEBSTER HUBBELL: That would be good.
SUZY HUBBELL: And light.
WEBSTER HUBBELL: OK, what's going on?
SUZY HUBBELL: Not much, I'm back to work you know.

WEBSTER HUBBELL: How was that?
SUZY HUBBELL: It was ok.
WEBSTER HUBBELL: OK. Well anything going on?
SUZY HUBBELL: Not really. All the animals (inaudible) are still in a to do of course.
WEBSTER HUBBELL: Marsha back?
SUZY HUBBELL: Yes.
WEBSTER HUBBELL: How is Marsh?
SUZY HUBBELL: I guess she is ok.
WEBSTER HUBBELL: Good. I talked to Laura a little while ago. No news. Of course the Republicans have trouble copying the report for anybody that is named. If they can give it to the press they will, but they can't give it to lawyers of the parties till tomorrow now. I read the NY Times and it upset me, but I'm all right now. That was Sunday's Times. I'm glad we are going to have to delay the book. One, I'd like to respond to some of this. I see things that other people don't see.
SUZY HUBBELL: You what?
WEBSTER HUBBELL: See things other people don't see
SUZY HUBBELL: Right. Well, you should respond to it.
WEBSTER HUBBELL: I know, but I can't right now.
SUZY HUBBELL: OK.
WEBSTER HUBBELL: Are you ok?
SUZY HUBBELL: Yes.
WEBSTER HUBBELL: Well, you are sounding frazzled.
SUZY HUBBELL: No, I'm just trying to make a (inaudible).
WEBSTER HUBBELL: Heard from anybody?
SUZY HUBBELL: No, saw Bob today. He was sick last week.
WEBSTER HUBBELL: Bob?
SUZY HUBBELL: Hathaway.
WEBSTER HUBBELL: There was an article in last Sunday's NY Times on Cape Cod.
SUZY HUBBELL: On the sea gulls?
WEBSTER HUBBELL: No, on Cape Cod. And I saw where you were and read about it. I got lots of information out of the article. It was in the travel and leisure section of the NY Times.
SUZY HUBBELL: Very good.
WEBSTER HUBBELL: Well, today is my day off so I have been writing and reading and getting ready to go walking if it doesn't rain on me. And I'm a little down but not too bad.
SUZY HUBBELL: Why are you down?
WEBSTER HUBBELL: Well, I read the Sunday NY Times.
SUZY HUBBELL: I haven't seen it. What does it say?
WEBSTER HUBBELL: It just goes over what the allegations were.
SUZY HUBBELL: Well, those were the ones that were leaked. Remember?
WEBSTER HUBBELL: I know, but it is what everybody believes. It doesn't matter what is in the report.
SUZY HUBBELL: Well, it does to people like us (inaudible).
WEBSTER HUBBELL: No it doesn't. None of it matters to Ken Starr. He has his own investigation going on.
SUZY HUBBELL: I know. Honey, it is ok.
WEBSTER HUBBELL: I know. And I heard they started the trial in Arkansas and apparently they named Bruce as an unindicted co-conspirator.
SUZY HUBBELL: Bruce is pretty upset.
WEBSTER HUBBELL: I bet he is.
SUZY HUBBELL: He is afraid that because of that they will stop letting him travel with the President.
WEBSTER HUBBELL: Yeah, in other words just damage him with allegation and never do anything to him. Cripple the President. Take away his best friend and his advisers.
SUZY HUBBELL: Well, I am going to have dinner with Bruce tomorrow night.
WEBSTER HUBBELL: Well give him my best. If anybody asks how I'm doing just say I'm doing fine and holding up.
SUZY HUBBELL: I want to know if I can tell Mickey now that we are delaying the book.
WEBSTER HUBBELL: Yes.
SUZY HUBBELL: I hadn't said I'd talked to her. And I'd like to tell Mickey that.
WEBSTER HUBBELL: Yeah, but let's think about how we are going to say it.
SUZY HUBBELL: I thought we already discussed that on Sunday.
WEBSTER HUBBELL: We did, but what would you say?

SUZY HUBBELL: To Mickey I would say that we were delaying the book and the outward reason is that all of these lawyers are recommending that he not publish a book in the middle of all this and jeopardize your release. It could etc. and to Mickey I'll tell the rest of what we have talked about.

WEBSTER HUBBELL: Just make sure he knows that is not for the public consumption. I think you can tell him that—still what I want people to understand is that the process is healthy for me. It is going to help me to frame the right book the right way but I had to get it out.

SUZY HUBBELL: And I want him to understand that eventually there will be a book but it will be the book you want to write.

WEBSTER HUBBELL: But there may be parts I may not be able to talk about. I'm just not sure yet. I'm not going to breach anything personal. I think that is what you can tell Mickey. When people want things to be private they will always be private with me. I have written (inaudible) today and said it may be delayed because of all this. I'm starting to tell people about it in writing. I don't know that I will tell Mike. I guess I ought to.

SUZY HUBBELL: Why?

WEBSTER HUBBELL: He's my best friend.

SUZY HUBBELL: Just tell him not to.

WEBSTER HUBBELL: I'll just limit it and not get into the other reason, you know.

SUZY HUBBELL: No, nobody needs to know that but the few people up here like Mickey and Marsha. Is there anybody else that needs to know that up here maybe Vernon?

WEBSTER HUBBELL: I'm sure the word will get around—if you see them.

SUZY HUBBELL: What about Linda?

WEBSTER HUBBELL: Yeah, I think you better tell Linda or she is gonna die. Well if she says something like "I guess Webb couldn't write (inaudible) the book" don't get out of joint. Just say the book was written, but Webb always maintained artistic (audio problems) and there are just some things he is not ready to talk about. He may never be able to talk about or want to. Linda will be a difficult one.

SUZY HUBBELL: Why?

WEBSTER HUBBELL: She will add, "well I knew he could never do it." Maybe I am misjudging.

SUZY HUBBELL: I will say well he has done it. He has written over 1200 pages but he is going to maintain control like he always said he would. And number two, on the advice of lawyers both here and in Texas he can't do it right now. Anybody can see that. I have here a registered letter from the IRS so I have to go get it tomorrow.

WEBSTER HUBBELL: Which means you have to send it to Charlie as soon as possible.

SUZY HUBBELL: I will.

WEBSTER HUBBELL: OK. We still have all that to deal with. (problem with tape) Some guy here who has been very nice to me and he was scheduled to go to the halfway house in a month and he has been in prison for five years. And he is the guy in charge of the salad bar. And some guy came up and said "that pasta looks like crap." The other guy takes great pride in his work and he said "well most people like it." Well, the other guy said "you must have use three day old spaghetti." The guy said "no we made it fresh this morning. I cut up the vegetables this morning. And if you feel that way keep your hands out of it." Now he is in the hole.

SUZY HUBBELL: That's depressing.

WEBSTER HUBBELL: The other news I got today was that Charlie Bus died. It was in USA Today in fact Friday.

SUZY HUBBELL: What happened.

WEBSTER HUBBELL: I don't know honey. It was just a little blurb. And I would've wanted to be there obviously.

SUZY HUBBELL: Well listen honey. Don't get down.

WEBSTER HUBBELL: I won't. It is just Charlie was a good friend. I forgot my pen again I was going to get Rebecca's address.

SUZY HUBBELL: Well, why don't you call me after this.

WEBSTER HUBBELL: OK, I love you.

SUZY HUBBELL: I love you too. Bye.

TELEPHONE CALL PLACED BY WEBSTER HUBBELL FROM THE FEDERAL CORRECTIONAL INSTITUTION, 14601 BURBRIDGE ROAD SE., CUMBERLAND, MARYLAND 21501, TO JOHN PHILLIPS

TAPE 170A; DATE: 10/10/96; TIME: 20:53; DURATION 14:29

KATIE PHILLIPS: (Phillips' daughter) Hello?
WEBSTER HUBBELL: Hey Katie.
KATIE PHILLIPS: Hi.
WEBSTER HUBBELL: How are you doing?
KATIE PHILLIPS: Good. How are you?
WEBSTER HUBBELL: Is your mom or dad home?
KATIE PHILLIPS: Yeah, hold on a minute. Webb, OK, hold on a minute. Dad? Dad? Webb's on line two.
JOHN PHILLIPS: Hello?
WEBSTER HUBBELL: John.
JOHN PHILLIPS: Webb.
WEBSTER HUBBELL: How are you?
JOHN PHILLIPS: Good.
WEBSTER HUBBELL: How are you—back from Prague?
JOHN PHILLIPS: Oh yeah.
WEBSTER HUBBELL: When did you get back?
JOHN PHILLIPS: Yeah. I got back last Sunday.
WEBSTER HUBBELL: I didn't know if this was a good time or if y'all had company.
JOHN PHILLIPS: No, Wendy's traveling in Las Vegas——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: And Katie is here with a friend——
WEBSTER HUBBELL: Oh, OK, OK.
JOHN PHILLIPS [continuing]: Have school tomorrow. So it's a fine time.
WEBSTER HUBBELL: Good. And hey did you have a good trip?
JOHN PHILLIPS: I had a great trip——
WEBSTER HUBBELL: Good.
JOHN PHILLIPS [continuing]: Prague has really changed in the last 27 years.
WEBSTER HUBBELL: I bet.
JOHN PHILLIPS: I mean, it's the same city, when I was there last it was a year after the Russians had quelled the uprising——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: The place was really black from all the coal——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: Soot and everything and very tense and the troops were around everywhere. It was very vibrant and——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: Cleaned up and active and capitalism has worked wonders in that place——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: So we had a good time, and we actually got a little work done too. A sort of combination——
WEBSTER HUBBELL: Good.
JOHN PHILLIPS [continuing]: Of business, uh, and very cheap compared to other European cities.
WEBSTER HUBBELL: Yeah, yeah, I was wondering if eastern European countries had gotten expensive or not.
JOHN PHILLIPS: No, I mean, I had, you know, I had free airline tickets because of all my flier, frequent flier miles——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: And we had discounts on the hotels——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: Which, uh, actually stayed in the Presidential suite——
WEBSTER HUBBELL: Laughs.
JOHN PHILLIPS [continuing]: Of this new hotel. It was like their view of what western luxury is all about——
WEBSTER HUBBELL: Laughs.
JOHN PHILLIPS [continuing]: It was like a hundred bucks a day though.
WEBSTER HUBBELL: Oh that's not bad.
JOHN PHILLIPS: No, for like four rooms——
WEBSTER HUBBELL: Wow.

JOHN PHILLIPS [continuing]: And a big huge bathroom with a tanning salon and a sauna. [Both laugh.]
WEBSTER HUBBELL: Great. Great.
JOHN PHILLIPS: So how are you doing?
WEBSTER HUBBELL: I'm doing fine, you know, we're getting there——
JOHN PHILLIPS: You sure are, boy.
WEBSTER HUBBELL [continuing]: I'm about six weeks away——
JOHN PHILLIPS: You're a short timer here.
WEBSTER HUBBELL [continuing]: Well, you know, I don't, you know, I—it's you always worry about the next few, but uh, so far it's looking good——
JOHN PHILLIPS: Mmm hmm.
WEBSTER HUBBELL [continuing]: And, ah you know, uh, you know, everything else looks pretty good too, you know we're getting there——
JOHN PHILLIPS: Yeah.
WEBSTER HUBBELL [continuing]: I wanted to, uh, sometime when you get your sea legs back, talk. I want to send you some stuff. Uh, the guy who worked with Don Meese who is in on sentencing issues, you know, on my sentence you know, helping me understand the sentencing guidelines and stuff——
JOHN PHILLIPS: Uh huh.
WEBSTER HUBBELL [continuing]: Ah, he is, he is, suggested that if I wanted to for a short time go to work for him——
JOHN PHILLIPS: Oh, that's good.
WEBSTER HUBBELL [continuing]: Uh, which may have real possibilities. One, he knows the system, you know, and he can help me with halfway house issues.
JOHN PHILLIPS: Uh huh.
WEBSTER HUBBELL: And the other thing is it clearly has no connection with anybody promising me anything——
JOHN PHILLIPS: Uh huh.
WEBSTER HUBBELL [continuing]: You know——
JOHN PHILLIPS: Yeah.
WEBSTER HUBBELL [continuing]: Which, you know, the Wall Street Journal I, I'm sure is.
JOHN PHILLIPS: The Riady stuff, huh?
WEBSTER HUBBELL: You know, you know John, it's kind of, you know, I'd love to almost have all the money I'm supposed to have——
JOHN PHILLIPS: Yeah.
WEBSTER HUBBELL [continuing]: Or just give me half of it, but also, I'm expecting next, there to be somebody see me at the "grassy knoll." Yeah.
JOHN PHILLIPS: Yeah, where were you on November 27?
WEBSTER HUBBELL: Where was I? I happen to know I was playing football against El Dorado. I was a senior in high school. But, I'm sure there's something that links me to the "grassy knoll" at this point. But uh, yeah, they're big on to that now.
JOHN PHILLIPS: Yeah.
WEBSTER HUBBELL: But uh, so.
JOHN PHILLIPS: Well that, so, is he here in town?
WEBSTER HUBBELL: Uh yeah, they are in Arlington——
JOHN PHILLIPS: Uh huh.
WEBSTER HUBBELL [continuing]: Ah, but they are sending me some stuff, and I thought I might send it along to you after I looked at 'em to just to kinda get your reaction to it——
JOHN PHILLIPS: Hmm.
WEBSTER HUBBELL [continuing]: Because they are semi, you know, kinda public entity that works on criminal justice issues and things like that. And uh, he's saying, you know, I could be a research assistant. You know.
JOHN PHILLIPS: Well, that's good, I mean, the concern is what's the first the first——
WEBSTER HUBBELL: Yeah.
JOHN PHILLIPS [continuing]: Attention you get and what's——
WEBSTER HUBBELL: Yeah, where did it come from and stuff like that——
JOHN PHILLIPS: Sure.
WEBSTER HUBBELL [continuing]: So it's got some real possibilities. Like I said the good part is that he knows the rules concerning halfway houses, the rules concerning probation and kinda help me through the maze of that——
JOHN PHILLIPS: Mmm hmm.
WEBSTER HUBBELL [continuing]: Ah, it has a, and I really do, we talked about it. I do have an interest in trying to help others, you know, who are going through this, what I've gone through——
JOHN PHILLIPS: Sure.

WEBSTER HUBBELL [continuing]: Which is natural after going through what I went through——

JOHN PHILLIPS: Mmm hmm.

WEBSTER HUBBELL [continuing]: Ah, and he also is offering kind of a flexibility. You know, that "Webb, essentially is a place where you can go everyday and start looking for other things as well as work for him——

JOHN PHILLIPS: Mmm hmm.

WEBSTER HUBBELL [continuing]: Which is, you know, you know. I thought it is, you know, at least something on the table.

JOHN PHILLIPS: Yeah, well no, hey. If that works, fine.

WEBSTER HUBBELL: I wanted you to think about it. You know, to get your kind of reaction——

JOHN PHILLIPS: OK.

WEBSTER HUBBELL [continuing]: And I will send you the stuff on who they are and stuff——

JOHN PHILLIPS: OK. Yeah. So you uh, it's now, October 11 is tomorrow.

WEBSTER HUBBELL: Yeah, like I said, it's about six weeks away.

JOHN PHILLIPS: Yeah, good luck on that.

WEBSTER HUBBELL: Well, I hope it does, ha ha.

JOHN PHILLIPS: How are things up there?

WEBSTER HUBBELL: They're fine. They're fine. It's cold, it's getting real cold up here——

JOHN PHILLIPS: Yeah, yeah. It's cold. It's chilly today I walked home it was.

WEBSTER HUBBELL: And so I'm wading through Ulysses——

JOHN PHILLIPS: Oh yeah.

WEBSTER HUBBELL [continuing]: And trying to just, you know, get everything done——

JOHN PHILLIPS: Yeah.

WEBSTER HUBBELL [continuing]: You know. It's a really funny feeling is that you feel like you're running out of time up here. Get all the stuff you need to get done.

JOHN PHILLIPS: Yeah, get all those books read you've gotten in the locker.

WEBSTER HUBBELL: Yeah, that's right. That's right. That's right. Well, y'all doing well?

JOHN PHILLIPS: Yeah, pretty well, this winter's been real busy——

WEBSTER HUBBELL: Yeah.

JOHN PHILLIPS [continuing]: Three and half, four weeks to go——

WEBSTER HUBBELL: Yeah, yeah, yeah.

JOHN PHILLIPS [continuing]: Until the election's over and looking pretty good——

WEBSTER HUBBELL: Yeah, yeah.

JOHN PHILLIPS [continuing]: I guess you don't get a chance to watch the debates?

WEBSTER HUBBELL: No, I listen to them on the radio.

JOHN PHILLIPS: Oh you do?

WEBSTER HUBBELL: Yeah. And uh, you know, I felt, for me, the biggest worry was some big shoe you know or some big jab by, you know, one of them that obviously didn't occur.

JOHN PHILLIPS: No, both have done well and the polls are holding pretty firm, even widening a little bit.

WEBSTER HUBBELL: Yeah, yeah. I think the biggest danger now is a little bit of apathy. You know.

JOHN PHILLIPS: Yeah, but um, I think if it comes in the last two weeks ten days it's like overwhelming, there's no chance and is really a surge for more. The Dole people are the ones discouraged. They're the ones who don't turn out.

WEBSTER HUBBELL: Yeah.

JOHN PHILLIPS: But you just could give really an overwhelming mandate I mean. That's a possibility too.

WEBSTER HUBBELL: That would be good. That would be good.

JOHN PHILLIPS: How's Suzy doing? I haven't seen or heard anything.

WEBSTER HUBBELL: She's doing fine. She actually left today to go visit her aunt in Denver. Who is in, I think like 95. Having her 95th birthday——

JOHN PHILLIPS: Ooh boy.

WEBSTER HUBBELL [continuing]: And this is the aunt who kind of raised her when when her father was in Korea. And so it was a good break for her taking around Columbus day and she had we, I still had some frequent flier miles and I certainly have no use for them——

JOHN PHILLIPS: Mmm hmm.

WEBSTER HUBBELL [continuing]: So, so ah she had to use them up and it was a good thing for her and Kelly to do——

JOHN PHILLIPS: Oh.

WEBSTER HUBBELL [continuing]: And she'll be back I think she's going to be at the Stern's farm on Monday.
JOHN PHILLIPS: Oh, that's right that's coming up Monday.
WEBSTER HUBBELL: So. So uh.
JOHN PHILLIPS: I missed it last year, so.
WEBSTER HUBBELL: Yeah. Yeah.
JOHN PHILLIPS: Well, things are fine here. And uh, it's uh, I'm still getting over my jet lag a little bit.
WEBSTER HUBBELL: Yeah, yeah, I'll bet you are.
JOHN PHILLIPS: Well—you try to stay up late and get up late. Try to stay on the same time or close to the same time——
WEBSTER HUBBELL: Oh, OK.
JOHN PHILLIPS [continuing]: We went to Paris for a day on the way back, stopped there——
WEBSTER HUBBELL: Wow.
JOHN PHILLIPS [continuing]: And uh, that's great had a good time——
WEBSTER HUBBELL: Good good. Well, I, it'd been awhile since we talked and wanted to just give you a call and see how you were doing and every thing——
JOHN PHILLIPS [continuing]: Yeah, yeah, yeah. Um, I was gonna ask you, you read all the Wall Street Journal pieces.
WEBSTER HUBBELL [continuing]: Yeah, yeah on Riadys, you know, and Safire's too.
JOHN PHILLIPS: Oh, I didn't see.
WEBSTER HUBBELL: Safire, yeah Safire.
JOHN PHILLIPS: He's so good at that.
WEBSTER HUBBELL: Safire's got a pay (inaudible). He's got me making a quarter of a million dollars from 'em which was real interesting. I don't know where he got that, but uh.
JOHN PHILLIPS: Was that today's paper?
WEBSTER HUBBELL: No, it was kinda over the weekend. I'm sure this is coming from you know, the uh, you know, the uh, you know, you know the Republicans. Because it was in Safire and then it hit the WSJ, and now they're doing it everywhere.
JOHN PHILLIPS: Did it say a quarter of a million dollars?
WEBSTER HUBBELL: Yeah, well, what Safire says is that his sources believe that's what I got.
JOHN PHILLIPS: Oh, God. Jeeze.
WEBSTER HUBBELL: You know.
JOHN PHILLIPS: Well, that's the Journal for you. It's been in the Journal editorial page?
WEBSTER HUBBELL: Ah, yeah, it was in today's editorial page, that ah, you know, "Who is Mochtar Riady II," you know?
JOHN PHILLIPS: Oh, one of those. The stories that say any other quote a quarter of a million dollars?
WEBSTER HUBBELL: It quotes Safire saying it.
JOHN PHILLIPS: Well.
WEBSTER HUBBELL: You know, you know. Like I said. Between that and the money that's been airlifted from the Mena airport and everything else, the next thing you know I'll be on the "grassy knoll."
JOHN PHILLIPS: Well, um I'm sure, have your thoughts started thinking toward about getting out? What you're gonna do?
WEBSTER HUBBELL: Ah, well, one of the things I talked a little, this guy's name is Herb Hoelter, I've talked to Herb a little bit about it. And he said, "You've really got to meet with your kind of probation person to kinda get a feel for what you can and can't do." And I'm thinking, John, but I'm, but it's really hard to, you know, uh, you know, I'm and you know. Suzy and I have been, really she's only been up once, and then she was with somebody. So I, we really haven't had a chance to talk. You know. And I've just got to start getting the feelers out. You know and I don't know what's realistic yet. You know whether teaching is an option, whether going to work for a company is an option, you know.
JOHN PHILLIPS: Well what you've got to do is get back here, and get socially, meet people and look for possibilities.
WEBSTER HUBBELL: You almost have to see what's, you know, get somewhere, you know, where you have, you know, an office and a chance to meet with people, you know, and see, uh, what's what's viable and what's not you know.
JOHN PHILLIPS: Yeah. How about that lawyer from the Whitewater Committee? Did you see, read about his speech the other day for Dole?
WEBSTER HUBBELL: No, oh, Chertoff——

JOHN PHILLIPS: Yeah.

WEBSTER HUBBELL [continuing]: Well, I heard that he's gone on Chertoff. I mean Dole's staff.

JOHN PHILLIPS: Yeah, well he's been, everybody's really criticizing him loudly for becoming a partisan, you know, campaigner after serving as counsel to the Whitewater staff. You know, he's really out of control. Well, he's hurting. Everything Dole's doing is backfiring.

WEBSTER HUBBELL: Yeah, I mean, like the Bozo comment. I think that just hurts Dole.

JOHN PHILLIPS: Of course it does. Of course it does. And they can't go after Clinton anymore it'll just hurt them more, and they know that based on the poll. And everybody says well, you've got to do that. You've got to go after his character.

WEBSTER HUBBELL: Yeah.

JOHN PHILLIPS: It's gonna be salvation. They're gonna see things that haven't——

WEBSTER HUBBELL: Yeah.

JOHN PHILLIPS [continuing]: It'll be coming up soon, three weeks, three and a half weeks. I hope he gets the House and Senate back. Well, at least the House.

WEBSTER HUBBELL: Well, that would be great, just to get one house.

JOHN PHILLIPS: Yeah, it really would just to get one house. I look forward to that.

WEBSTER HUBBELL: Well, I will keep in touch.

JOHN PHILLIPS: OK.

WEBSTER HUBBELL: I just wanted to welcome you back.

JOHN PHILLIPS: Oh hey, good, thanks for the call. And we'll be talking to you.

WEBSTER HUBBELL: Great and give Linda my love too.

JOHN PHILLIPS: OK.

WEBSTER HUBBELL: OK, bye.

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

MAJORITY MEMBERS MEMO

Hubbell/Riady Meetings, June 1994

- **The attendance of John Huang and James Riady at President Clinton's weekly radio address in the Oval Office on June 25 was the grand finale to a week of meetings involving Clinton, Huang, Riady and Webster Hubbell.**

- **June 20, 1994: John Huang called Mark Middleton and asked for a meeting for June 21, 1994.**

- **June 21, 1994: John Huang and James Riady were cleared into the White House twice:**

  4:45 pm: They met with Mark Middleton, who was then working in the Office of the White House Chief of Staff.

  6:50 pm: They went to a White House reception on the South Lawn hosted by the President.

- **June 22, 1994: John Huang and James Riady again met with Mark Middleton in the White House.**

- **June 23, 1994: Riady had a breakfast meeting with Webb Hubbell, who at this time was under investigation by the Independent Counsel.**

- **June 23, 1994: After breakfast, Riady accompanied by John Huang returned to the White House to meet with President Clinton.**

- **June 23, 1994: After this meeting, Riady returned to his hotel room at the Hay-Adams and placed two calls to Indonesia and then placed calls to the White House Chief of Staff's office where Middleton worked. He also called Webb Hubbell.**
  10:01 am - first call to Indonesia
  10:02 am - second call to Indonesia
  11:04 am - call to Webster Hubbell
  11:05 am - call to White House Chief of Staff's office (Middleton)

- **June 23, 1994: Riady had lunch with Webb Hubbell at the Hay-Adams Hotel, one block from the White House.**

- **June 24, 1994: Huang and Riady went back to the White House for another meeting with Mark Middleton.**

- **June 24, 1994: Mark Middleton, John Huang and members of James Riady's family had lunch at the White House mess. (The Democratic National Committee later reimbursed Middleton for the cost of this lunch.)**

- **June 24, 1994: Riady met again with Webster Hubbell.**

- **June 25, 1994: James Riady, John Huang, Mark Middleton attended the President's weekly radio address.**

- **June 27, 1994: A Lippo company, Hong Kong China Ltd., paid Webb Hubbell $100,000.**

- **July 2, 1994: President Clinton calls Webb Hubbell at his home at 10:16 am.**

- **July 1994: John Huang began work as a principal deputy assistant secretary at the Department of Commerce.**

- **February 1995: Mark Middleton left the White House to start his own business specializing in Asian business affairs.**

OSSS WAVES

DATE (time)	VISITOR	VISITEE	ROOM
May (continued)			
5-20-94(1003)	Huang, John	VP	272
5-20-94(1423)	Huang, Jane	Matsui	450
5-20-94(1424)	Huang, John	Matsui	450
5-25-94(1506)	Huang, John	Nishikava	122
June			
6-13-94(****)	Huang, John	POTUS	S.Grounds
6-21-94(1645)	Huang, John	Middleton	WW
6-21-94(1850)	Huang, John	POTUS	SouthLawn
6-21-94(1247)	Lee, John	FirstLady	Residence
6-21-94(****)	Lee, John	FirstLady	Residence
6-21-94(1645)	Riady,James	Middleton	WW
6-21-94(1851)	Riady,Aileen	POTUS	SouthLawn
6-21-94(1851)	Riady,James	POTUS	SouthLawn
6-22-94(1457)	Huang, John	Middleton	WW
6-22-94(1457)	Riady,James	Middleton	WW
6-23-94(1026)	Riady,Tjahaja	Herman	WW
6-23-94(1027)	Huang, John	Herman	WW
6-23-94(****)	Huang, John	Weaver	131
6-24-94(1205)	Huang, John	Middleton	WW
6-24-94(****)	Huang, John	Rubin	WW
6-24-94(1256)	Riady,James	Middleton	WW
6-25-94(****)	Huang, John	Weaver	131
6-25-94(****)	Riady,Aileen	Weaver	131
6-25-94(****)	Riady,James	Weaver	131
July			
7-6-94 (****)	Lee, John	Shea	WW
7-21-94(1817)	Huang, John	POTUS	450
7-21-94(1725)	Lee, John	Zisook	WW

1994

5-4-94 (1624)	Huang, John	Middleton	WW
5-10-94(1430)	Huang, John	Dickey	EW
5-10-94(1650)	Huang, John	Matsui	122
5-20-94(0926)	Huang, John	Middleton	WW
5-20-94(1003)	Huang, John	VP	272
5-20-94(1424)	Huang, John	Matsui	450
5-25-94(1506)	Huang, John	Nishikawa	122
6-13-94(****)	Huang, John	POTUS	S.Grounds
6-21-94(1645)	Huang, John	Middleton	WW
6-21-94(1850)	Huang, John	POTUS	South Lawn
6-22-94(1457)	Huang, John	Middleton	WW
6-23-94(1027)	Huang, John	Herman	WW
6-23-94(****)	Huang, John	Weaver	131
6-24-94(1205)	Huang, John	Middleton	WW
6-24-94(****)	Huang, John	Rubin	WW
6-25-94(****)	Huang, John	Weaver	131
7-21-94(1817)	Huang, John	POTUS	450
8-2-94 (0735)	Huang, John	Lewis	474
9-10-94(****)	Huang, John	Middleton	WW
9-22-94(****)	Huang, John	POTUS	S.Lawn
9-22-94(****)	Huang, John	POTUS	S.Lawn
9-26-94(1742)	Huang, John	Kristoff	230
9-27-94(1102)	Huang, John	Weaver	131
9-27-94(****)	Huang, John	POTUS	S.Lawn
10-5-94 (0816)	Huang, John	Middleton	WW
10-14-94(1004)	Huang, John	Burget	10103
10-14-94(****)	Huang, John	Kristoff	230
10-21-94(****)	Huang, John	Cutter	230
10-28-94(****)	Huang, John	Kristoff	230
12-21-94(1150)	Huang, John	Middleton	WW

1995

2-6-95(1414)	Huang, John	Eder	476
2-14-95(1159)	Huang, John	Middleton	WW
2-16-95(1447)	Huang, John	Eder	474
3-22-95(1335)	Huang, John	Arbuckle	2010
3-22-95(****)	Huang, John	Woods	8002
3-22-95(****)	Huang, John	Smith	165
3-22-95(1502)	Huang, John	Smith	2010
3-23-95(1329)	Huang, John	Woods	2010
3-30-95(1552)	Huang, John	Matsui	476
4-2-95 (1411)	Huang, John	Weaver	131
4-2-95 (****)	Huang, John	Weaver	131
4-5-95 (1004)	Huang, John	Echols	2010
4-12-95(****)	Huang, John	Echols	2010

~~WHITE HOUSE INFORMATION~~

APPOINTMENTS WITH POTUS

Date	Visitor	Time	Requestor	Location
3/15/93	John Huang	8:50am	Spangler	Residence
5/3/93	John Huang Jane Huang	4:32pm	Dickey	Residence
5/21/93	John Huang	2:35pm	Spangler	Residence
8/2/93	John Huang	12:37pm	Fine	Residence
10/14/93	John Huang Jane Huang (others)	6:06pm	Griffin	S. Grounds
11/3/93	John Huang Wellington Hu	5:05pm	Dickey	Blue Room
1/5/94	John Huang Jane Huang	4:07pm	Spangler	East Wing
4/19/94	Jane Huang	5:40pm	Spangler	Residence
6/21/94	John Huang James Riady Aileen Riady (others)	6:50pm 6:51pm 6:51pm	Spangler Spangler Spangler	S. Lawn S. Lawn S. Lawn
7/21/94	John Huang	6:17pm	Carter	OEOB 450
9/10/94	James Riady	*****	Crawford	WW
9/7/95	John Huang	9:56am	Widdess	S. Lawn
12/16/95	John Huang Jane Huang	9:39am	Cameron	WW
3/27/96	John Huang Jane Huang	6:49pm	Spangler	Residence

WAVES INFORMATION

RIADY APPOINTMENTS p. 1 of 2

Date	Visitor	Time	Visitee	Location
4/12/93	James Riady	2:22pm	Neel	OEOB 274
4/13/93	James Riady	11:38am	Yee	OEOB 141
4/13/93	James Riady	1:55pm	Dickey	EW
4/16/93	James Riady	2:19pm	Dickey	EW
4/19/93	James Riady	10:44am	Rubin	WW
6/21/93	James Riady Aileen Riady	*******	Middleton	WW
6/23/93	James Riady	9:39am	Dickey	EW
6/24/93	James Riady	4:13pm	Dickey	EW
6/28/93	James Riady	11:07am	Johnson	EW
6/28/93	James Riady	3:20pm	Dickey	EW
6/21/94	James Riady	4:45pm	Middleton	WW
6/22/94	James Riady	2:57pm	Middleton	WW
6/23/94	Tjahaja Riady	10:26am	Herman	WW
6/24/94	Caroline Riady John Riady	12:10pm	Middleton	WW
6/24/94	James Riady	12:56pm	Middleton	WW
6/25/94	Ailenn Riady Caroline Riady James Riady Henry Riady John Riady Stephanie Riady	*******	Weaver	OEOB 131
9/9/94	James Riady	9:38am	Middleton	OEOB 176
9/10/94	James Riady	9:27am	Middleton	WW
9/10/94	James Riady	*******	POTUS	WW
9/13/95	Tjahaja Riady	5:10pm	Hernreich	WW
9/14/95	Tjahaja Riady	11:58am	Schiff	WW
9/14/95	T Riady	*******	Weaver	WW

Riady,James

1993

4-12-93(1422)	Riady,James	Neel	274
4-13-93(1138)	Riady,James	Yee	141
4-13-93(****)	Riady,James	Yee	141
4-13-93(1355)	Riady,James	Dickey	EW
4-16-93(1419)	Riady,James	Dickey	EW
4-19-93(1044)	Riady,James	Rubin	WW
6-21-93(****)	Riady,James	Middleton	WW
6-23-93(0939)	Riady,James	Dickey	EW
6-24-93(1613)	Riady,James	Dickey	EW
6-28-93(1107)	Riady,James	Johnson	WW
6-28-93(1520)	Riady,James	Dickey	EW

1994

6-21-94(1645)	Riady,James	Middleton	WW
6-21-94(1851)	Riady,James	POTUS	South Lawn
6-22-94(1457)	Riady,James	Middleton	WW
6-24-94(1256)	Riady,James	Middleton	WW
6-25-94(****)	Riady,James	Weaver	131
9-9-94 (0938)	Riady,James	Middleton	176
9-10-94(0927)	Riady,James	Middleton	WW
9-10-94(****)	Riady,James	POTUS	WW

Riady,Mochtar

1996

6-27-96(1217)	RiadyMochtar	Weaver	154

Riady,Aileen

1993

6-21-93(****)	Riady,Aileen	Middleton	WW

1994

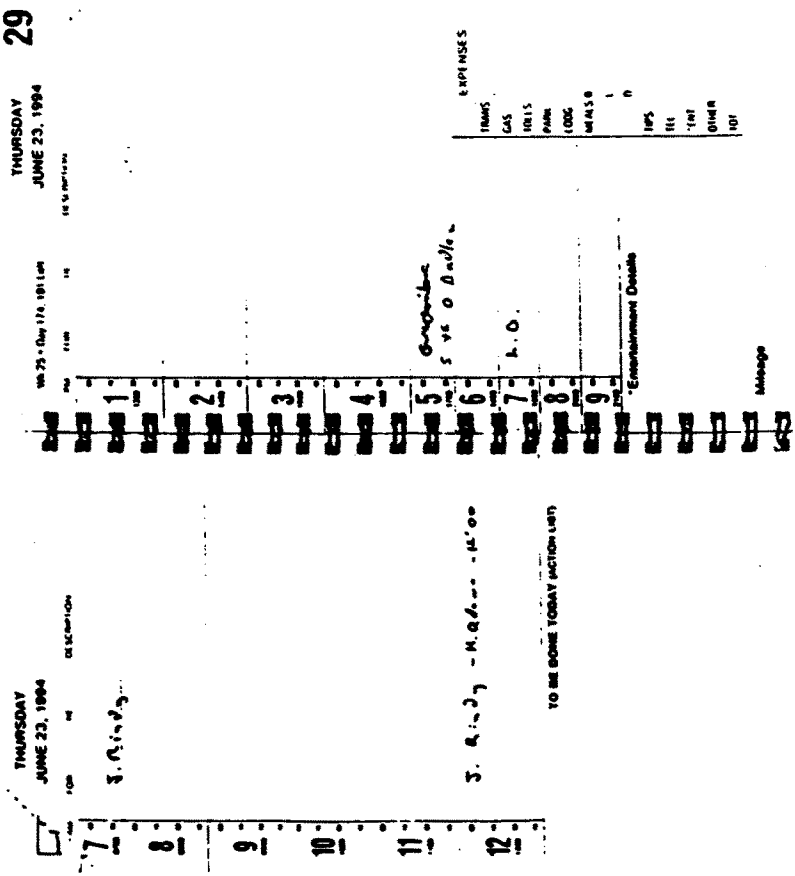
6-21-94(1851)	Riady,Aileen	POTUS	South Lawn
6-25-94(****)	Riady,Aileen	Weaver	131

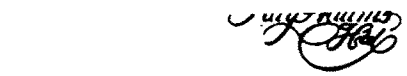
Riady,Tjahaja

1994			
6-23-94(1026)	Riady,Tjahaja	Herman	WW
1995			
9-13-95(1710)	Riady,Tjahaja	Hernreich	WW
9-14-95(****)	RiadyT	Weaver	WW
9-14-95(****)	RiadyT	Weaver	145
9-14-95(1158)	Riady,Tjahaja	Schiff	WW
9-9-96 (1230)	Riady,Tjahaja	Hernreich	WW

EOP 004529

DOT 00848


29
THURSDAY
JUNE 23, 1994
EXPENSES
TRANS
GAS
TOLLS
PARK
LODG
MEALS
TIPS
TEL
TAXI
OTHER
TOT
Entertainment Details
Mileage
THURSDAY
JUNE 23, 1994
TO BE DONE TODAY (ACTION LIST)



16th and H Streets N.W., One Lafayette Square, Washington D.C. 20006 • Telephone 202-638-6600 Fax 202-638-2716 Toll Free [illegible]

RIADY, JAMES MR. & MRS.

711 WEST COLLEGE STREET
LOS ANGELES, CA
90012

Arrival 6/22/94
Departure 6/25/94
No. in Party 2
Rate 495.00

Acct. No. 439770 Room # 818

#	Date	Description	Amount
27	6/23/94	MISCELLANOUS CHARGES/818/439770/1/1 FAX 7 PGS	29.00
28	6/23/94	LAFAYETTE DINING RM/816/1156/3/1.093052 RECEIVED FROM: 439780/816/RIADY, JA	32.99
29	6/23/94	TELEPHONE-L'DIST/816/6230348002/1/4 10:01/62217200321	7.88
30	6/23/94	TELEPHONE-L'DIST/816/6230372008/1/4 10:02/62821019164	23.42
31	6/23/94	TELEPHONE-LOCAL/816/6230462002/1/4 11:04/4291780 RECEIVED FROM: 439780/816/RIADY, JA	.85
32	6/23/94	TELEPHONE-LOCAL/816/6230465002/1/4 11:05/4566797 RECEIVED FROM: 439780/816/RIADY, JA	.85
33	6/23/94	TELEPHONE-LOCAL/816/6230469002/1/4 11:08/6382626 RECEIVED FROM: 439780/816/RIADY, JA	.85

CONTINUE...

Ok #
Bk

Company Street

City State Zip Code

I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges.

Signature

DOT 0084C

29
FRIDAY
JUNE 24, 1994
FRIDAY
JUNE 24, 1994
946-5056
TO BE DONE TODAY (ACTION LIST)
EXPENSES
Entertainment Details
Mileage

SUSANNA WARD HUBBELL
1843 MACOMB ST NW
WASHINGTON DC 20016

06/17/94
PREVIOUS

FOR INFORMAT
CUSTOMER SER
1-391-[illegible]
1-030-[illegible]

BEGINNING JULY 25, THE NATIONSBANK TOLL-FREE CUSTOMER SERVICE LINE WILL BE IMPROVED TO OFFER YOU MORE FEATURES AND FASTER SERVICE. ALL THROUGH A NEW PHONE NUMBER. LOOK FOR MORE DETAILS IN YOUR NEXT STATEMENT.

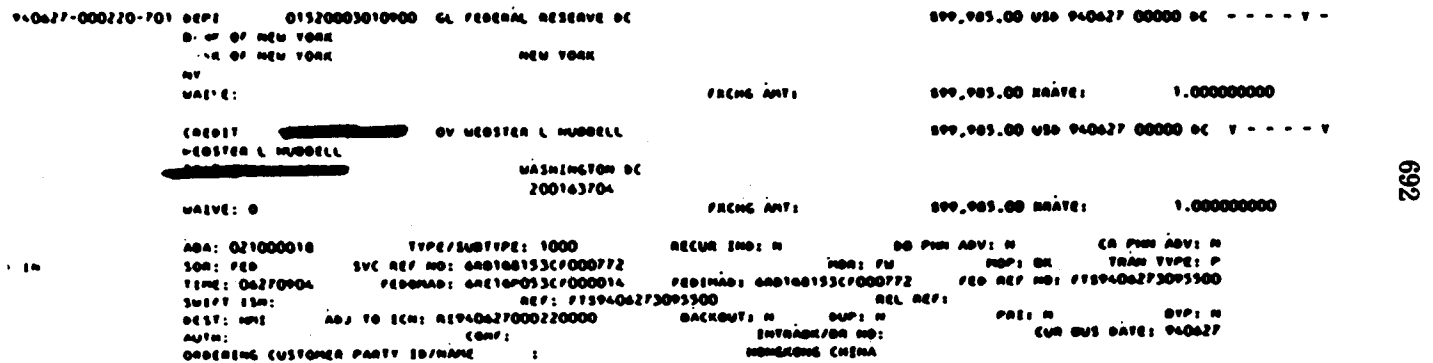
ACCOUNT SUMMARY

ACCOUNT NAME	ACCOUNT NUMBER	BEGINNING BALANCE	ENDING BALANCE	TAXPAYER ID
INTEREST CHECKING	[redacted]	7,672.53	102,445.17	[illegible]
ACCOUNT TOTAL		$7,672.53	$102,445.17	

INTEREST CHECKING (010/010/010)

INTEREST CHECKING ACCOUNT NUMBER	AVERAGE ACCOUNT BALANCE	MINIMUM ACCOUNT BALANCE	INTEREST YEAR TO DATE
0-48-10392	$81,672.75	$7,642.57	$211.88

POSTING DATE	TRANSACTION DESCRIPTION	SUBTRACTIONS	ADDITIONS	ACCOUNT BALANCE	REFERENCE
06-17	BEGINNING BALANCE			7,672.53	
06-20	CHECK 1411	29.96		7,642.57	[illegible]
06-21	CHECK 1412	13.85			[illegible]
	CHECK 1413	47.38			[illegible]
	CHECK 1414	274.01			[illegible]
	CHECK 1415	340.22			[illegible]
	CHECK 1462	300.00			[illegible]
	DEPOSIT		3,000.00	9,767.11	[illegible]
06-22	CHECK 1416	130.38		9,636.73	[illegible]
06-23	CHECK 1418	300.00		9,336.73	[illegible]
06-24	CHECK 1417	45.00			[illegible]
	CHECK 1461	6.87		9,284.86	[illegible]
06-27	CHECK 1376	1,935.50			[illegible]
	CHECK 1403	70.00			[illegible]
	CHECK 1466	500.00			[illegible]
	DEPOSIT		5,000.00		[illegible]
	DEPOSIT		15,000.00		[illegible]
	INCOMING WIRE -06/27/94		99,985.00		[illegible]
	021000018 PTS9406273095500				
	WIRE TRNSFR FEE 06/27/94	.00			[illegible]
	WIRE TRNSFR FEE 06/27/94	8.00		126,756.36	[illegible]
06-28	CHECK 1419	83.32			[illegible]
	CHECK 1422	54.72			[illegible]
	CHECK 1424	66.40			[illegible]
	CHECK 1425	19.47			[illegible]
	CHECK 1463	25.94			[illegible]
	CHECK 1464	217.45			[illegible]
	CHECK 1476	33.62			[illegible]
	ATM WITHDRAWAL FEE 06/27	1.50			[illegible]
	CATHEDRAL 2 CRESTAR BAN				
	WITHDRAWAL 06/27 WASHINGTON DC	100.00		126,164.94	[illegible]
	CATHEDRAL 2 CRESTAR BAN				
06-29	CHECK 1423	100.10		126,064.76	[illegible]
06-30	CHECK 1421	72.76			[illegible]
	CHECK 1465	1,452.53		124,539.47	[illegible]
07-01	CHECK 1381	281.35		124,258.12	[illegible]
07-05	CHECK 1374	300.00			[illegible]
	CHECK 1377	227.55			[illegible]
	CHECK 1378	200.00			[illegible]
	CHECK 1380	150.03			[illegible]
	CHECK 1382	599.69			[illegible]
	CHECK 1383	200.00			[illegible]



940627-000220-701 DEPI 01520003010900 GL FEDERAL RESERVE DC $99,985.00 USD 940627 00000 DC - - - - Y -
B. OF NEW YORK
NK OF NEW YORK NEW YORK
NY
WAIVE: FXCHG AMT: $99,985.00 XRATE: 1.000000000

CREDIT [redacted] OV WEBSTER L HUBBELL $99,985.00 USD 940627 00000 DC Y - - - - Y
WEBSTER L HUBBELL
[redacted] WASHINGTON DC
200163704
WAIVE: 0 FXCHG AMT: $99,985.00 XRATE: 1.000000000

ABA: 021000018 TYPE/SUBTYPE: 1000 RECUR IND: N DB PHN ADV: N CR PHN ADV: N
SOR: FED SVC REF NO: 6AB168153CF000772 MOR: FW MOP: BK TRAN TYPE: P
TIME: 06270904 FEDOMAD: 6AE16P053CF000014 FEDIMAD: 6AB168153CF000772 FED REF NO: FTS9406273095500
SWIFT ISN: REF: FTS9406273095500 REL REF:
DEST: HMI ADJ TO ICN: RI9406270002200000 BACKOUT: N DUP: N PRI: N BYP: N
AUTH: CONF: INTRABK/DR NO: CUR BUS DATE: 940627
ORDERING CUSTOMER PARTY ID/NAME : HONGKONG CHINA
BANK TO BANK: /PHONBEN//R EC/BNF TEL:[redacted]OUR FTS9406273095500 LESS OUR FEES

TELEPHONE MEMORANDUM

SIGNAL SWITCHBOARD

July 2, 1994

	TIME		NAME	ACTION
	PLACED	DISC		

Non-Responsive Materials Redacted

OUT	10:16 AM	10:20	Mr. Webb Hubbell Residence, Washington, D.C. [redacted]	Tlkd-ok 10:18 AM
XXX	PM			

COMMITTEE ACCESS

DAILY PHONE LOG FOR MARK MIDDLETON 650 · 5500 580 · 5467 371 · 5572 DATE: June 20, 1994

TIME	NAME/COMPANY	PHONE NO.	REMARKS	ACTION
9 10 A	John Huang	unable to reach	wants to arrange a meeting with you for tomorrow	3.00 —

REDACTED

EOP 045014

SIMAR MAS AGENDA

Tuesday 10/31/95

8:00am-8:45am	Breakfast with Mr. Mark Middleton. Willard Hotel.

REDACTED

10:15am-11:00am	Meeting with the White House Deputy Chief of Staff, Mr. Erskin Bowles. (In case of postponement, meet with Mr. Bill Boardman at Mr. Middleton's office).
11:00am-11:30am	Meeting with Greg Simon, Domestic Policy Advisor to Vice President Al Gore. The White House - Vice President's Ceremonial Office.
11:50am-12:00nn	Meeting with First Lady Hillary Clinton. Participants: Mr. Mark Middleton, Mr. Oei Tjie Goan and Ms. Sukma Widjaja.
12:00nn-1:15pm	Lunch at The White House.
1:15pm-1:45pm	Tour of The White House.
7:00pm	Dinner at Hay Adams Hotel (Special guests include: Mr. Mack McLarty

REDACTED

Wednesday 11/01/95

REDACTED

10:15am-11:00am	Meeting with Mr. Don Fowler, Chairman of Democratic National Committee.
11:15am-12:15pm	Meeting with Mr. Joe Grandmaison, Chairman Trade Development Agency. 1621 N. Kent Street, Arlington, VA.

CONFIDENTIAL

CC-H-000464 -UR

12:30pm-1:30pm	Lunch.
2:00pm-2:45pm	Meeting with John Garamendi, Deputy Secretary of Department of Interior. 1849 C Street, Room 5100, C Street Entrance.
3:15pm-4:15pm	Meeting with senior officials at Environmental Protection 401 "M" Street.
5:30pm-6:00pm	Meeting with Secretary of Commerce Ron Brown.

Thursday 11/02/95

8:00am-12:00nn	Open.

REDACTED

2:00pm-2:30pm	Meeting with Mr. Ken Brody, Chairman of U.S. EXIM Bank.
4:00pm-4:30pm	Meeting with Ms. Jan Piercy, U.S. Executive Director of World Bank and other senior World Bank officials.
6:30pm-	Tentatively setting up a meeting with The President outside of The White House (Mr. Mark Middleton suggested that only Mr. Oei Tjie Goan and Ms. Sukma Widjaja attend).

Friday 11/03/95

8:00am-11:00am	Open.
11:00am-11:45am	Meeting with Ruth Harkin, Chairperson of Overseas Private Investment Corporation.
12:00-1:30pm	Meeting with Mr. Matt Gorman, Director of Business Liason for U.S. Department of Treasury.
2:00pm-3:00pm	Meeting with Mr. Larry Summers, Undersecretary of Commerce.
7:30pm	Kennedy Center Presidential Box to watch Ballet or Opera.

Saturday 11/04/95 Travel.

CONTACT INFORMATION:

Mr. Mark Middleton
1455 Pennsylvania Avenue, NW
Suite 560
Washington, DC 20004
Work: 202-737-9300
Home: 202-296-1712
Pager: 1-800-719-7535

CONFIDENTIAL
CC-H-000466 -UR

CommerceCorp International
1400 Pennsylvania Avenue
Suite 900
Washington, D.C. 20004
Tel: (202) 737-0300
Fax: (202) 737-0310

AM
Per our discussion earlier today, I'll call tomorrow.

October 23, 1995

MEMO TO: Susan Lavine

FROM: Linda Littlehale for Mark Middleton

RE: The Willard Hotel Accommodations

The Widjaja's have a two-bedroom suite starting on October 29th. Hong Leong needs a two-bedroom suite for October 26 - 29th. His suite could be smaller than the one currently reserved for the Widjaja's.

Many thanks for any assistance you can provide!

Thanks for your help.
Susan
(202) 863-8172 phone
(202) 863-8174 fax

Confidential Information

DNC 0747740

COMMERCE CORP INTERNATIONAL
[illegible]
SUITE [illegible]
WASHINGTON DC 20004
TEL 202 737 0305
FAX 202 737 0319

MEMORANDUM

TO: Ken Brody

FROM: Mark Middleton

RE: Sinar Mas Meeting

DATE: 10/25/95

The Widjaja family, who owns the Indonesian based Sinar Mas Group, will be coming to Washington, D.C. from October 31 - November 3 and have specifically requested a meeting with you. Thus far, the family has confirmed meetings with the First Lady and a number of senior administration officials.

As you likely know, the Sinar Mas Group is one of the most substantial business organizations in Asia. They do a considerable amount of business with companies in the United States and are interested in increasing their activity. The Group is very active in the following areas: pulp and paper, agribusiness, financial services and property development. At the present time the family seems to be particularly focused on developing the pulp and paper division of their company (Asia Pulp & Paper-NYSE).

The Group request to see you appears to be motivated by their desire to establish a personal relationship with you, familiarize the Bank with their operation and discuss how they can work more closely with the Bank.

Ken, this entity is very important to the Administration in a number of ways thus your serious consideration is greatly appreciated. Please let me know if you need additional information or if you would like to discuss this in more detail.

CONFIDENTIAL

The World Bank/IFC/MIGA
OFFICE MEMORANDUM

DATE: October 23, 1995 08:48pm

TO: Thomas Kelsey (THOMAS KELSEY)

FROM: Jan Piercy, EDS01 (JAN PIERCY)

EXT.: 80110/11

SUBJECT: **meeting request**

Mark Middleton (former aide to then-WH Chief of Staff Mack McLarty; now in business) called to see if we could meet with three senior members of an Indonesian family business consortium. They apparently own some 300 businesses in Indonesia, including Asia Pulp & Paper, which is listed on the NY Stock Exchange. The company may form a strategic alliance with a U.S. firm — related to their interests in sustainable development and reforestation. They are also large purchasers of American made equipment.

The CEO, CFO and another executive will be in D.C. next week with meetings at the White House. Mark requested that we meet with them, as they expressed great interest in the World Bank and how it does business.

I told Mark that Tom would be the best person here with whom to pursue this. I said that I would join a meeting with Tom briefly, and we could include others who could address the group's specific questions and interests. I said Nancy should probably be involved given the reforestation angle. I asked that Mark call Tom, and also said we'd need to talk directly with one of the Firm principals when they arrive in D.C. to better understand their agenda, so we can have the right people join us.

It does seem a little odd to me that they wouldn't go through the ED representing Indonesia, and we should alert that office of this inquiry we've had.

Mark's number is 737 9305. Tom, can you follow up? Sorry for the sketchy information. I thought we should be responsive, given the White House interest. Thanks.

CC: Nancy Katz (NANCY KATZ)
CC: Michael Marek (MICHAEL MAREK)
CC: Sandra Shank (SANDRA SHANK)

To action/file
10.25.95

CommerceCorp International
1666 Pennsylvania Avenue
Suite 660
Washington, D.C. 20006
Tel: (202) 737-9300
Fax: (202) 737-9319

TELECOPIER TRANSMITTAL

Please deliver the following material as soon as possible.

TO: Tom Kelly 477-2967

FROM: Mark Middleton

DATE: 10/25/95

NUMBER OF PAGES TO FOLLOW: 8

We are transmitting from an AT&T 3500D Automatic Telecopier. Please call (202) 737-9300 if there is a problem with this transmittal.

NOTES:

Sent DM to Rosen

CommerceCorp International
1455 Pennsylvania Avenue
Suite 880
Washington, D.C. 20004
Tel: (202) 737-6005
Fax: (202) 737-6010

MEMORANDUM

TO: Tom Kelsy

FROM: Mark Middleton

RE: Sinar Mas Group Meeting

DATE: 10/25/95

Thank you for returning my call today and for your assistance.

As we discussed earlier, the Widjaja family, who owns the Indonesian based Sinar Mas Group, will be in Washington, D.C. from October 31 - November 3 and have specifically requested meetings at the World Bank. Your efforts to arrange a series of meetings on Thursday, November 2nd at 4:00 p.m. is noted and greatly appreciated.

The Sinar Mas Group is one of the most substantial business organizations in Asia and they do a considerable amount of business in the United States. With their extensive interest in pulp and paper, agribusiness, financial services, and property development, the Group purchases significant amounts of equipment and services from U.S. based companies and plan to increase their activity.

At the present time, the family seems to be particularly focused on developing the pulp and paper side of their company. While this division is enormously successful, Asia Pulp & Paper (their NYSE listed vehicle) does not have access to the sophisticated technologies and environmental management expertise of the major U.S. companies in the industry. As such, they are softy seeking outside governmental/institution support for their development plans.

I really appreciate your assistance in arranging meetings with the Group while they are in town. If you need any additional material or if I can answer any questions, please call me. Thanks again.

SHAREHOLDERS/DIRECTORS (from left to right): Teguh Gawie Widjaja, Franky Oesman Widjaja (standing), Suhanawan Widjaja, Frankie Bjofar Widjaja (standing), Indra Widjaja and Mochtar Widjaja.

From humble beginnings four decades ago as an edible oils trader, Sinar Mas has grown into a diversified group with a multinational outlook. This dynamic growth has been essentially built around four core businesses. The four core businesses are:

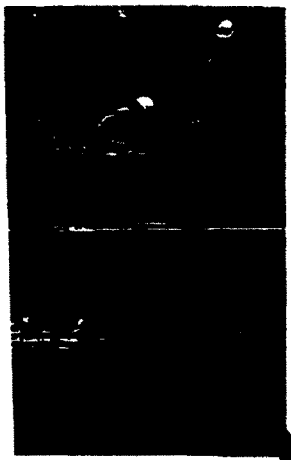
- Pulp and Paper
- Financial Services
- Agribusiness, Foods & Consumer products
- Real Estate and Property Development

In each of its core businesses, Sinar Mas has established itself as a dominant player. Each Sinar Mas business is set up as a separate and independent profit centre, managed and operated by key Sinar Mas executives and professionals of appropriate disciplines from various nationalities.

In addition to these core businesses, Sinar Mas enjoys many joint ventures and business alliances with other multinational corporations around the world.

In its core businesses alone, Sinar Mas employs upwards of 40,000 people. Public listings of Sinar Mas Group of companies has broadened the ownership and attracted participation of many large and small investors.

Ms. Tegah Gunda Widjaja.



Sinar Mas Group is a leading producer of pulp and paper. It commands a dominant share of the printing and writing paper market in Indonesia and Southeast Asia. It exports quality paper to over 80 countries. Through its companies PT Indah Kiat Pulp and Paper Corporation and PT Pabrik Kertas Tjiwi Kimia, Sinar Mas is the largest fully integrated pulp and paper manufacturer in Asia outside Japan.

Tjiwi Kimia is the world's largest fully integrated manufacturer of paper based stationery products, and produces all its merchandise in one plant site. Recently, Tjiwi Kimia has successfully introduced NCR (carbonless paper).

As a further indication of the size of this segment of Sinar Mas activities, IKPP alone commands a remarkable 25% of the domestic market in Kraft and medium paper. It is also making considerable inroads into the carton box manufacturing sector.

Sinar Mas is also a leading producer of coated art paper and board (printing and writing paper categories). Sinar Mas also produces consumer paper products including tissue and toilet papers.

Recognising the importance of environmental protection, Indah Kiat and Tjiwi Kimia emphasize ecology and pollution control through their pollution control techniques and waste management procedures. From their earliest days, industrial pollution control programs have been in place.

The Group's well planned forest management practice is both commercially wise and environmentally beneficial. Currently, Sinar Mas pulp and paper operations are the largest in Indonesia.

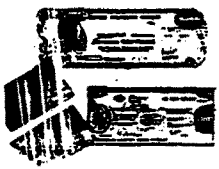
Tjiwi Kimia and Indah Kiat are public listed companies on the Jakarta Stock Exchange.

[illegible]
President Commissioner & Chairman

[illegible], President Director

[illegible]
[illegible] President Director

[illegible]
[illegible] Director



[illegible]

Sinar Mas Group is a major force in Indonesia's financial services market. It has a network of financial institutions involved in banking, insurance, securities, finance and leasing. The flagship of the Group's financial services is Bank Internasional Indonesia (BII). Sensible mergers, innovative market strategies and wise financial planning have all contributed to its rock-solid position at the apex of Indonesia's financial services sector. BII is also a leading issuer of credit cards and is the first Indonesian bank to issue travellers cheques in Rupiah.

BII, a strongly capitalised bank, comfortably meets Bank Indonesia guidelines on capital adequacy, and has always been committed to sound banking policies and disciplined financial practices. Amongst the country's private commercial banks, BII leads in terms of assets and profitability. These facts speak for the strength and integrity of the bank and the professionalism of its management team.

Today, Bank Internasional Indonesia has a network of over 120 branches and sub branches in major cities and emerging rural areas in Indonesia, together with three foreign offices.

It has also established two wholly owned domestic subsidiaries namely PT BII Finance Centre and PT BII Investment Management.

BII Finance Centre, established in 1991, is a non-depository financial institution engaged in the business of leasing, venture capital, credit card operations, consumer finance and factoring. BII Finance Centre pioneered the provision of factoring services in Indonesia, assisting a number of companies in managing their working capital positions.

BII Investment Management, on the other hand, brings and develops new and exciting investment products from around the world to the Asian investor. It ensures the best possible returns by providing a unique balance of managed investment risk and entrepreneurial profit-making. A recent joint venture agreement with Lend Lease Australia will strengthen inroads in fund management and pension fund administration.

BII is one of the leading issuers of credit cards and the first Indonesian travellers cheques.

... AND CONSUMER PRODUCTS

Mr. Franky Gouman Widjaja.

PT Sinar Mas Agro Resources and Technology Corporation (PT SMART Corporation) is the corporate body created to manage the agribusiness activities of the Group. It is an integrated company whose primary business is the manufacture of products made from crude palm oil (CPO). It is committed to efficient production of quality products required by household and industrial users at competitive prices.

Sinar Mas agribusiness companies own and manage vast plantations, refineries and processing plants which provide quality products at competitive prices for household and industrial consumers. The Group's land holdings cover thousands of hectares, in Sumatra, Kalimantan and Irian Jaya. Group owned plantations cultivate oil palm, coconut, tea, bananas, cocoa and rubber. Other Group companies process these crops and market the products both in Indonesia and around the world.

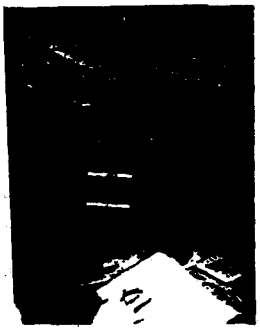
As a market leader in cooking oil, Sinar Mas has invested in refineries and oil processing plants, with refining capacity of hundreds of thousands of tons per annum. It continuously upgrades its refining facilities to ensure higher levels of production quality and increased production capacity. Processed edible oil products from these refineries include cooking oil, industrial and table margarine, shortening, hardened fats and butter substitutes. In this segment the Group also has a joint venture with a leading Australian company.

To enhance growth and stability in the agribusiness area, Sinar Mas has also diversified into value-added products, often in ventures with prominent partners from other countries. For instance, the group is involved in an

Margarine brands produced by PT SMART Corporation.

Harvesting black and green tea renowned for their aroma, sumer and taste.

The Real Estate Division is also active in hotel and resort development. Through joint ventures with other major Indonesian groups, Sinar Mas holds a major interest in the largest and most luxurious number one deluxe hotel in Jakarta – the Grand Hyatt. Within this property lies the finest shopping mall in Jakarta – Plaza Indonesia.



Through the Division's joint venture with the Dusit Thani Group of Thailand, great progress is expected in the hospitality industry of Indonesia. This venture brings together two of Asia's prestigious deluxe hotel-resort groups with truly international standards of both product and service. The first property under this venture is the Dusit Balikpapan Hotel, strategically located between the charming Markoni Beach and the heart of Balikpapan city on Kalimantan.

Another joint venture, Karawang International Industrial City is an exclusive industrial complex in Karawang, right beside the Jakarta – Cikampek toll road. This industrial complex is built on a vast 1,300 hectares premise integrating the industrial zone and convenient housing.

The Division also engages in real estate and property services such as construction, architecture and engineering consultancy.

The Real Estate Division is constantly initiating new projects in its quest to provide quality residential, commercial and industrial facilities in the country. It will continue to ensure that its high standards of quality are met, and that it will continually satisfy its most important clientele – the ultimate judge.

The Sinar Mas Group's Real Estate Division, is one of the leading real estate developers in Indonesia. Since 1980, when the Real Estate Division erected a small number of shop-houses it has established itself as a reputable real estate and property development organization. Today, various real estate infrastructures all over the archipelago are living showcases of the Group's successful venture into property development.

The Group has substantial interests in various real estate and property development projects all over the archipelago. These undertakings are as diverse as residential subdivisions and apartments, commercial complexes, shopping centres, hotels, office buildings and townships. The Real Estate Division has 33 projects in various stages of development.

The Division's residential projects include the 1,000 hectare Taman Permata Buana, Taman Duta Mas and the 600 hectare housing complex Taman Banjar Wijaya.

PT Bumi Serpong Damai, a subsidiary of the division is currently developing a 6,000 hectare satellite city about 25 kilometres west of Jakarta. This undertaking features a mixed development of residential, office, commercial and leisure facilities including the popular golf course designed by internationally acclaimed golfer, Jack Nicklaus.

Another major property development project is the Mangga Dua Trade Area which comprises 29 hectares of land in the heart of the Kota district of Metro Jakarta. This property proudly serves trade at all levels: local, regional and international, and houses the Jakarta International Trade Centre, the Wholesaler's Centre, Building Materials, Interior Centre and the Mangga Dua Court, and the Mangga Dua Dusit Hotel Complex and shopping arcade (under development).

The sprawling Bumi Serpong Damai Golf Club designed by world renowned golfer Jack Nicklaus.

Abdomar Widjaja

The internationally acclaimed lobby of the Grand Hyatt, Jakarta.

The Plaza Indonesia - host to a number of premier boutiques, entertainment centres and specialty shops.

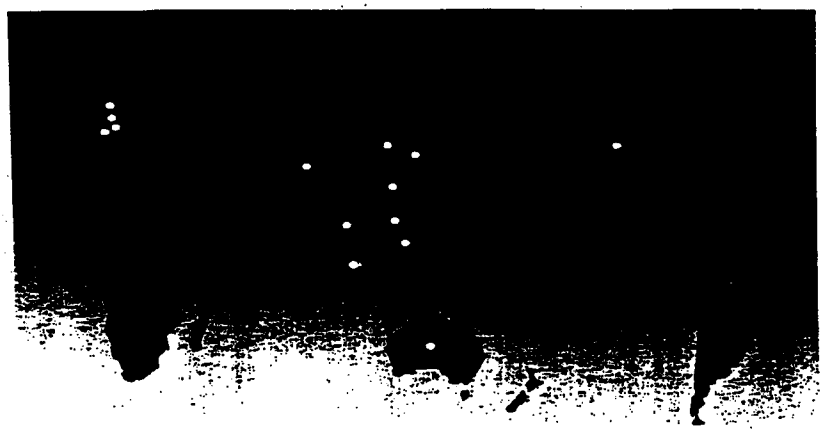
FOREIGN PARTNERS

Historically, Sinar Mas Group has a healthy record of successful joint ventures and mutually profitable alliances with local and international partners.

The Group's positive approach to the global markets benefits Sinar Mas in many ways. It facilitates international market penetration, fosters progressive sharing of technologies, and creates a wider base for raising international capital for further expansion.

Sinar Mas' foreign partners come from near and far: Japan, Korea, China, Taiwan, Philippines, Singapore, Thailand, Australia, France, Germany, Belgium, United Kingdom and the United States of America.

The international network will provide far-reaching benefits for Sinar Mas Group well into the Twenty-First Century.



Sinar Mas continually enhances its technological capabilities and expands its markets globally through joint ventures and [illegible] with leading international companies.

Re-action
11·02·95

CROSSROADS INTERNATIONAL
1400 PENNSYLVANIA AVENUE
SUITE 900
WASHINGTON, D.C. 20004
TEL: (202) 737-9300
FAX: (202) 737-9333

TELECOPIER TRANSMITTAL

Please deliver the following material as soon as possible.

TO: Tom Kelsey

FROM: Marie Middleton

DATE: 11/1/95

NUMBER OF PAGES TO FOLLOW: 1

We are transmitting from an AT&T 3500D
Automatic Telecopier. Please call (202) 737-9300
if there is a problem with this transmittal.

NOTES:

Many thanks!

November 1, 1995

Following are the attendees for the meeting with Ms. Jan Piercy at The World Bank at 4:00 PM on Thursday, November 2nd.

Teguh Ganda Widjaja DOB: December 10, 1944
President/Director - Sinar Mas Group

Sukmawati Widjaja DOB: February 15, 1951
Vice Chairman & Chief Executive Officer - Sinar Mas Group

Hendrik Tee DOB: October 12, 1961
Group Managing Director - Sinar Mas Group

Gus Peralta Nilo DOB: May 7, 1943
Group Managing Director - Sinar Mas Group

NB - Jan not able to do mtg. Will just do meal.

47-116 968

copy

A L L - I N - 1 N O T E

DATE:

TO: RICK SCOBEY (RICK SCOBEY @A1@WBHQB)

FROM: Thomas Kelsey, EDS01 (THOMAS KELSEY)

EXT.: 80120

SUBJECT: **Sinar Mas Group**

It was good to talk with you last week - I am today sending over to you some materials on the group, including the best contact. As we discussed, they are keen to meet with the Bank to discuss their plans re China, in hopes that there may be some synergies, and to further refine their list of potential locations.

They seem to be saying all the right things - they are focusing on sustainable development in the forest and paper/wood products sector, incorporating the small shareholder/farmer, investing in infrastructure, etc. If things look quiet in your sector, perhaps when you meet with them and share data, you can brief them on other Bank activities in China that may be relevant.

Let me know if I can help facilitate anything from my end. Regards, Tom.

Rick -
Here is probably more
than you want.

SINAR MAS GROUP
Wisma Bank International Indonesia, Lantai 11
Jl. M.H. Thamrin, Kav. 22 Jakarta 10350
Telp. : 3104646*, Tlx. : 61455 Chem IA, Fax. : (021) 330-961

FILE COPY

TK
1.490

December 13, 1995

Mr. Thomas Kelsey
Commerce Department Business Liaison
Office of the U.S. Executive Director
The World Bank
1818 H Street, N.W.
Washington, DC 20433
USA

Dear Mr. Kelsey:

Thank you for spending time with our group when we visited your office in November. I hope our efforts to work together with IFC and the World Bank can materialize soon. We are anxious to help China develop economically and also work on a financially viable project in that country.

Sincerely,

Tegun Ganda Wijaya

/ra.

DNC 3022275

SCHEDULE FOR NATIONAL CHAIR DONALD L. FOWLER
DATE: WEDNESDAY, NOVEMBER 1, 1995
DRAFT: FINAL; PRIVATE SCHEDULE

Chron

WASHINGTON, DC

Schedule Contact:	Catherine York 202/863-8038 (Office) 703/553-3966 (Home) 130-5662 (SKYGRAM)	**Briefings:**	Alejandra Castillo 202/863-8165 (Office) 202/797-1775 (Home) 800/946-4645 (#1179185)
Drivers DC:	Nick Caggia 202/863-8121 (Office) 703/486-3043 (Home) 135-2012 (SKYGRAM)		Rolf Olson 202/863-8121 (Office) 703/812-8954 (Home) 120-2693 (SKYGRAM)

8:10am **LIVE INTERVIEW** w/ John Pepper, *The John Pepper Morning Show*, *WXYT*, (*CNN* Affiliate) Detroit, MI
Home of Chairman Fowler

Diane

Contact: Terry Wilson
810/552-0654 or 810/423-2743

NOTE: -DLF should call the above number at 8:05am.
-Live interview is re: the Budget and will last approx. 15 minutes. Call ins to follow.
-See attached briefing and talking points.

8:40am **DEPART** Home
EN ROUTE The White House

9:00am **ARRIVE** for COFFEE w/ DNC Trustees and POTUS
The White House
The Map Room

Write all in to attended See attached

Contact: Richard Sullivan
135-2011 (SKYGRAM)

INFORMAL PROGRAM: 9:15am -DLF delivers welcoming remarks and intros. Chairman Dodd.
-Dodd delivers brief remarks and intros. POTUS.
-POTUS delivers remarks and opens discussion.

NOTE: -Approx. 14 to attend.
-See attached briefing and list of attendees.

WEDNESDAY, NOVEMBER 1, 1995
PAGE 2

10:20am **DEPART The White House**
EN ROUTE CommerceCorp International

10:30am **ARRIVE for MEET & GREET w/ Mark Middleton and Sinar Mas Group Delegation**
CommerceCorp International
The Willard Office Building
1455 Pennsylvania Avenue, NW
Suite 560
Washington, DC
202/737-9305

Contact: Mark Middleton/Linda
202/737-9305

TO ATTEND:
-Mark Middleton
-Tjie Goan Ole/Teguh Ganda Wijaja (same person), President and Director of Sinar Mas Group
-Wenny Limantara
-Sukmawati Widjaja (Sister of Teguh Widajaja), Vice Chair and CEO of Sinar Mas Group
-Agusto Peralta Nilo, Group Managing Director, Sinar Mas Group
-Hendrik Tee, Group Managing Director, Sinar Mas Group
-Ted Joseph Villinski, Public Affairs, Sinar Mas Group
-Cheng Yen, Group Managing Director, Sinar Mas Group
-Ted Lin, President of Linden Trading Company, Inc.
-Kang Oei
-Valonia Oei
-Richard Sullivan

NOTE:
-This group is meeting w/ POTUS on Nov. 3 and FLOTUS on Nov. 4. They are also meeting with several Agency Heads to discuss building business relations between the US and Indonesia.
-Sinar Mas Group is an multinational edible oils trader nearly four decades old. Their four core businesses are 1) pulp and paper 2) financial services 3) agribusiness, foods & consumer products 4) and real estate and property developments.
-The Wijaja family is one of the wealthiest and most successful families in Indonesia.
-Mark Middleton will discuss their giving potential at later date.

WEDNESDAY, NOVEMBER 1, 1995
PAGE 3

11:15am **DEPART CommerceCorp International**
EN ROUTE AFL-CIO

11:30am **ARRIVE for PRIVATE MEETING w/ Leo Zeferetti, Legislative Director, Building and Construction Trades Department, AFL-CIO**
AFL-CIO - Building and Construction Trades Department
Suite 603
815 16th Street, NW
Washington, DC
202/347-1461

Contact: Leo Zefferetti
202/347-1461

TO ATTEND: -Bobby Watson

NOTE: See attachment.

12:15pm **DEPART AFL-CIO**
EN ROUTE The Hay Adams Hotel

12:30pm **ARRIVE for LUNCH w/ Dee Dee Myers**
The Hay Adams Hotel
The Lafayette Restaurant
Washington, DC
202/638-2260

attached

Contact: Dee Dee Myers/Lisa
202/467-4050

NOTE: -Reservations for 2 under POWLER.

1:50pm **DEPART The Hay Adams Hotel**
EN ROUTE Rayburn House Office Building

DNC 3022278

WEDNESDAY, NOVEMBER 1, 1995
PAGE 4

Write

2:15pm **ARRIVE for PRIVATE MEETING w/ Congressman Ed Towns**
Rayburn House Office Building
Room 2232

Contact: Cong. Towns/Jerry
202/225-9936

NOTE: Meeting is re: NY Voter Registration.

3:00pm **DEPART Rayburn House Office Building**
EN ROUTE DNC

3:15pm **ARRIVE for FINANCE BLOCK**
Chairman's Office

Contact: Richard Sullivan x7113

w/ ~~Dodd~~, [redacted], Whelan, Don

4:30pm Conference Call → Mirojan & Paul Goldman (LA Consultant) 504-927-5630 x323

~~4:30pm~~ **PRIVATE MEETING w/ Bob Barrie and Nidal Zayed**
Chairman's Office
5:00pm

Contact: Richard Sullivan x7113

NOTE: -This is meeting is part of FINANCE BLOCK.
-See attached briefing.

WEDNESDAY, NOVEMBER 1, 1995
PAGE 5

5:30pm **MEETING w/ Environmental Leaders**
Second Floor Conference Room

Contact: Sam Newman x7114

TO ATTEND:
-Shelly Fidler, CoS, Council on Environmental Quality
-Brian Johnson, Council on Environmental Quality
-Greg Wetstone, Legislative Director, NRDC
-Gene Karpinski, Exn. Dir., US PIRG
-Ellen Globokar, Field Director, Environ. Info. Center
-Betsy Loyless, Pol. Dir., League of Conservation Voters
-Mary Mears, National Wildlife Federation
-Randy O'Brien, The Wilderness Society
-Liz Raisbeck, Legisl. Dir., National Audubon Society
-Debbie Sease, Legisl. Dir., Sierra Club
-Tony Wilson
-Sam Newman

NOTE:
-This is a follow up meeting.
-See attached briefing

6:00pm **DEPART DNC**
EN ROUTE The Sheraton Washington Hotel

6:30pm **ARRIVE for DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE DINNER**
The Sheraton Washington Hotel
Cotillion Room (Reception)
Grand Ballroom (Dinner)
2660 Woodley Road, NW
Washington, DC
202/328-2000
OPEN PRESS

Contact: Amy Edwards
202/485-3111

NOTE:
-Program to be available in the AM.
-Tickets will be at will call. DLF may bring 1 guest.
-Cocktails begin at 6:00pm; dinner at 7:30pm.
-Business attire.
-Dinner theme is "The Trail to Victory Begins in Oregon."

9:00pm DEPART The Sheraton Washington Hotel
EN ROUTE Home

RON WASHINGTON, DC

DNC 3022281

MEMORANDUM

OCTOBER 30, 1995

TO: MARK MIDDLETON

FR: HOLLY NICHOLS

RE: MEETINGS FOR TOMORROW

This is to confirm times and locations for the meetings with Mrs. Clinton tomorrow:

11:40 am - 11:50 am	Map Room Participants: -HRC -Mark Middleton -Nina Wang -Sen. Mitchell
11:50 am - 12:00 pm	Diplomatic Reception Room Participants: -HRC -Mark Middleton -Mr. Tegugh Widjaja -Mrs. Sukma Widjaja

NOTE: I would like to request that each participant be IN PLACE no later than 11:25-11:30 am. I realize this will cause them the guests to wait for approx. 10 - 15 minutes, but I want to insure that everyone is in through the gates and in their respective location well before Mrs. Clinton arrives.

Thank you!!!

Please call me at 456-7561 if you have any questions or problems.

COMMITTEE ACCESS

EOP 020356

SCHEDULE OF THE PRESIDENT
FOR
THURSDAY, NOVEMBER 2, 1995
FINAL

COPY

EOP 058527

REDACTED

REDACTED

EOP 058528

6:45 pm **THE PRESIDENT** departs the White House via motorcade en route the National Museum of Women in the Arts
[drive time: 10 minutes]

REDACTED

EOP 058529

6:55 pm 6:59 7:03

THE PRESIDENT arrives the National Museum of Women in the Arts

Greeters: Monte Friedkin, National Chairman, National Jewish Democratic Council
Jeff Hirschberg, Chair, Hubert Horatio Humphrey Humanitarian Award
Elizabeth Schrayer, Acting Executive Director, National Jewish Democratic Council

~~7:00 pm~~ 7:07
~~7:30 pm~~ 7:40 **RECEIVING LINE WITH MEMBERS OF THE NATIONAL JEWISH DEMOCRATIC COUNCIL**
7:10 7:15 **THIRD FLOOR GALLERY**
National Museum of Women in the Arts
Event Coordinator: Nicole Elkon
Staff Contact: Alexis Herman
WHITE HOUSE PHOTO ONLY

1 SEN
2 SEN + CHAIRS
3 P'LZNE

~~7:40 pm~~ 7:48
~~8:15 pm~~ 8:20 **NATIONAL JEWISH DEMOCRATIC COUNCIL GALA**
GREAT HALL
National Museum of Women in the Arts
Remarks: Carolyn Curiel
Event Coordinator: Nicole Elkon
Staff Contact: Alexis Herman
OPEN PRESS

7:48 → Off-stage announcement of the President, accompanied by the 1995 NJDC Award Recipients and the General Chairman of the DNC, Senator Christopher Dodd.

7:49 → Monte Friedkin makes welcoming remarks.

7:51 → Jeff Hirschberg makes brief remarks, introduces the President and presents him with a gift.

7:59 → The President accepts the gift and makes remarks.

Upon conclusion of remarks, the President departs. no repeline

~~8:20 pm~~ 8:21 **THE PRESIDENT** departs the National Museum of Women in the Arts via motorcade en route the Sheraton Carlton
[drive time: 10 minutes]

EOP 058530

REDACTED

REDACTED

EOP 058531

REDACTED

EOP 058532

3:30

POTUS PHOTO-GREET [redacted]

1) Sukmawati Widjaja
2) Teguh Widjaja
3) Wenny Limantara

Middleton file

November 2, 1995

MEMORANDUM FOR JANICE ENRIGHT

FROM: PATTY McHUGH

SUBJECT: YOUR MEMO TO MACK RE: TEGUH GANDA WIDJAJA
WENNY LIMANTARA
SUKAMAWATI WIDJAJA

Mack indicated that although he cannot attest to the absolute integrity of the above individuals, he can affirm that they are legitimate business people. Mark Middleton has advised us that they have been cleared by counsel's office at the Commerce Department; his contact in the scheduling office at Commerce is Connie Stack (482-5880). Mark also said that they have met with the First Lady.

Mack feels that it would be alright for them to have a photo taken with the President this evening.

CONCORD ASSOCIATES, INC.
GOVERNMENT RELATIONS CONSULTANTS
SUITE 360
1455 PENNSYLVANIA AVENUE
WASHINGTON, D.C. 20004

(202) 737-9300

TELECOPIER TRANSMITTAL

Please deliver the following material as soon as possible.

TO: Yusuf Kapla

FROM: Sandy McClure

DATE: Oct 27, 1995

NUMBER OF PAGES TO FOLLOW: 1

We are transmitting from an AT&T 3500D
Automatic Telecopier. Please call (202) 737-9300
if there is a problem with this transmittal.

NOTES:

COMMERCECORP INTERNATIONAL
1455 PENNSYLVANIA AVENUE
SUITE 500
WASHINGTON, D.C. 20004
TEL: 202 737-0305
FAX: 202 737-0319

MEMORANDUM

TO: Yusuf Kapra

FROM: Sandy McClure

RE: Security Clearances

DATE: October 27, 1995

Mark asked me to fax the following information for security clearance today:

Oei Hong Leong
DOB - March 21, 1948
PP# - 2176481 G

Oei Chu Yue Mei
DOB - July 2, 1952
PP# - 2203740 D

Oei Ley Elizabeth
DOB - Sept. 27, 1977
PP# - 7726435 C

Oei Yin Alice
DOB - May 21, 1980
PP# - 8013594 G

COMMERCECORP INTERNATIONAL
1455 PENNSYLVANIA AVENUE
SUITE 360
WASHINGTON, D.C. 20004
TEL. (202) 737-0306
FAX (202) 737-0310

BY FACSIMILE

MEMORANDUM

TO: Gus Nilo

FROM: Mark Middleton

DATE: September 9, 1996

RE: Bp. Eka's Visit

Dear Gus,

I have put in a request for a meeting with both the President and The First Lady for Monday, September 30th. As of now, it appears that the President will be out of town on campaign travel but his schedule changes frequently. We are awaiting a response from the First Lady's office.

We have tentative plans to have lunch at The White House on Monday with a tour of the residence either before or after the meal. I would also like to propose a short meeting with Mack McLarty, Senior Counselor to the President and Laura Tyson, head of the National Economic Council. Please advise.

As you likely know, Saturdays and Sundays are relatively quiet here but we can certainly arrange tours of interesting places. Please let us know of Bp. Eka's interest.

Our office will secure transportation for the delegation but will need travel itineraries. You are presently confirmed for the 29th and 30th at the Hotel Washington, 515 15th Street, NW, Washington, DC 20004, Phone: 202-638-5900, Fax: 202-638-4275 (next door to the Willard) since all other hotels are booked. It is a nice facility and you will be very comfortable there.

Please keep me posted on any developments. I'm looking forward to your being here.

Best regards,

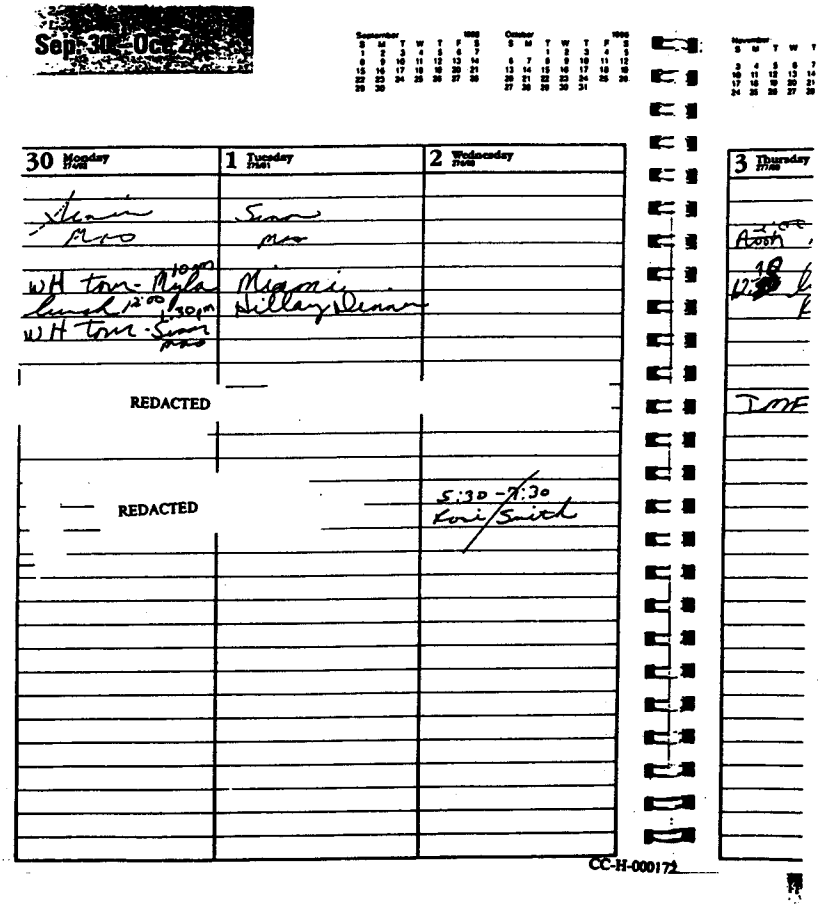
Mark

Mark E. Middleton

Sep. 30 - Oct. 2

30 Monday	1 Tuesday	2 Wednesday	3 Thursday
Sean	Sean		
Mrs	Mrs		Aoon 2:00
WH tour - Myla 10am	Miami		12:30
lunch 12:00 1:30pm	Hillary Dinner		
WH tour - Sean Mrs			
REDACTED			IMF
REDACTED		5:30 - 7:30 Lori/Smith	

CC-H-000172



SCHEDULE FOR HILLARY RODHAM CLINTON
SATURDAY, SEPTEMBER 28, 1996
PAGE 4

REDACTED

4:20 pm — **DROP BY W/ WIDJAJA FAMILY**
Diplomatic Reception Room
CLOSED PRESS/WH PHOTO ONLY

FOR 050582

SCHEDULE FOR HILLARY RODHAM CLINTON
SATURDAY SEPTEMBER 28, 1996
PAGE 5

REDACTED

PARTICIPANTS:
-HRC
-Mark Middleton
-Eka Tjipta Widjaja
-Trini Dewi Lasuki
-Indra Widjaja
-Djafar Widjaja

Contact: Mark Middleton
202-737-9305

SCREEN COPY FOR USER MARYB PRINTED ON 10:02:45 May 01 1997

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.........................Constituent.Search.Criteria...........................
|-----------------------------------------------------------------------------
|Name...:                                  |Orgn...:
|Zip....:                                  |Zip....:
|Street#:                                  |Street#:
|Str-----------------------------------------------------------------------
|---|4062000.A|   | WIDJAJA,EKA,,.Mr../.CommerceCorp.International./.Head.of.1.
|Cor|         |   | Suite 560 1455 Pennsylvania Avenue, N.W. Washington DC 2000
|Pen|         |   |
|Byp|4101313.A|   | WIDJAJA,EKA,TJIPTA,.Mr../.Sinar.Mas.Group./.Head.of.1./.1.G
|---|         |   | Jl. M.H. Thamrin Kav. 22 Jakarta
|Lis|         |   |
|Sel|2767753.A|   | WIDJAJA,LIENNY,,./.Head.of.1...............................
|---|         |   | 6743 Snowden Avenue El Cerrito CA 94530
|Ini|         |   |
|Tur|1966085.A|   | WIDJAJA,S.,,.Mr../.Head.of.1...............................
|---|         |   | 222 Hamlin Amherst MA 01003
|   |3243653.A|   | WIDJAJA,SUKMAWATI,,.Mrs../.Siner.Mas.Group.Wisma.Building,.
|   |         |   | JL.M.H. Thamrin Kav. 22 Jakarta 10350 FC
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EOP 046957

SCREEN COPY FOR USER MARYB PRINTED ON 10:03:34 May 01 1997

.....Constituent.Summary.View.....

Record: 3243653.A Revised: 27 Sep 96 Entered: 20 Nov 95

Mrs. Sukmawati Widjaja
Dear Mrs. Widjaja & Mr. Widjaja

No home address

Mr. Tegugh Widjaja
Siner Mas Group Wisma
Building, 7th Floor
JL.M.H. Thamrin Kav. 22
Jakarta 10350, FC

No additional information

No affiliations

Group:

.Contact.	Aide.	Type..	Code.....	Status
444294	lkk	GIFT		

.History.	Aide.	DateIn/Out..	Letter/Subject.....
2565739	lkk	20 Nov 95	HRC Pnl sent 05 Dec
		13 Dec 95	G.HC.PNL.N

(NO TEXT)

EOP 046958

SCREEN COPY FOR USER MARYB PRINTED ON 10:03:42 May 01 1997

.ID:.377442.....Gift.Tracking.....Entered:.11/20/95...

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Arrived.....: 11/20/95 Presented: 10/31/95	Aide.....: lkk
.Donor.Name.and.Donor.Code.Ack.Amount...	.Gift.1..of.1....(F9.for.other.parts)
Sukmawati Widjaja P Y 101880	Intended: FL First Lady
	Staff...:
	Title...:
.Comments.....Total:.101880...	Category: MISC Miscellaneous
Forwarded by First Lady's office. Pam	Appraise: purse $1,110; earrings $10
Cicotti writing draft. Return gifts	Value...: 101880
to Capricia Marshall after valuing.	Disp....: AR Archives
.....Action.History.....	Location: The gift is in Archives.
* 05 Dec 95 * First Lady	Box#....: 625 GSA#:
personal response to Mrs. Sukmawati	Not Recd:
Widjaja	.....Description.....
	1) Black silk and satin
	Chanel purse with gold kid
	leather lining and a gold and
	Brief:
	Total.Value.of.Gift...:.101880.....

EOP 046959

SCREEN COPY FOR USER MARYB PRINTED ON 10:04:00 May 01 1997

.Corresp#:.2565739.....Correspondence.History.....Contact#:.G377442.

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File#:	:
Disp.: Count: 1	:
.Subjects.....Pos	Close:
G.HC.PNL N	Etc..:
	:
	:
.Enclosures.....Descriptions...	.In.Date LetterDate LoadDate Hom/Bus Lab/Env
	11/20/95 12/13/95 12/13/95 H E
	.....Comments.....
.Status.....Date.....User....	
GIFT ACK 12/13/95 SAMF	
	.....Using.Information.....

EOP 046960

#2565739

November 27, 1996

Mr. Eka Tjipta Widjaja
Chairman
Sinar Mas Group
Jl. M.H. Thamrin Kav. 22
Jakarta
INDONESIA

Dear Mr. Widjaja:

Thank you for the exquisite silver carriage. It is a lovely reminder of our visit, and I appreciate your thoughtfulness.

With best wishes, I am

Sincerely yours,

Hillary Rodham Clinton

Mr. Eka Tjipta Widjaja
Chairman
Sinar Mas Group
Jl. M.H. Thamrin Kav. 22
Jakarta
INDONESIA

EOP 046962

SCREEN COPY FOR USER MARYB PRINTED ON 10:05:09 May 01 1997

.....Constituent.Search.Criteria.....

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Zip....:			Zip....:
Street#:			Street#:

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Cor			Suite 560 1455 Pennsylvania Avenue, N.W. Washington DC 2000
Pen			
Byp	4101313.A		WIDJAJA,EKA,TJIPTA,.Mr../.Sinar.Mas.Group./.Head.of.1./.1.G
---			Jl. M.H. Thamrin Kav. 22 Jakarta
Lis			
Sel	2767753.A		WIDJAJA,LIENNY,,./.Head.of.1.....
---			6743 Snowden Avenue El Cerrito CA 94530
Ini			
Tur	1966085.A		WIDJAJA,S.,,.Mr../.Head.of.1.....
---			222 Hamlin Amherst MA 01003
	3243653.A		WIDJAJA,SUKMAWATI,,.Mrs../.Siner.Mas.Group.Wisma.Building,.
			JL.M.H. Thamrin Kav. 22 Jakarta 10350 FC

EOP 046963

SCREEN COPY FOR USER MARYB PRINTED ON 10:05:23 May 01 1997

.....Constituent.Summary.View.....

Record: 2767753.A Revised: 07 Jul 95 Entered: 01 May 95
Lienny Widjaja

6743 Snowden Avenue
El Cerrito, CA 94530

No business address

No additional information

No affiliations

Group:

.Contact.Aide.Type..Code.....Status

.History.Aide.DateIn/Out..Letter/Subject.....

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		07 Jul 95	FP.IMMIG.GEN.N
2204654	loa	01 May 95	/.archive/texts_ma_
		08 May 95	YP.MAIL.N

EOP 046964

SCREEN COPY FOR USER MARYB PRINTED ON 10:05:52 May 01 1997

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EOP 046965

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EOP 046966

SCREEN COPY FOR USER MARYB PRINTED ON 10:05:12 May 01 1997

.....Constituent.Search.Criteria.....

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Zip....:		Zip....:
Street#:		Street#:
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Cor		Suite 560 1455 Pennsylvania Avenue, N.W. Washington DC 2000
Pen		
Byp	4101313.A	WIDJAJA,EKA,TJIPTA,.Mr../.Sinar.Mas.Group./.Head.of.1./.1.G
---		Jl. M.H. Thamrin Kav. 22 Jakarta
Lis		
Sel	2767753.A	WIDJAJA,LIENNY,,./.Head.of.1.....
---		6743 Snowden Avenue El Cerrito CA 94530
Ini		
Tur	1966085.A	WIDJAJA,S.,,.Mr../.Head.of.1.....
---		222 Hamlin Amherst MA 01003
	3243653.A	WIDJAJA,SUKMAWATI,,.Mrs../.Siner.Mas.Group.Wisma.Building,.
		JL.M.H. Thamrin Kav. 22 Jakarta 10350 FC

FOP 046967

SCREEN COPY FOR USER MARYB PRINTED ON 10:05:32 May 01 1997

.....Constituent.Summary.View.....

Record: 1966085.A Revised: 09 Jun 94 Entered: 06 Jun 94

Mr. S. Widjaja
Dear Mr. Widjaja

222 Hamlin
Amherst, MA 01003

No business address

No additional information

No affiliations

Group:

.Contact.Aide.Type..Code.....Status

.History.Aide.DateIn/Out..Letter/Subject.....

1583567	jo	06 Jun 94	/.archive/texts_ma_
		09 Jun 94	FP.BOSNIA.N

EOP 046968

SCREEN COPY FOR USER MARYB PRINTED ON 10:05:37 May 01 1997

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| TO.QC         06/06/94 JOWANNAO    |..............Using.Information............
| ENTERED       06/06/94 JOWANNAO    |
|                                    |
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EOP 046969

ARKANSAS INTERNATIONAL DEVELOPMENT CORPORATION
111 Center Street 19th Floor
Little Rock, Arkansas U.S.A. 72201

Telephone (501) 374-0307
Facsimile (501) 374-0340

C. Joseph Giroir, jr.
President

Jeanne Giroir Siegel
Secretary

February 15, 1995

James Riady
Lippo Group
9th Floor Asia Tower
101 Diponegoro Blvd.
Lippo Village
Karawaci, Tangerang

Dear James:

Sue Schmidt, a reporter with the Washington Post, called this morning to inquire whether or not you were paying WH consulting fees to cover his litigation expense. She was aware of the Hong Kong trip.

I told her that I was not aware of anything of that nature, that I thought the Hong Kong trip in the summer was an exploratory trip by WH with a number of contacts he had in Asia and Europe; and that as far as I knew no business had been consummated. She indicated that she may be calling you.

Very truly yours,

C. Joseph Giroir, Jr. 2/15/95

CJGJR:cgb

AIDC 005183

ARKANSAS INTERNATIONAL DEVELOPMENT CORPORATION
111 Center Street
Suite 1900
Little Rock, Arkansas 72202
Telephone: (501) 374-8307 / Facsimile: (501) 374-8340

FAX TRANSMITTAL SHEET

February 15, 1995

TO: Mr. James Riady, Deputy Chairman

FAX: 011-6221-546-0274

FROM: C. Joseph Giroir, Jr.

MESSAGE:

RE: AIDC

NO. OF PAGES: 2

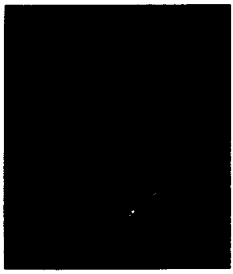
TIME: 6:18 A.M./(P.M.) CDT

DATE: February 15, 1995

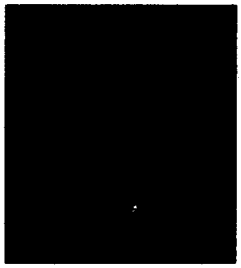
FOR YOUR REFERENCE, OUR FAX NUMBERS ARE (501) 372-2475 AND (501) 374-2380. IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL (501) 372-3000 AND REQUEST ASSISTANCE FROM CINDY BEDSOLE.

IMPORTANT: This message is intended only for the recipient indicated above. It may contain information which is confidential or protected from disclosure by the attorney-client privilege or work-product doctrine. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are advised that any dissemination, distribution or copying of the communication is strictly prohibited. If you have received this fax in error, please mail it to: Arkansas International Development Corporation, 111 Center Street, Suite 1900, Little Rock, Arkansas 72201. We will reimburse you for your postage. Thank you.

\430\aidcfax.cgb



Charlie Trie: FOB



"Your brother has been my best friend for two decades."
President Clinton to Manlin Foung, sister of Charlie Trie, at a California fundraiser in 1996, according to Committee interview.

"Lao Ke"
- Trie's nickname for President Clinton, meaning "The Big Boss."

"I am pleased to hear that you are establishing a branch of your company, Daihatsu International, in the People's Republic of China. . . . I know that you and your company can serve as a bridge of goodwill and exchange of mutual interest and benefits between China and the U.S. . . ."
- November 10, 1992 letter from President-elect Clinton to Charlie Trie.

"Thank you so much for the neck tie. Your thoughtfulness certainly helped to make our holidays more enjoyable. We appreciate your friendship and wish you and your family the very best for a happy and prosperous 1996."
- Letter to Charlie Trie from Mack McLarty, January 10, 1996.

"As you likely know, Charlie [Trie] is a personal friend of the President from LR [Little Rock]. He is also a major supporter. The President sat beside Charlie at the big Asian fundraiser several weeks ago. . . ."
- Fax from Mark Middleton to the President's secretary "Maureen" dated March 21, 1996, transmitting a letter from Trie to the President.

Who is Yah Lin "Charlie" Trie?

Restauranteur, FOB, DNC Fundraiser

The White House knew of Trie's suspicious behavior as early as April 1996, but failed to warn the DNC until October 1996.

Background

- Trie is a longtime friend of the President. The President has often spoken publicly of his friendship with Trie, which spans over 20 years. Manlin Foung told Committee investigators that the President told Foung "your brother has been my best friend for two decades."
- Trie's personal income has never exceeded $34,000 in recent years, and owns a small home in Little Rock. Initially, Trie operated a Chinese restaurant in Little Rock, but since 1992, has operated a succession of unsuccessful import-export businesses.
- Before 1992, Trie had never given more than $2,500 to a political campaign, but in 1994, he moved to Washington, D.C. and began giving prodigious amounts of money to the DNC.

Trie's Donations to the DNC

- Trie's first contributions to the DNC totaled $100,000, and were made in connection with the June 1994 Presidential Gala. Shortly before Trie made these contributions, Lippo Bank Los Angeles wired $100,000 to Trie's bank account. Trie received a number of substantial wires from abroad between 1994 and 1996.
- Trie attended several other major DNC events in 1994, and was invited onto the elite DNC Board of Finance Directors. This membership obligated Trie to write or raise $250,000 in contributions per year.
- DNC documents from the Summer of 1994 list Trie as an "FOB," even though Trie had been in Washington for only several months.
- No one at the DNC apparently conducted any background check on Trie.
- A background check of Trie would have showed that neither he nor his companies made enough money to support the massive donations he was making to the DNC.

- Trie appears to have reimbursed a number of people for contributions to the DNC, including Manlin Foung, Joseph Landon, Yue Chu, Xiping Wang, and Keshi Zhan.

Trie Developed Extensive Connections with the White House and DNC

- Trie received a number of benefits from the DNC. He received references from DNC officials so that he could obtain a Watergate apartment, send friends on regular tours of the White House, and sit in the President's box at the Kennedy Center.

- Trie also attended and received premium seating at a number of fundraising events. Trie sat at the President's table at events on June 22, 1994, February 19, 1996, and May 13, 1996. Trie also sat with the First Lady at a February 16, 1995 event.

- Trie brought his business partner and benefactor Ng Lap Seng to the White House on twelve different occasions between 1994 and 1996. On six of those occasions, Trie and Ng met with Mack McLarty aide Mark Middleton, who has invoked the Fifth Amendment in response to the Committee's inquiries.

- The White House Office of Presidential Personnel recommended Trie to serve on the Commission on U.S.-Pacific Trade and Investment Policy in September 1995. The White House recommended Trie for this position despite his obvious lack of qualifications, and the fact that the Commission was already full. The President signed an Executive Order to expand the Commission and make room for Trie.

- The White House was required to perform a background check on Trie in connection with his appointment to the Bingaman Commission, but the Committee has not received any evidence that the White House performed the required background investigation.

- Trie used his White House and DNC connections to have himself and Wang Jun, head of the Chinese company CITIC, invited to a White House coffee with the President. Wang Jun's company is the parent of Poly Technologies, the Chinese company found illegally smuggling thousands of Chinese AK-47 machine guns into California. Again, the White House did not check the background of Wang Jun or Trie.

The White House Received Actual Notice of Trie's Suspicious Fundraising

- Trie gave $380,000 in small contributions to the Presidential Legal Expense Trust ("PLET") in March 1996. An investigation by the PLET showed that Trie had raised these funds from the members of a controversial Buddhist cult, and that the donors had been improperly reimbursed by the cult.

- The White House received notice that Trie was raising money from suspect sources in April 1996, when the PLET's Executive Director, Michael Cardozo, told the First Lady and Harold Ickes that Trie had made these suspicious contributions.

- The White House received further notice that Trie was a source of suspect funds on May 9, 1996, when Cardozo told top White House officials, including Ickes, Bruce Lindsey, Jack Quinn, and Maggie Williams that the PLET intended to return the Trie contributions. At this meeting, Lindsey noted that Trie was "involved in the Democratic Party."

- On the same day that top White House staffers learned of Trie's suspect PLET contributions, Trie himself visited the White House. That same day, Trie was summoned to appear in D.C. Superior Court for failing to pay $885 in rent.

The White House Failed to Warn the DNC About Trie

- Even after these meetings, White House officials continued to allow Trie to visit the White House, attend DNC fundraising events, and contribute to the DNC. Trie attended and raised money for three major Presidential fundraisers after the May 9 meeting where the White House learned of Trie's suspicious behavior. Trie started with the May 13, 1996 Asian-American fundraiser, just four days after the White House learned of his suspicious PLET contributions. Trie sat at the President's table at this event.

- At least two individuals in the White House knew Trie, had notice of his tainted contributions to the PLET, knew that he was active in the DNC, and still failed to warn the DNC. Bruce Lindsey knew Trie from Arkansas, and knew that he was active in the DNC. Lindsey attended the May 9 meeting where Cardozo informed the White House that the PLET intended to return Trie's contributions. Lindsey attended at least one fundraiser with Trie after this meeting, a July 22 fundraiser in Los Angeles. However, Lindsey failed to warn the DNC that one of its most prolific donors and fundraisers was engaged in highly suspicious fundraising practices.

- Harold Ickes also knew of Trie's contributions to the PLET. He participated in both the April 4 and May 9 meetings where the White House was informed of Trie's suspicious contributions. Ickes, as the de facto head of the DNC, received a number of documents from as early as 1994 indicating that Trie was a major DNC contributor.

- However, Ickes kept his knowledge of Trie's suspicious behavior to himself until two weeks before the election. At that point, Ickes alerted the DNC about Trie. Ickes' comments show that he was aware of Trie's involvement with the DNC, and the possibility that his DNC contributions may be problematic.

DOCUMENTS RELATING TO YAH LIN "CHARLIE" TRIE

1. Letter from Governor Clinton to Yah Lin Trie dated November 10, 1992.

2. Wire for $100,000 from Lippo Bank L.A. to Yah Lin Trie, dated May 6, 1994.

3. May 11, 1994 wire from Ng Lap Seng to the account for Daihatsu International.

4. Letter from Joe Giroir to Little Rock Board of Directors regarding Trie, dated May 20, 1994.

5. Memorandum from Laura Hartigan to Ann Jordan regarding invitations to dinner on June 20 at the Jordans' house. This memorandum indicates that Trie was invited.

6. Documents relating to the June 22, 1994 Presidential Gala fundraiser.

   a. Memorandum from David Mercer to John O'Hanlon regarding Trie's request to sit with the President.

   b. Seating chart for the President's table.

   c. Fax from Trie to David Mercer listing the individuals Trie intends to invite to the June 22, 1994 fundraiser.

7. DNC reimbursement form submitted by Mark Middleton requesting reimbursement for his expenses in taking Trie and Ng Lap Seng to lunch at the White House Mess on June 22, 1994.

8. Memorandum from Harold Ickes to Terry McAuliffe dated July 26, 1994 regarding contributions to the DNC health care media fund. Page 3 of this document shows that Ickes was aware of Trie's large contributions to the DNC as early as this date.

9. Seating list for the Presidential Birthday fundraiser on August 2, 1994, showing Trie seated at Chairman David Wilhelm's table.

10. August 14, 1994 Arkansas Democrat-Gazette article regarding Trie.

11. Reference letters for Trie to obtain an apartment at the Watergate.

    a. Reference letter dated August 18, 1994 for Trie from DNC White House Liaison, Susan Lavine.

b. Reference letter dated August 18, 1994 for Trie from DNC fundraiser David Mercer.

c. Reference letter dated August 24, 1994 for Trie from DNC fundraiser and donor Richard Mays.

12. Admission list for Trie's Watergate apartment. Shows individuals with permanent access to Trie's apartment, and individuals with one-time access to the apartment.

13. Biography of Trie and description of the activities of Daihatsu International Trading Company.

14. Memorandum from David Mercer to Jason McIntosh dated August 31, 1994, regarding inviting Trie onto the DNC Finance Board of Directors.

15. Mark Middleton calendar for October 1994 showing a meeting on October 20, 1994 between Trie, Middleton, and "Mr. Woo" (also known as Ng Lap Seng).

16. January 5, 1995 memorandum from Terry McAuliffe to Nancy Hernreich regarding White House overnights.

17. List of 1994 major donors to the DNC, kept by Harold Ickes.

18. Mark Middleton phone log dated January 26, 1995 showing a call from Trie's assistant Martha Shoffner regarding a White House dinner to which Trie had been invited.

19. February 6, 1995 thank you letter from Nancy Hernreich to Charlie Trie.

20. Documents relating to the February 16, 1995 fundraiser.

a. Guest list for a DNC dinner on February 16, attended by Trie and Ng Lap Seng. Trie sat at the First Lady's table at this event.

b. Seating list for February 16 dinner.

21. Memorandum dated March 20, 1995 from David Mercer to Allen Weinstein and Nancy Jacobsen, the directors of the Center for Democracy, regarding a $10,000 contribution by Trie to the Center for Democracy.

22. May 19, 1995 request for a White House tour by Trie.

23. June 13, 1995 request for a White House tour by Trie.

24. Summer, 1995 request for a White House tour by Trie.

25. Briefing for DNC Chairman Don Fowler regarding a June 21, 1995 meeting between Fowler, Trie and Taiwanese businessman Winston Wang.

26. August 17, 1995 request for a White House tour by Trie.

27. August 29, 1995 phone message for Melanne Verveer from Trie regarding Trie's attendance at the Beijing Women's Conference.

28. August 29, 1995 phone message from Ernie Green regarding Trie's attendance at the Beijing Women's Conference.

29. August 31, 1995 White House notes regarding a David Mercer request regarding Trie's attendance at the Beijing Women's Conference.

30. Memorandum from Eric Sildon, DNC Director of Membership Services, to Debi Schiff, the President's secretary, dated September 15, 1995, showing that Trie accepted the DNC's invitation to take 2 tickets in the President's box at the Kennedy Center.

31. Thank you letter from Fowler to Trie dated September 21, 1995, regarding the White House dinner of the previous week, attended by Trie and Fowler.

32. Memorandum from David Mercer to Trie dated October 16, 1995, regarding the Taiwan chapter of "Democrats Abroad."

33. November 7, 1995 request for a White House tour by Trie.

34. Program for the Presidential Luncheon fundraiser dated November 8, 1995, chaired by Trie and Ernie Green.

35. Memorandum from Maura McManimon to David Mercer dated November 15, 1995, listing photos taken at the November 8, 1995 fundraiser, including photos of Trie and Ng Lap Seng taken with the President and other dignitaries.

36. December 7, 1995 request for Trie to attend a White House reception.

37. Memorandum from Susan Lavine to Nancy Hernreich, the President's secretary, dated December 7, 1995, requesting a meeting between the President and Trie between December 11 and December 15, 1995.

38. Request for Trie and associates to attend a state arrival ceremony on February 1, 1996.

39. Thank you letter from Mack McLarty to Trie dated January 10, 1996.

40. Handwritten notes taken by Susan Lavine.

41. February 6, 1996 request for a White House tour by Trie.

42. Documents relating to the February 6, 1996 Coffee.

    a. List of attendees for the February 6, 1996 Presidential Coffee, including Trie and Wang Jun.

    b. Signed State of the Union address for Trie.

    c. Signed State of the Union address for Wang Jun.

43. List of members of the Commission of U.S.-Pacific Trade and Investment Policy that had been "security cleared" as of February 14, 1996, including Trie.

44. Documents relating to the February 19, 1996 Asian-American Fundraiser.

    a. Partial list of attendees, including list of individuals at the President's table.

    b. DNC list of contributions attributed to the February 19 event.

    c. Briefing for the President for the February 19 event, prepared by John Huang.

    d. List of individuals receiving a White House tour at Trie's request on February 20, 1996.

45. Notes taken by Harold Ickes at the April 4, 1996 meeting regarding the Presidential Legal Expense Trust ("PLET") between Ickes, Hillary Clinton, and Michael Cardozo.

46. April 17, 1996 White House press release announcing the formation of the Commission on U.S.-Pacific Trade and Investment Policy.

47. Letter from Trie to the President regarding the Taiwan Straits crisis, and response from the President to Trie, dated April 26, 1996.

48. Notes taken by Harold Ickes at the May 9, 1996 meeting regarding the PLET between Ickes, Michael Cardozo, Bruce Lindsey, Jack Quinn, Maggie Williams, and Evelyn Lieberman.

49. Documents regarding Trie's monetary situation in May 1996.

    a. Complaint filed in D.C. Superior Court by NHP Property Management against Trie on April 12 for failure to pay $885 in rent. The Summons requires Trie to appear in court May 9, 1996.

    b. $10,000 contribution by Trie to the DNC dated May 12, 1996.

    c. $5000 check from Middleton to Trie for a personal loan, dated May 22, 1996.

50. Documents regarding the May 13, 1996 Asian-American Fundraiser.

    a. List of individuals seated at the President's table, including Trie, Sumet Jiaravanon from the CP Group, Ted Sioeng, Roy Tirtadji from Lippo. Trie's name has the President's check mark next to it.

    b. Memo from "Jessica" (Elnitiarta) to "Uncle Huang" (John Huang) regarding individuals attending the May 13 fundraiser. Includes a number of individuals from Hong Kong and Thailand.

    c. Partial list of attendees for the May 13 event. Includes Yogesh Gandhi, John Huang, Pauline Kanchanalak, Mark Middleton, Ted Sioeng, Charlie Trie.

    d. President's schedule for May 13 showing the President's attendance at the fundraiser.

    e. Briefing for the President for the May 13 event.

    f. Briefing for Don Fowler for the May 13 event.

51. Signature card for the America Asia Trade Center bank account, containing the signatures of Yah Lin Trie, Wang Mei Trie, and Antonio Pan.

52. Bank records reflecting the $100,000 wire from the Charoen Pokphand Group to the America Asia Trade Center bank account.

53. Check from the America Asia Trade Center to John Huang for $1775, dated June 26, 1996.

54. July 15, 1996 memo from Harold Ickes to the President.

55. Program for the July 22, 1996 Asian-American DNC fundraiser in Los Angeles, California. This event was co-chaired by, among others, Trie, Yogesh Gandhi, and Ted Sioeng.

56. Memorandum from Michael Cardozo to Hillary Clinton, Jack Quinn, Harold Ickes, Bruce Lindsey, Evelyn Lieberman, and Maggie Williams dated August 12, 1996, circulating a letter from David Lawrence to the PLET, indicating that PLET donors had been reimbursed by the Ching Hai Buddhist cult.

57. Call sheet for the President's secretary, Nancy Hernreich, dated August 15, 1996, indicating a call from "Maureen" about "the Charlie Trie letter."

58. DNC computer printout from October 17, 1996 showing funds raised by Trie for the DNC. This report was produced in response to the first warning signals the DNC received about Trie.

59. Chronology prepared by the PLET on November 13, 1996 regarding Trie's suspect contributions.

60. Business cards for America Asia Trade Center employees Antonio Pan and Peter Chen.

61. Business card for Daihatsu International Trading, Inc. employee Antonio Pan.

62. "Movie List" indicating that Trie attended a White House movie.

63. Contributions by Yah Lin Trie, Wang Mei Trie and related corporations (partial set of checks).

64. Contributions solicited by Yah Lin Trie (partial set of checks).

65. WAVES Records for Yah Lin Trie.

66. WAVES Records for Ng Lap Seng.

67. E-Pass Records for Antonio Pan.

68. Checks relating to Yah Lin "Charlie" Trie.

69. Summary of John Huang WAVES records.

OFFICE OF THE GOVERNOR
State Capitol
Little Rock 72201

Bill Cl...
Gover...

-006...3

November 10, 1992

Mr. Yah Lin "Charlie" Trie, President
Diahatsu International Trading, Inc.
P.O. Box 1816
Little Rock, AR 72203

Dear Charlie:

I am pleased to hear that you are establishing a branch of your company, Diahatsu International, in the People's Republic of China.

I fully recognize the trade potential and contribution to Arkans by such a venture. I trust and believe that your expansion to China will continue interaction and trade between Arkansas and China. I know that you and your company can serve as a bridge c goodwill and exchange of mutual interest and benefits between China and the U.S.

I understand that while in Arkansas, the delegation from Changch City met with officials from A.I.D.C. As you know, I have alway felt it important to promote Arkansas and her industry and products.

I wish you success in your new venture, and I appreciate your efforts for our state. Please let me know about your progress.

Sincerely,

Bill Clinton

Bill Clinton

BC:rk

EXHIBIT
1

FIRST COMMERCIAL BANK, N.A. LITTLE ROCK, ARKANSAS 72203 ADVICE OF TRANSFER OF FUNDS

1407 S. cleveland

mode status mdc error-intrcpt

PROD FT INCOMING MSG

rcvr typ asof-dt rsn ref-input-key struct code

LR 0109 1000 *

sndr ref# amt

122041387 0010 99,985.00 RM

ACCOUNT NUMBER

[redacted]

ORDERING BANK AND RELATED DATA

LIPPO BK LA /ORG=LUCKY PORT INVESTMENTS LTD

FIRST COMM LR /CTR/BNF=MR.YAH LIN TRIE OR MRS WANG MEI TRIE/[redacted]

RFB=OR0506-08

MR YAH LIN TRIE OR
MRS WANG MEI TRIE
1407 S CLEVELAND
LR, AR 72204

imad urc omad

0506 L2QF5BJL 000010 05061437 FT1L 0506 H2QZC08F 000110 05061437 FT1H

1994

INFORMATION DOCUMENTS, INC. — LITTLE ROCK, AR 72203

EXHIBIT 2

NAME String Alert: [redacted], DAIHATSU, NG LAP SENG
Func: INV * MONey TRANsfer System * 12-JUN-1997 13:38:05
Key: 05/11/94[redacted]

Type: FEDWIRE/DEBIT Value: 05/11/94 Amount USD: 100,000.00
Receiving Bank FIRST COMMERCIAL BANK NA Tran Nr: Unit:
[redacted] LITTLE ROCK,AR
Debit Party Credit Party
[redacted] AC
Type: Type:
UID: [redacted] SWIFT: BKCHMOMX UID: SWIFT:
BANK OF CHINA, MACAU BRANCH
BANK OF CHINA BUILDING
AVENIDA DOUTOR MARIO SOARES
MACAU
Source: SWI Date: 05/11/94 Nr:[redacted] Credit Adv: MT
Reference: Sender: F9419/189 Customer:
CTR/ORG=NG LAP SENG OGB=BANK OF CHINA, MACAU BRANCH MACAU BBK=FIRST COMMERCIAL BANK CAPITOL BROADWAY LITTLE ROCK ARKANSAS UNITED STATES OF AMERICA BNF:[redacted]
3 DAIHATSU INTERNATIONAL TRADING/AC-[redacted]BBI=PHONBEN/[redacted]LSOUR$15
Debit Adv: Charges: By: Commission: 15.00 By: C
Chips Cable Charge: By:
Charge/Comm Account:
Telex No (optional):
Send bank sub-acct: Recv bank sub-acct:
Send bank Info:
Recv bank info:

Security Desc : CUSIP # : Par Value:
Security Reference info:
Alt Swift Tid:
Linecode:
Product Code: CTR

Originator:
ID:
Opt: UID/DDA/BIC:
UID: SWIFT:
NG LAP SENG

Originator's Bank:
ID:
Opt: UID/DDA/BIC:
UID: SWIFT:

Intermediary Bank:
ID:
Opt: UID/DDA/BIC:
UID: SWIFT:

Orig
to
Bene
Bank -> PHONBEN/[redacted]
To Bank LSOUR$15
Info ->

Beneficiary's Bnk:
ID:
Opt: UID/DDA/BIC:
UID: SWIFT:
FIRST COMMERCIAL BANK
CAPITOL BROADWAY LITTLE ROCK
ARKANSAS UNITED STATES OF AMERICA
Beneficiary:
ID:[redacted]/ACCT
Opt: UID/DDA/BIC:
UID: SWIFT:
[redacted]
DAIHATSU INTERNATIONAL TRADING

F:SL A:ME Aut:ME -Complete/Override debit/Released

EXHIBIT
3

GIROIR & GREGORY
PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW
SUITE 1800
111 CENTER STREET
LITTLE ROCK, ARKANSAS 72201

TELEPHONE
(501) 372-3000

TELECOPIER
(501) 374-2380
(501) 372-2475

May 20, 1994

Board of Directors
City of Little Rock
City Hall
500 W. Markham
Room 203
Little Rock, Arkansas 72201

RE: Camelot Hotel

Dear Ladies and Gentlemen:

The purpose of this letter is to request that the Board of Directors of the City of Little Rock take appropriate action to reconsider the vote cast on Monday, May 16, 1994 to award the contract for the renovation and management of the Camelot Hotel to the Logan Group.

My reason for making this request is that the newspaper accounts of the procedures for making the determination, and statements made during the deliberative process make it mandatory that the Board give the applicants the opportunity to respond to concerns expressed at the meeting.

I do not represent any of the applicants. However, I do have extensive dealings in China and am deeply concerned that the statements made during and at the hearing concerning the Chinese are both inappropriate and offensive; and also that unless the applicants are permitted to respond to those inappropriate statements prior to a definitive vote being taken, the reputation of the City of Little Rock and of Arkansas will be badly tarnished to the detriment of the City of Little Rock, the State of Arkansas and the United States.

The matters which I believe require additional information for the Board include the following:

1. Background and financial information on the Chinese investors.

2. Full information concerning the announced joint venture of the applications submitted by the Chinese group and Madden Group, including complete financial information on the Madden Group, and on any of the other applicants who are being considered.

EXHIBIT
4

3. Explanation as to why the procedure specified by the Board for a recommendation from the A & P Commission for three qualified applicants was not adhered to by the A & P Commission; and an explanation of why the representatives of the consulting firm to the A & P Commission was permitted to engage in active lobbying in respect to the deliberations, as opposed to merely providing a consultants report.

In summary, I believe it is essential to the maintenance of the integrity of the Board of Directors of the City of Little Rock that a reconsideration of the vote be brought up by for a vote of the Board.

Very truly yours,

C. J. Giroir, Jr.

CJG:cgb

Memorandum

June 17, 1994

TO: Ann Jordan

FR: Laura Hartgian
National Finance Director

RE: Invitations to June 20th Dinner at the Jordans'

36 Invitations
21 Yes
5 Regrets
10 Unconfirmed

Mr. Dwayne Andreas CEO Archer Daniel Midland 466 East Faries Parkway Decatur, IL 62526-5678	yes
Bob Barrie General Electric	yes
Steve Berlin Citgo	regrets
Mr. Bob Blair Anderson, Hibey and Blair 4936 Rodman Street, NW Washington, DC 20013-3239	yes
Tom Blood	yes
Mr. Ely Callaway (researching address)	regrets
Ms. Ann Cox Chambers c/o Marion H. Allen III 426 West Paces Ferry Road, NW Atlanta, GA 30305	unconfirmed

EXHIBIT 5

EOP 056649

Memorandum
RE: Jordan Dinner
June 16, 1994
page two

Mr. Dan Dutko Dutko & Associates 412 First Street, SE Suite 100 Washington, DC 20003	yes
Beth Dozoretz First Hospital	yes
Mr. Mark Erwin President Erwin Capital 200 North College Street Suite 2035 Charlotte, NC 28202	yes
Mr. Ed Faberman Vice President American Airlines 1101 17th St NW Washington, DC 20036	yes
Brian Ferguson Eastman	yes
Mr Tom Hoog Hill & Knowlton 901 31st Street, NW Washington, DC	yes
Mr. and Mrs. Robert and Shelia Johnson Black Entertainment Television 1232 31st Street, NW Washington, DC 20007	yes
Robert Kennedy Union Carbide	unconfirmed
Ms Maxine Leftwich LS Financial Group, Inc 407 South Dearborn Street Suite 600 Chicago, IL 60651	yes

Memorandum
RE: Jordan Dinner
June 16, 1994
page three

Hani Masri	yes
Mr. Bernie Master Health Dower, Inc. 340 Tucker Drive Worthington, OH 43085	regrets
Mr. Richard Mays Mays & Crutcher 700 13th Street, NW Suite 400 Washington, DC 20005	yes
Mr. Gerald McGowan Lukas & McGowan 1819 H Street, NW Suite 700 Washington, DC 20006	yes
Mr. Jim McInvale President Gallery Furniture 6006 North Freeway Houston, TX 77076	unconfirmed
Mr. John Merrigan Verner, Liipfert 901 15th Street, NW Suite 700 Washington, DC 20005	yes
Mr Larry O'Brien O'Brien & Calio 4701 North 34th Street Arlington, VA 22207	yes
Mr. John O'Hanlon Raffaelli, Speer, Springer & Smith 1341 G Street, NW Suite 200 Washington, DC 20005	regrets

Mr. Richard Lockridge — unconfirmed
West Publishing
100 Washington Avenue, South
Suite 2200
Minneapolis, MS 55401-2159

Mr. Scott Pastrick — yes
Black, Manafort, Stone & Kelly
211 North Union Street
Alexandria, VA 22314

Mr. Ron Perelman — unconfirmed
Revlon, Inc.
36 East 36th Street
New York, NY 10121

Tom Quinn — unconfirmed
O'Connor & Hannon

Mr. James Speights — yes
Vice President
C&P Telephone
1516 Girard Street
Washington, DC 200036

Mr. Robert Strauss — yes
Akin, Gump
1333 New Hampshire Avenue, NW
Suite 400
Washington, DC 20036-1511

Mr. George Tagg — unconfirmed
Governmental Relations
Federal Express
300 Maryland Avenue, NE
Washington, DC 2002

Mr. Steven Tisch — unconfirmed
3815 Hughes Avenue
Culver City, CA 90232-2715

Charlie Trie — unconfirmed
1407 South Cleveland
Little Rock, AR 72204

Mr. Larry Wallace Wallace, Hilburn, Clay 425 W Capitol Avenue Suite 3801 Little Rock, AR 72201-3460	yes
Bill Wells NEC Corporation 1712 New Hampshire Avenue, NW Washington, DC 20009	regrets
Mr. Dirk Ziff Ziff Brothers Investments 280 Park Avenue 23rd Floor East New York, NY 10017	unconfirmed

-30-

MEMORANDUM

To: John O'Hanlon

Fr: David Mercer

Dt: June 18, 1994

Re: VIP requests

The following requests have been made by our writers/raisers. They were indicated on the commitment forms I filled out, but I wanted to make sure you were aware of them.

Lee Howley

Mark Middleton (Lee has also called to invite him; no confirmation yet.)

Matt Gorman, Business Liaison Director, Department of Treasury (Lee also invited him; no confirmation yet.) Confirm Mack

Bob & Sheila Johnson

I've impressed upon them the need to get their guest list in. Michelle Curtis, Bob's assistant promised to get them to me this Sunday. They have two 25k tables, so I'm sure they should be assigned a couple of VIPs. We'll have to reconcile their request with our first-cut assignments. List Monday w/ Mfume

Yah Lin Trie

Trie was promised a seat at the President's table in a meeting between Terry and Richard Mays. He gave 100k that I believe went to healthcare. Due to a cancellation of a healthcare luncheon with senior administration officials he was also promised a table at the dinner. (Note:His table should be a "B" table at minimum) President's Mtg

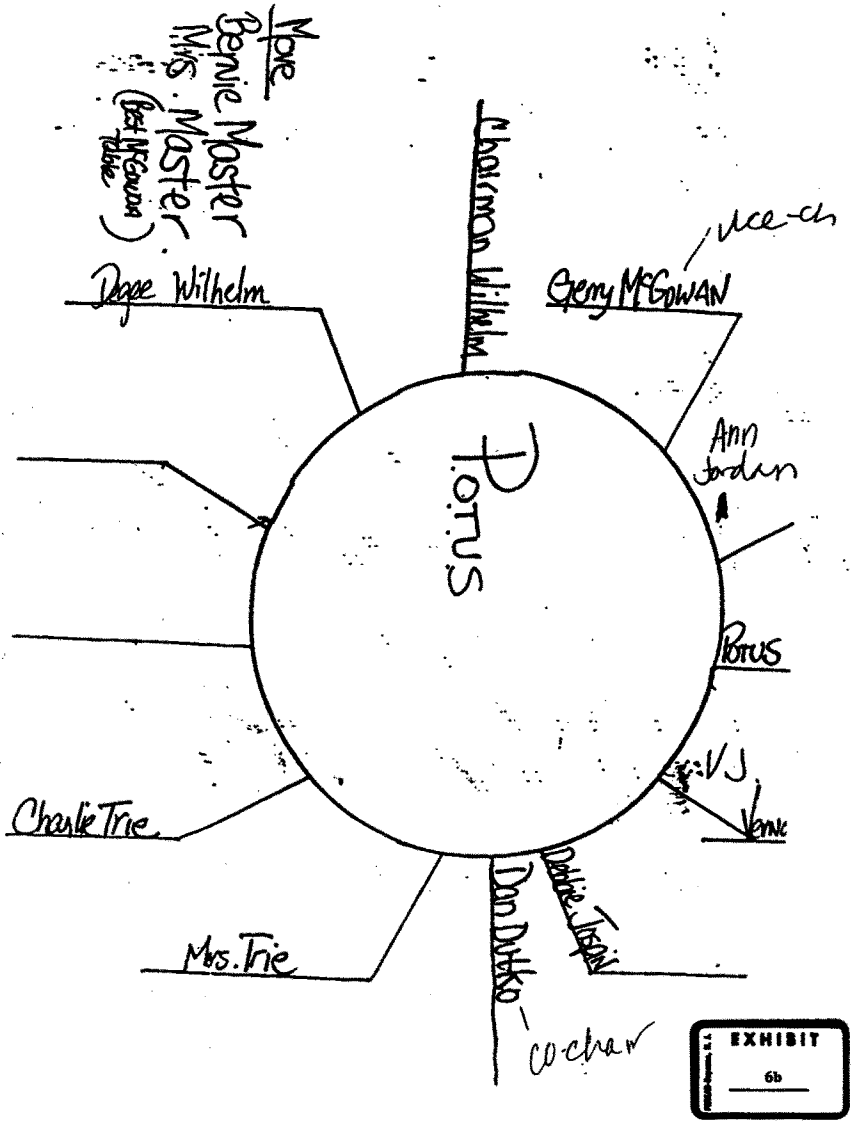
Richard Mays/James Simpkin

They brought in Peter Lehrer of Lehrer McGovern Bovis and a major Mexican delegation of developers and businessmen heavily involved in NAFTA. They request VIPs in the following sectors:NAFTA, telecommunications, finance/investments, construction/development. Has Mtg / Clinton /

Carol Thompson Cole

She was interested in a Congressional Black Caucus member, perhaps Cong. Mfume. She will pursue directly if we don't assign. Can we also place a White House appointee here; Carol is very good to us having contributed 15k for this event and committed another 15k for August event. Call Office: Veronica Biggins

Janice Griffin


Potus
Chairman Wilhelm
Gerry McGOWAN
Ann Jordan
Potus
VJ
Dan Dutko
co-chair
Mrs. Trie
Charlie Trie
Degee Wilhelm
Bernie Master
Mrs. Master
EXHIBIT
6b

JUN-21-94 TUE 15:49 DAIHATSU.INTERN. 501 376 8989 501 376 8989 P.01

DAIHATSU

INTERNATIONAL TRADING INC.

FACSIMILE TRANSMISSION

To: DNC

Date: June 21, 1994

Atten: MR. David Mercer

Fax no.: (202) 863-8140

From: Charlie Trie/Jody Webb

No of pages 1

Subject:

Dear Mr. Mercer:

Charlie asked me to FAX you his preference for seating at the Dinner tomorrow. Also, he wanted to ask if there is any way you could arrange for Table 1 to be as close to the President's table as possible.

Thank you for your time and consideration.

Sincerely,

Jody Webb

Table 1

Mr. Ng Lap Seng
Mrs. Pun Nun Ho
Ms. Maria Han Xiao
Mr. Cheung Yiu Mo
Mr. J.J. Neto Valente
Mrs. C.G.J. Neto Valente
Mr. Jude Kearney
Mrs. Anita Middleton
Mr. Lorin Fleming
Mrs. Norma Fleming

Table 2

Ms. Ching CHing Huang
Dr. Franklin D. Hwang
Mr. Kenneth Richer
Mr. WInfred Wu
Mrs. Christane Tan
Mr. Richard Hines
Mrs. Patricia Hines
Ms. Jennifer Peng
Dai Lin Outlaw
~~DNC Representative for Asia~~
Vitin Bhuvan.ots

F 0045837

523 S. Louisiana Ste. 150 • Little Rock, Arkansas 72201 • (501) 370-9522 • FAX# (501) 376-6989
Room 2905 2907 Block B, Jintong Building No. 16 Aigus Road • Shenzhen City Guangdong PRCh
(755) 5526 575 • FAX # (755) 5525-453

EXHIBIT
6c

DNC REIMBURSEMENT OF WHITE HOUSE MESS BILL
FROM MARK MIDDLETON
OFFICE OF THE CHIEF OF STAFF

6/1	Breakfast w/Cindy. Gillespie	$ 2.75
6/2	Lunch w/Jeff Dailey	6.50
6/15	Breakfast w/Alan Solomont + 14 (see attached list)	63.00
6/15	Lunch w/Sam Perosi	6.85
6/17	Lunch w/Kyle Boswell, Chuck Givens, Art Pengally	27.60
6/21	Lunch w/Hugh Long, Bob Jordan, Lansing Lee, Bill Belk, Pamela Morrell, Mark Erwin	63.86
6/22	Breakfast w/John Glenn	2.25
6/22	Lunch w/Charlie Trie, Lapsang Ng	11.75
6/23	Lunch w/Jack Rosen + 12 (see attached list)	74.50
6/24	Lunch w/James Riady	5.50
		$264.56

EXHIBIT 7

DNC 0328622

THE WHITE HOUSE

WASHINGTON

July 26, 1994

MEMORANDUM FOR TERRENCE MCAULIFFE

FROM: Harold Ickes

SUBJECT: DNC health care media fund

Terry, this confirms our 25 July 1994 meeting regarding the status of the DNC health care media fund. As shown on the attached 3 documents, (the first one which is captioned "NHCC media campaign posted revenue-1994"), dated 20 July 1994, you report that a total of $5,020,000 has been deposited/committed, of which $3,490,000 has been deposited and an additional $1,000,530.00 has been committed. The 5,020,000 is to be reduced by $269,075.00 for the pre-media NHCC field campaign. In addition, it is to be further reduced by $550,000 of labor money which has been raised through other sources. Thus, to date, your bench mark effort has raised/committed $4,200,025.00 which leaves an additional $820,000 to be raised by the DNC fundraising efforts to meet the $5,000,000 point.

cc: Debra DeLee
Melanne Verveer

EXHIBIT 8

F 0037191

NHCC Media Campaign
Posted Revenue - 1994

	Federal	Non-Federal	Total
Jan	0	175,000	175,000
Feb	0	4,975	4,975
Mar	40,000	50,000	90,000
Sub-Total (Pre Media Campaign)	40,000	229,975	269,975
Apr	54,750	225,250	280,000
May	40,000	372,044	412,044
Jun	52,000	900,000	952,000
Jul	40,000	430,000	470,000
Total Received By The DNC	226,750	2,157,269	2,384,019
Total Directed Donor			550,000
Total Counted By The DNC Toward The $5 Million Goal			2,934,019

NHCC Media Campaign
Expenditures To 7/14/94

Media Expense prior to 5/1/94	307,290
Media Expense 5/1 to 7/14/94	879,598
Personnel Costs	46,397
Consultant-Evergreen	30,000
Consultant-Steitz	52,500
Miscellaneous	277
Total	1,316,062

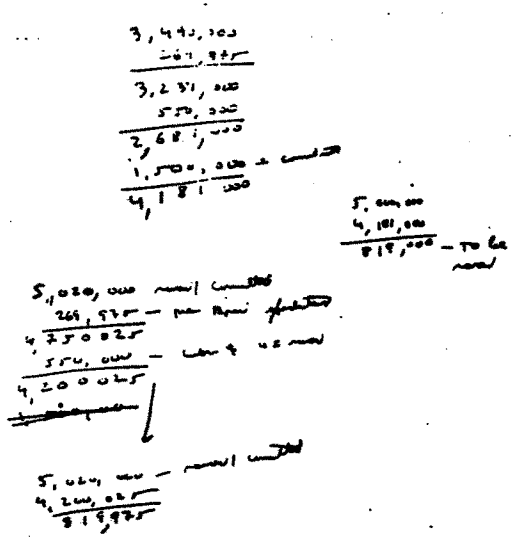
NHCC Field Campaign
Expenditures To 7/14/94

Total Spent To Date		896,904
NHCC Media Campaign Unspent Funds Raised	$96,904 + 269,925 = 366,829	
1994 Revenue To Date		2,934,019
1994 Expenditures To Date - Media Campaign		896,904
1994 Expenditures To Date - Media Campaign		1,316,062
1994 Unspent Funds Raised		721,053

5,000,000 − 1,916,062 = 3,083,938

IN	SAMIA FAROUKI	$ 50K
IN	BERNIE SCHWARTZ	$100K
IN	ELY CALLAWAY	$ 50K
IN	ALAN GERRY	$ 50K
IN	GARY DRUMMOND	$ 50K
IN	WALTER KAYE	$100K
IN	BELVYN FRIEDSON	$100K
IN	BERNARD BERGREEN	$100K
IN	ABE GOSSMAN	$ 50K
IN	MARVIN DAVIS	$150K
IN	ALAN KLIGERMAN	$100K
IN	SKIP HAYWARD	$500K
IN	JOHN CONNELLY	$240K
IN	CHARLIE TRIE	$100K
IN	SOL PRICE	$100K
IN	DENISE RICH	$100K
IN	HOSPITAL AND HEALTH	$250K
IN	MIQUEL LAUSELL	$200K
IN	PAUL MONTRONE	$ 60K
IN	JERRY MCGOWEN	$ 75K
IN	AFSCME	$103K
IN	EVELYN LAUDER	$ 2K
IN	MERLE CHAMBERS	$ 10K
IN	SUSAN BASS LEVIN	$ 5K
IN	HOWARD GILMAN	$100K
IN	SEIU	$100K
IN	ARTHUR COIA	$100K
IN	PAUL NEWMAN	$ 25K
IN	MANSOOR IJAZ	$100K
IN	STANLEY CHESLEY	$ 25K
IN	FOUR WINDS	$ 50K
IN	RITE AID	$ 10K
IN	DIRECT HEALTH	$ 2.5K
IN	HEALTH POLICY	$ 15K
IN	ADRNT & ZEEDER	$ 30K
IN	PETER BUTTENWESER	$ 10K
IN	DENNIS WEINBERG	$ 5K
IN	JOHN PATTEN	$ 1.5K
IN	SUN OIL	$ 35K
IN	NEA	$200K
IN	MARVIN SADIK	$ 1K
IN	JACK MANNING	$ 35K
OUT	MIQUEL LAUSELL	$100K 7/25
OUT	PAUL NEWMAN	$ 25K 7/30
OUT	STANLEY CHESLEY	$ 25K 7/30
OUT	MARVIN DAVIS	$100K 10/1
OUT	JOHN CONNELLY	$300K PAYMENT PLAN
OUT	MARIE KELLY	$ 50K 7/15
OUT	CHARLIE TRIE	$100K 10/1
OUT	CJ WANG	$ 50K 7/25
OUT	MEBA I	$100K 7/30
OUT	MACOLM MCLANE	$ 50K 7/30
OUT	ARTHUR GOLDBERG	$100K 7/30

OUT	TOM BLAIR	$ 50K 7/22
OUT	ALAN HASSENFELD	$100K
OUT	KIRK KERKORIAN	$250K 7/27
OUT	JACK MANNING	$ 15K
OUT	SUN OIL	$ 15K 7/25
OUT	LILLIN VERNON	$ 50K
OUT	MELVIN CLARK	$ 50K
TOTAL DEPOSITED:		$3,490,000
TOTAL COMMITTED:		$1,530,000
TOTAL:		$5,020,000



PRESIDENTIAL BIRTHDAY CELEBRATION
AUGUST 2, 1994

CHAIRMAN DAVID WILHELM'S TABLE

Chairman David Wilhelm	
Dagne Wilhelm	
Hon. Sherman Copelin (Donna Copelin)	Speaker Pro Tem, Louisiana House New DNC/BLF Member
Charlie Trie (Charlie Chang)	President, Daihatsu FOB/Managing Trustee
Hon. Kwisi Mfume (1 guest)	Chair, Congressional Black Caucus Congressman (MD-7th)
Dorothy Height (1 guest)	FOB/President, National Council of Negro Women
Robert Johnson (Butch Lewis)	President, Black Entertainment Television Strong Clinton Supporter/DNC Trustee

EXHIBIT
9

3RD STORY of Level 1 printed in FULL format.

Copyright 1994 Little Rock Newspapers, Inc.
Arkansas Democrat-Gazette

August 14, 1994, Sunday

SECTION: BUSINESS; Pg. 16

LENGTH: 605 words

HEADLINE: EXPATRIATE OPENING TRADE ROUTE TO CHINA

BYLINE: DOUG THOMPSON, Democrat-Gazette Business Writer

BODY:
When Charlie Trie's partners bid on the Camelot Hotel, what they really wanted was a bridge.

There must be more direct contact between Chinese and American businessmen, Trie says. That's where the Camelot came in.

Trie's group wanted to buy a hotel in Little Rock that could offer a staff trained in assisting visiting Chinese businessmen. "Chicago doesn't have one," Trie said, to cite just how unique such a hotel would be.

The former owner of Fu Lin's restaurant in Little Rock and Conway, Trie now runs Daihatsu International Trading Co. Inc., a company that helps U.S. and Chinese companies broker deals with each other. Daihatsu teamed with two Chinese investors, Ng Lap Seng of Hong Kong and Hana Nan Xiao of Beijing, in an unsuccessful bid on the city-owned Camelot in April. Seymour N. Logan Associates of Chicago won the bid.

Trie says he is disappointed the Camelot deal didn't happen. But that loss was hardly a setback for him in his efforts to bring China and the United States closer together.

His next big deal: a dinner for Secretary of Commerce Ron Brown in Beijing later this month, when Brown goes on a trade mission to China.

Trie explains the need for a stronger U.S.-China relationship this way: The United States is a large, populous, expensive country bound together by roads, airports and other infrastructure. China is a large, populous, expensive country that wants to be bound together by roads, airports and other infrastructure. Americans, Trie says, know how to do what the Chinese want done.

And that's where people like Trie come in. He explains his role by picking up a cellular telephone.

"You can get $ 2,500 for a cellular telephone in China," he says. Pick up a Little Rock Yellow Pages, and you will find four pages of numbers and advertisements under Telephone Equipment and Dealers. Go to many places in China, Trie says, and you have to look hard to find one supplier.

"Here, there is competition. There, they need to develop," Trie says. "If you get a 15 percent return on an investment here, you're doing well. There, a 20 or 30 percent return is common."

But not everyone gets it. Chinese, Trie says, are understandably reluctant to learn market economics the hard way -- from getting burned in wide-open competition. The Chinese use another means to control prices, ensure quality, and guarantee delivery. They use traders like Trie, who still have family in China.

"People try to trick us," Trie says. "In China, people want to know you before they do business with you." Chinese also like to see some proof that you are known and trusted by prominent people. Trie's letter of best wishes for his business from then President-elect Bill Clinton, for example, has helped. And Trie has conducted business before in the United States.

Another great strength of American businesses is also their greatest weakness when it comes to dealing with Chinese, Trie says.

018853

EXHIBIT
10

"Most Americans come up to you and tell you what you need, what they can do and at what price," Trie says. "They don't try to trick you." But that no-nonsense approach "means that they run out of patience. Like I said before, the Chinese want to know you before they do business with you. Americans get tired of waiting and leave."

Trie's business is to wait and be patient. When the Chinese are ready to make a purchase or want to sell a product, they contact someone like Trie. Trie then brokers a deal with less-patient Americans. It becomes his responsibility to make sure his Chinese clients get what they pay for if they buy, or a good price when they sell.

018854

DEMOCRATIC * NATIONAL * COMMITTEE

David Wilhelm, Chairman

August 18, 1994

Board of Directors
Watergate South
700 New Hampshire Avenue, N.W.
Washington, D.C.

To Whom It May Concern:

I would like to recommend Mr. Charlie Trie as a resident of your cooperative association. As a native Washingtonian I am familiar with your complex and have personally known a number of your tenants. I am certain that Mr. Trie would be a welcome addition to your distinguished residence.

I was introduced to Mr. Trie through my work at the Democratic National Committee. Mr. Trie is a Managing Trustee of the DNC and in this capacity he has been both an active supporter of President Clinton and of the Democratic Party. In addition to his civic commitments he is the President of Daihatsu International Trading, Inc. based in Little Rock, Arkansas with offices in Hong Kong and China.

It would be greatly appreciated if you would act favorably upon his application. If I may provide you with any additional information please contact me at your convenience at the office at (202) 863-8172 or at home at (301) 469-6693.

Sincerely,

Susan E. Lavine

Susan E. Lavine
White House Liaison

EXHIBIT
11a

David L. Mercer
308 Eleventh Street, NE
Washington, D.C. 20002
(202) 544-0471

August 18, 1994

Board of Directors
700 New Hampshire Avenue, NW
Washington, DC 20037

Dear Board of Directors:

I am writing to provide a personal reference for Mr. Yah Lin "Charlie" Trie. I have known Charlie through his association with the Democratic National Committee. In my opinion, I find Mr. Trie to be a very admirable person with a strong moral character. In my association, I have found him to be fair in his personal and business activities and I am proud to call him a friend.

It is then without hesitation that I give Mr. Trie my complete confidence and personal recommendation. If you have any questions, or if I can provide additional information, please feel free to contact me at either the phone number above or at 202/863-7105.

Thank you for your attention in this matter.

Sincerely,

David L. Mercer

CASSIDY & ASSOCIATES

RICHARD L. MAYS
Senior Vice President

August 24, 1994

Board of Directors-Watergate South
700 New Hampshire Avenue, NW
Washington, DC 20037

Dear Board of Directors:

I am writing to provide a personal reference for Mr. Yah Lin "Charlie" Trie. I have known Charlie for many years while living in Little Rock. I consider Mr. Trie to be a good friend and a proficient businessman. In my opinion, I find Mr. Trie to be of the highest virtue. I have always admired Charlie's enthusiasm and his consistent display of exemplary qualities of citizenship.

It is without hesitation that I give Mr. Trie my personal endorsement. If you have any questions, or if I can provide additional information, please feel free to contact me.

Thank you for your attention in this matter.

Sincerely,

Richard L. Mays

001908

An Employee Owned Company
700 THIRTEENTH STREET, NW, SUITE 400
WASHINGTON, DC 20005
Telephone 202.347.0773 Fax 202.347.0785

EXHIBIT
11c

EXHIBIT 12

#121

WAT Overnight Delivery #20

APAR ~~SHOFFNER~~ TRIE, CHARLIE

PARKING SPACE 166 STORAGE SPACE #4, 62 PHONE NO. (202) 965-9899

(O) 703-358-5074

Keshi Zhan

(H) 703-527-2156

PERMANENT ADMITS

Date Received	Name of Person to be Admitted	Relationship	Signature
	Martha Shoffner	N.J. cap-sons	
	Keshi Zhan.		
	ELIN OUTLAW		
	E-MEI TRIE		
	~~Christina Mullinax~~		
	Mark Middleton		
	Susan Ivance (Lavine)		

Connie Coopersmith

PAN Antno → Antonio Pan

PERMANENT ADMIT RECORD

Date of Entry	Individual	Key Out	Clerk	Key In	Clerk
10/10/72	NAO MATSUKATA	By Mr. Trie			

Temporary admit cards ONLY
Need to be unless you get
from Mr. Trie or his deputy permission.
KESH[illegible]

APT.# 121 ONE TIME ADMITS RESIDENT #20

Date of Entry	Individual/Company	Res.	Key Out	Clerk	Key In	Clerk
11-25-94 11-26-94	Kathy Li					
12-20-94 12-21-94	Ya-Lie Irio.					
1-12-94 1-16-94	phoebe Chan					
1-18-94	Li Jing Cu.					
1-16 95	CECILIA CHOU					
5-21 95	MARK MOULTON					
6/3-6/21	Susan France.					
6/21-	GE Company Fan Repairs					
8/22-9/6	Liu, ping					
9/2-9/6	Liu, ping					
9/14 10/10	J C CHANG					
10/24-10/27	Hoopong Yu					
10/5 5/10	peter chan					
6/15	NINA DING					
6/27-29/8	Kathy Li					
1/24-25	Charlie Ching					

Please donst give guest mail - The Sec.

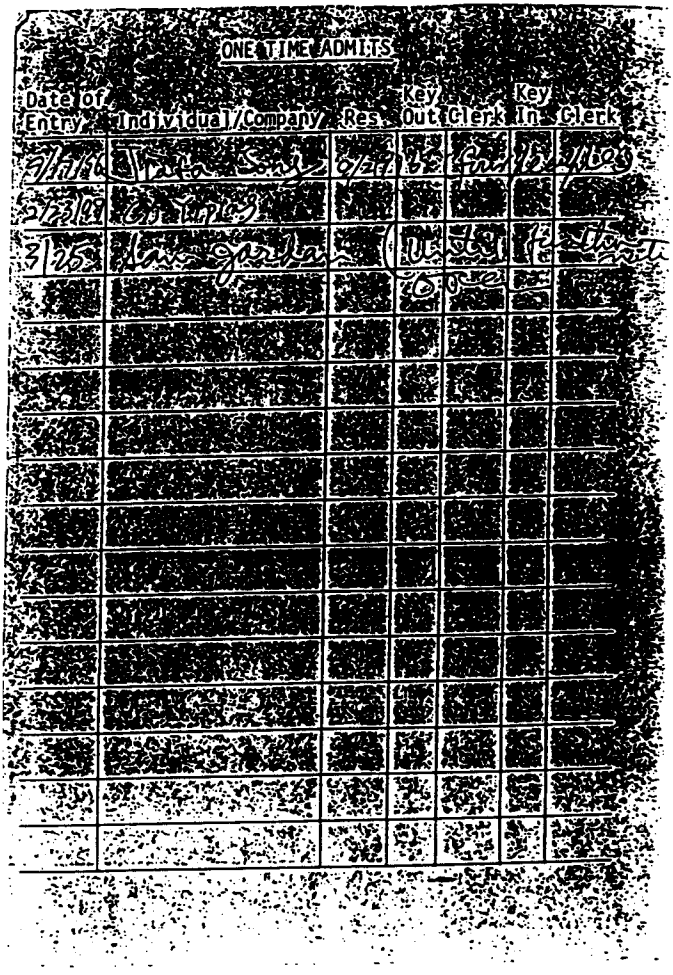
WATE

APAF

PARK

Date
Rece

As of 2/28/96 please give
Key to persons whose name
appears on permanet or
temporary admit cards **ONLY**
no one else unless you get permission
from Mr. Trie or his secretary
KESHIZHAN ~~directly~~ KEY IS to
stay on the board NOT IN THE BOX
His secretary's number
is to be called if there is
any questions; (703) 358-5074
(office)
no matter how late
it is at night (703) 527-0156
(Home)



ONE TIME ADMITS

Date of Entry	Individual/Company	Res.	Key Out Clerk	Key In Clerk
3/14	[illegible]	[illegible]	[illegible]	[illegible]
5/23/09	[illegible]			
3/25	[illegible]	[illegible]	[illegible]	[illegible]

REFERENCES:

Character:

(1) Mr. Lorin Fleming-President
Fleming Electric Co.
P.O Box 856, 212 I-30 East, Bryant Ar. 72089

(2) Mr. Paul Phillips, Asst. Vice Pres.
First Commercial Bank
Little Rock, Ar.72201

(3) Mayor Jim Dailey, City Hall
500 W. Markham, Little Rock, Ar 72201

(4) David Mercer, Democrat National Committee
430 So. Capitol, Washington D.C. 20003

(5) Susan Lavine, Democrat National Committee
430 So. Capitol, Washington D.C. 20003

Please attach letter of recommendation from three of your character witnesses, at least two of which should (if possible) be residents of the Washington Metropolitan Area and one of which should (if possible) be a current resident of Watergate South.

DAIHATSU
INTERNATIONAL TRADING, INC.
CORPORATE OFFICE
2224 Cottondale Lane, Suite 102
Little Rock, AR 72202
Tel: (501) 664-4809 ◎ Fax: (501) 664-0988

Yah Lin Trie

My family fled from China in 1949. After living in Taiwan for 26 years, I moved to Arkansas. I have lived here for 19 years and consider Little Rock to be my home. I am also proud to call President Bill Clinton my friend of 17 years. I have owned several restaurants in Central Arkansas including Nan King Restaurant and Fu Lin Restaurant. I went on to develop Fu Lin as a chain of successful dining establishments. From there, I established Daihatsu International, a trading company which has been involved with import/export markets in Hong Kong, China, Taiwan and the United States.

The goals of my efforts have been to establish a working relationship between China and Arkansas and to promote goodwill and understanding between the people of these great countries. Over the course of time, I have developed a personal relationship with a number of government officials throughout China. This type of relationship has allowed me to convince these officials to give Arkansas high consideration in providing needed products and services. In August, I had the honor of hosting twenty-one senior economic officials representing the central government and thirteen provinces. The purpose of their visit was to participate in training sessions on U.S. Revenue and Fiscal Policy which were arranged by my company. I was also instrumental in establishing a Sister City relationship between Changchun City, China and Little Rock, Arkansas.

As President of Daihatsu International, I act as a consultant in the location, purchase and sale of various products and services. I also aggressively recruit companies that who are interested in establishing joint venture projects. Currently, I represent over thirty companies in the United States, Hong Kong and China. The People's Republic of China is changing, and I have seen the results first hand. The government officials have been exposed to the capabilities of a market economy in Hong Kong and are very interested in American culture. Furthermore, China recognizes the need for modern technology and improved services. Therefore, it is my hope that relations between the United States and China will continue to improve, as I believe a closer relationship would be of mutual benefit.

EXHIBIT
13

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A Narrative Overview of Import Export Services Offered By Daihatsu International Trading Inc.

By Yah Lin "Charlie" Trie - President

China is the world's third largest economy and has been recognized for the economic potential it offers to the world. While there has been minimal growth foreseen among G-7 economies, China's growth in Gross Domestic Product has averaged 13%. Companies examining the possibility of entering into or expanding within the China market place must consider the cultural, legal and political ramifications of establishing or continuing such operations. Obviously, it is important to determine the specific needs and demands in the Chinese market and the companies ability to meet those needs. What may be less obvious is that U. S. companies must also analyze their ability to be flexible and to adapt to rapid changes in the local business climate. For assistance in this area, many U.S. businesses are realizing the advantage of forging alliances with export trading companies to boost operations in Asia.

Daihatsu International is one such company that provides services from market research to securing local equity partners. Our corporate philosophy is based on the premise that many of the services related to import and export management are directly related and even interdependent. Furthermore, we believe all aspects of business where China is concerned are ultimately secured by the relationship built between the two partners. The context of the report will incorporate specific areas of interest such as identifying market opportunities and challenges; sound investment opportunities and privatization projects; teaming Asian partners with U.S. firms; identifying and securing local equity partners; assistance in regulatory approval and licensing; identifying local support mechanisms; and seeking companies for sale.

First, I will examine the identification of market opportunities and challenges along with sound investment and privatization projects. Although there has been a movement toward privatization, it has been at a very conservative pace. The cotton market is an excellent example. In 1994, Chinatex issued licenses for some companies to purchase cotton on an independent basis. In September, Daihatsu International Trading was selected by W. D. Mask Cotton Company to be their exclusive agent in China. However, toward the end of the year, import licenses became a commodity unto themselves. As a result, Chinatex had to tighten restrictions regarding the parameters of the licenses. Fortunately, our company was able to successfully negotiate a contract to purchase four thousand metric tons of cotton on behalf of a Chinese buyer from the Shangdong Province.

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Quite simply, investment and market opportunities in China are determined by necessity and the urgency in meeting that need. Therefore, the majority of safe investments are in the area of infrastructure development. China's priorities are companies which can at some point transfer technology and training to help them increase the effectiveness of government services such as telecommunications, transportation, power generation and food processing. Public health and medical technology and training are also high priorities, particularly in the area of pre-natal and early childhood health care. Just as in the United States, the existence of good government policies is meaningless without adequate resources and ability to deliver them. Even when a U.S. company or investor exhibits the capacity to address a need there is still a level of complexity that is often beyond explanation. For example, last August when Daihatsu International hosted a delegation of twenty-one senior economic officials (see Attachment One), we were given project books for thirteen different provinces each containing well over one hundred infrastructure projects. However, further research revealed that less than 10% of these projects were guaranteed.

Without question, the viability of market and investment opportunities requires extensive research. Being a respected company in the United States or Europe means very little if your name is not recognized in China. I have seen many instances where U.S. companies attempt to penetrate the China market using a second line product without devoting the necessary budget for advertising. Instead, they are seeking to sell the rights to the second line product to a Chinese company on the basis of having U.S. quality in their product line. This is understandable because the production costs are less, the price is generally favorable, the product is still being offered by a name company and the potential for profit is tremendous. However, such attempts will inevitably fail. Even if the Chinese partner has a strong position in the market, the Chinese consumer will bypass the lesser known product in favor of a recognized name.

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While the Chinese buyer is concerned about price, the level of product loyalty is much higher than exhibited in the United States. Furthermore, Chinese are more likely to resist market saturation than U.S. buyers and are less influenced by high production advertising campaigns. Unless the company can demonstrate a significant difference between their product and one offered by their competitors then they place themselves at risk of failure. In other words, whiter whites won't be enough to push Surf laundry detergent over Bold and more importantly it may not be enough to surpass the Chinese brand. It should be noted that our company has a very good relationship with a major advertising group in China and last year we formed Premier Advertising as a joint venture project. The purpose of this company is to assist Chinese businesses in marketing products in the United States and also to assist U.S. businesses in developing an effective advertising campaign for China. Due to our position in China, along with a corporate base in the United States, Daihatsu International can act as an external information network in keeping track of changes in Chinese market activity.

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Next we will examine the combination of teaming Asian partners with U.S. firms and identifying and securing local equity partners. Without question, it is absolutely critical to know who you will be trusting with your business. Over the past several years, I have been meeting with government and business leaders regarding various projects and issues. I have developed the type of relationship that allows me to request recommendations regarding business opportunities. As an example, after hosting the delegation of economic officials alluded to earlier, we requested and received a recommendation for partnership with K&B Coatings, a U. S. company specializing in a polyurethane protective coating which improves resistance to corrosive elements. You can only imagine the level of professionalism required to obtain a recommendation from the director general of the Department of Fiscal and Monetary Policy, State Economic Trade Commission.

Where does the identification and securing of local equity partners fit into this discussion? To summarize, the more you and your potential partner know about each other the higher the likelihood that you will secure a sound investment. I make it a point to recommend and even insist on social and cultural exchanges as part of a business strategy. In fact, I prefer negotiating a joint venture project over agency agreements because it presents an opportunity to promote cultural exchanges and fosters a better understanding between the two sides. On many occasion, I have seen smaller companies that are more adept at handling the personal investment than their larger competitor. No matter the size or level of success your company has achieved elsewhere, it is still an honor to be approved to conduct business in China.

Each office I have in China is staffed with talented individuals from that specific location. I expect my staff to be equally knowledgeable about the business and financial environment as they are about the social and political environment. This allows my staff to stand as my personal representative if needed. Another advantage to this approach is that my staff knows the history and reputation of most companies in a given region. That means U. S. firms will be able to lower their risks in finding a reputable partner. Furthermore, I rely on them to recommend local legal experts, banks and accounting firms which have the ability to handle a large volume of imported and exported products. When Daihatsu International Trading acts as an agent for a company, we treat their business in the same manner as our own. I insist on using only the best professional support services available and will not tolerate incompetence. Through my own experience, and the knowledge of my staff, I either know who can perform and who can not or I know who to ask to make that determination.

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Another essential component of an import and export management firm is assisting with regulatory approval and licensing. My staff and I will not only act as a guide in the regulatory process, but will also lobby upon your behalf for approval. Of course, Daihatsu International in no way can guarantee approval or success. However, our efforts have put us in a position to enhance the chances for success and minimize risks. This is yet another instance in which I can call upon the network of government and business officials I have built during the course of time.

In addressing assistance in identifying companies available for purchase, I would like to focus on the first area of expertise developed by this company. That is the field of real estate, which includes corporate acquisition along with property acquisition and management. When I first started my business in the United States, I initially focused on real estate before establishing a very successful chain of restaurants. When I formed Daihatsu International Trading, Inc., I had to acclimate myself to the tremendous changes that had occurred in China. Therefore, I decided to follow the same strategy. Through my experience in real estate, I was able to renew and expand my knowledge of the China market while also establishing relationships which would be beneficial to my future goals. Again, the strategy was a success. I now have the necessary elements needed to aggressively pursue potential corporate acquisitions.

Throughout this narrative I have called upon specific examples of projects, clients, and partnerships represented by Daihatsu International. I am very proud our company exhibits great diversity in our associations. Other principal partners include: Da Hua Non Ferrous Metals Corporation, an affiliate of Oriental Metals Corporation; China Cooperation and Industrial Development Corporation; Shangdong Qingzhou Supply and Marketing Cooperative; TCI Corporation, specializing in advanced electronic technology; San Kin Yip Investments, which is owned by Mr. Ng Lap Seng, a very prominent and successful businessman in Macau; China Travel and Tourism Service, Cathaya Silks and Garment Company, MSW International, Elmco Business Financing; and Cassil Marketing among others. As you can see, we have developed a substantial network of resources.

Throughout this narrative, I have sought to demonstrate the ability of Daihatsu International to assist a company in securing or strengthening a position in the China market. The report has incorporated specific areas of interest such as identifying market opportunities and challenges; sound investment opportunities and privatization projects; teaming Asian partners with U.S. firms; identifying and securing local equity partners; assistance in regulatory approval and licensing; identifying local support mechanisms; and seeking companies for sale. Within this context, specific instances where Daihatsu International has been successful have been related to the area addressed. We hope you can see that with a reasonable and consistent level of commitment by the initiating entity, Daihatsu International exhibits the capacity to guide a joint venture or other investment or marketing project to successful completion.

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OPENING THE DOOR TO CHINA

It's been called the world's most dynamic market: With 2.1 billion people, China has a tremendous potential for development and investment by American companies. However, in China, access and trust are essential elements of any business venture. To increase the likelihood of success, it is helpful to have a guide with first hand knowledge of the cultural and political structure.

Company President - Yah Lin "Charlie" Trie:

Extensive import and export experience in China.
Accomplished entrepreneur.
Vice-Chair Business Leadership Forum.
Aggressively seeks joint venture projects.

Over the years, Mr. Trie has developed a working relationship with a number of senior officials in China. This type of association gives Daihatsu International a distinct edge in arranging and facilitating joint ventures and other commercial projects. Due to Mr. Trie's efforts, Daihatsu International had the honor of hosting twenty-one senior economic officials from fourteen provinces of the People's Republic of China. This distinguished delegation traveled to Little Rock, Arkansas in 1994 to participate in training sessions on United States Revenue and Fiscal Policy.

Scope of Services:

Advice on viable investment opportunities.
Selection of appropriate location and partners.
Contact and negotiation with appropriate officials.
Preparation of legal documents.
Marketing and sales consulting.

F 0040604

The corporate headquarters for Daihatsu International is located in Little Rock, Arkansas and has established offices in Beijing, Hangzhou, Changchun City and Hong Kong. We are a full service import and export management company and are committed to creating mutually beneficial partnerships through promoting cooperation, understanding and good will. Daihatsu International is a member of the United States Chamber of Commerce and the Small Business Exporters of America. Mr. Trie believes it is essential to further relations with China, and has seen China's need for modern technology and improved services. If you are considering expanding into China, let Daihatsu International open the door to opportunity.

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THE NEW BEGINNING

"It's time to take a new path between the United States and China,...a great nation of 1.2 billion people isn't likely to advance...if change is being dictated by an outside power."
-President Clinton announcing the new trade status, May 26, 1994.

With those words, President Clinton changed the relationship between China and the United States. Long before President Clinton made this decision, Yeh Lin "Charlie" Trie, President of Daihatsu International Trade Company, was working to improve relations between China and the United States. Like many business leaders in the United States, Mr. Trie knew that increased access to U.S. products, technology, and information would be most beneficial for development in China.

THE ARKANSAS ADVANTAGE

"I still believe in a place called Hope" - William Jefferson Clinton - President of the United States.

The election of Arkansas Governor Bill Clinton as President brought more positive attention and curiosity regarding Arkansas than any other event in history. Fifty percent of the U.S. population is within a 550 mile radius of the states borders. Despite its relatively small size (2.4 million residents), Arkansas ranks 6th in the nation for the number of Fortune 500 companies located and headquartered in the state. Some of the best known include Wal Mart, Dillards, Beverly Enterprises, Tyson Foods and J. B. Hunt.

While Arkansas is well known for it's natural resources, it also has a wealth of human resources. Most of the founders for these remarkable examples of corporate success are also from Arkansas. Of course, the fortune of the Walton family is well documented. However, one can not overlook the outstanding faculty and services available through Arkansas universities. Some examples include: the Small Business Advancement National Center located at the University of Central Arkansas, Arkansas Institute for Economic Advancement at the University of Arkansas - Little Rock, and the William Fulbright Institute for International Studies at the University of Arkansas - Fayetteville.

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Without question agribusiness is still the primary industry for Arkansas. Each year, our state leads the nation in the production and export of rice and commercial boiler chickens. Arkansas is also in the top ten states for the production of soybeans, tomatoes, and cotton. At the same time, Government leaders are constantly taking steps to improve the states standing in manufacturing and technical industries. Arkansas rural background actually serves as an advantage for foreign visitors as new agricultural techniques and equipment can be observed first hand.

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Tel: (501) 664-8809 • Fax: (501) 664-8988

How We Can Help

We at Daihatsu International Trading, Inc. understand the obstacles of breaking into new markets. While there are many state agencies that encourage foreign investment, Daihatsu International takes a vested interest. After all, the president of our company, Yah Lin "Charlie" Trie, built a chain of successful restaurants from the ground up. Therefore, our company and our staff are committed to developing mutually beneficial business and cultural relationships between the people of the People's Republic of China and Arkansas, U.S.A. Our headquarters is centrally located in the riverfront district and provides direct access to major highways, ports, and government offices. In addition, our research, marketing, and legal staff will provide you professional support during and after your transition period.

MEMORANDUM

To: Jason McIntosh

Fr: David Mercer

Dt: August 31, 1994

Re: Talking Points for Charlie Trie Letter

As discussed, Terry wants to invite Charlie to sit on the DNC finance board. I am providing some talking points to assist you in composing the letter. I've also included the address to which the letter should be sent. Please let me know when it is done. Thanks for your attention and follow up on this matter.

TALKING POINTS

- Based on your support and your generous contributions....
- Detail the requirement of a Board member...i.e. $250,000 a year
- We welcome the addition of leader in the Asian community and will support your efforts to reach out to members of the community...
- We look forward to working with you...and thank you for all that you've done to date

ADDRESS/PHONE/FAX

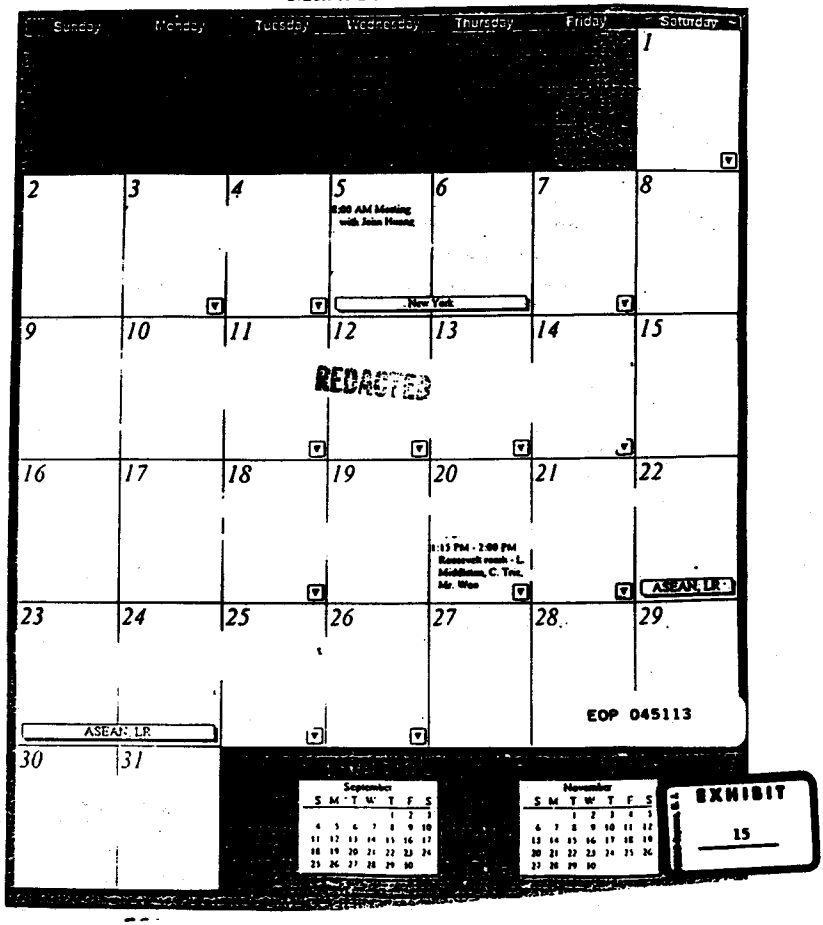
Mr. Yah Lin "Charlie" Trie
President
Daihatsu International Trading, Inc.
Lafayette Building, Suite L150
523 South Louisiana
Little Rock, AR 72201
Ph: 501/370-9522
Fx: 501/376-8989

EXHIBIT 14

DNC 1588009

October 1994

Mark Middleton



DEMOCRATIC ★ NATIONAL ★ COMMITTEE

David Wilhelm, Chairman

Mr. President
Do you want me to pursue
#1 w/ Billy
#2 w/ Mike & Cabinet
#3 Handle
Run it all by Harold

January 5, 1993

MEMORANDUM TO: NANCY HERNREICH
FROM: TERRY McAULIFFE
NATIONAL FINANCE CHAIRMAN

During my recent meeting with the President, we discussed the following projects:

1. I would like three dates over the next month, about one week apart, for breakfast, lunch or coffee with the President and about twenty of our major supporters. The purpose of these meetings would be to offer these people an opportunity to discuss issues and exchange ideas with the President. This will be an excellent way to energize our key people for the upcoming year. We would need one hour of the President's time for each of these meetings. These individuals will come in to Washington from across the country.

2. The following individuals are our ten top supporters: — OVERNIGHTS

   John Connelly
   Carl Lindner
   Skip Hayward
   Miguel Lausell
   Arthur Coia
   Finn Casperson
   Paul Montrone
   Larry Hawkins
   Stan Shuman
   Ernie Greene

3. Finally, if there are any opportunities to include some of our key supporters in some of the President's activities, such as golf games, morning jogs, etc., it would be greatly appreciated.

Thank you for your assistance.

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CGRO-11791
Req.5/28/97

EXHIBIT
16

Yes, pursue all 3
and promptly -
and get other names
at 100,000 or more
50,000 or more
cc: Harold L Panetta Webster
ready to start overnight
right away -
give me the top
10 list back
along w/ the 100, 50, etc,

yes pursue all
3 and promptly -
and get other names
at 100,000 or more
50,000 or more -
cc: Hickey, L Panetta, Dr Webster
ready to start overnight
right away -
give me the top 10 list
back, along w/ the 100, 50 [illegible]

CGRO-11792
Req.5/28/97

ROUTING SLIP

DATE: 1 / 11 / 95

FROM: Billy Webster
Director of Scheduling and Advance

SUBJECT: Coffee w/ top 20 fundraisers, Group 1

Don Baer	✓	Abner J. Mikva	___
Erskine Bowles	✓	Leon Panetta	___
Rebecca Cameron	___	John Podesta	___
Rahm Emanuel	___	Jack Quinn	___
Mark Gearan	✓	Carol Rasco	___
Jack Gibbons	___	Bob Rubin	___
Cindy Gire	___	Steve Silverman	___
Pat Griffin	___	Patti Solis	___
Marcia Hale	___	G. Stephanopoulos	___
Alexis Herman	___	Ann Stock	___
Nancy Hernreich	___	Stephanie Streett	✓
Harold Ickes	✓	Jodie Torkelson	___
Anthony Lake	___	Kris Van Giesen	___
Bruce Lindsey	___	Melanne Verveer	___
Mike McCurry	___	Anne Walley	✓
Anne McGuire	___	Maggie Williams	___
Mack McLarty	___		

FILE: Pending DATE TBD

FYI ✓ **ADVICE** ___ **ACTION** ___

REGRET POTUS, suggest a surrogate is needed: ___

CGRO-11793
Req.5/28/97

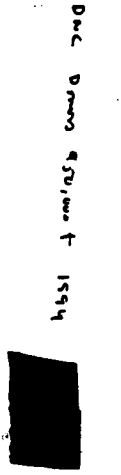
COMMENTS: per 1/11 Meeting with Billy

DNC Dons $ 50,000 +

1994

CGRO-12673
Req.5/28/97

[redacted]



[redacted]

CGRO-12674
Req.5/28/97

DEMOCRATIC NATIONAL COMMITTEE
David Wilhelm, Chairman

Terence R. McAuliffe
National Finance Chairman

THE ATTACHED LIST IS OF 1994 DONORS & RAISERS

CGRO-12675
Req.5/28/97

Democratic Party Headquarters • 430 South Capitol Street, S.E. • Washington, D.C. 20003
202.863.7144 • FAX: 202.863.7109

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CGRO-12676
Req.5/28/97

WROTE $500,000+

Mr. John E. Connelly
Chairman and CEO

550K

Ms. Audre Wirginis
J. Edward Connelly and Associates
1020 Saw Mill Run Boulevard
Pittsburgh, PA 15220
Office: 412-381-6641 Home: Fax: 412-381-9322

Mr. Richard A. Hayward
Chairman
Mashantucket Pequot Nation
P.O. Box 3060
Ledyard, CT 06339-3060
Office: 203-536-2681 Home: Fax: 203-572-0421

650K

CGRO-12677
Req.5/28/97

CGRO-12678
Req.5/28/97

WROTE $150,000 TO $499,999

Mr. Edgar M. Bronfman, Jr.
Joseph E. Seagram & Sons, Inc.
375 Park Avenue
New York, NY 10152
Office: 212-572-7777 [redacted] Fax: 212-572-7825

Mr. Finn M. W. Caspersen
CEO
Beneficial Corporation
100 Beneficial Center
Peapack, NJ 07977
Office: 908-781-3030 Home: Fax: 908-781-3044

Mr. Arthur Coia
General President
Laborers' International Union of North America
905 - 16th Street, NW
Washington, DC 20006-1765
Office: 202-737-8320 Home: Fax: 202-737-2754

Mr. Ian M. Cumming
Leucadia National Corporation
529 East South Temple
Salt Lake City, UT 84102-1089
Office: 801-521-1001 Home: Fax: 801-364-2194

Mr. Marvin Davis
President
The Davis Companies
2121 Avenue of the Stars
Suite 2800
Los Angeles, CA 90067-5010
Office: 310-551-1470 Home: Fax: 310-551-0591

Mr. Sam Domb
Travel Inn Hotel
515 West 42nd Street
New York, NY 10036
Office: 212-695-7171 [redacted] Fax: 212-967-5025

Mr. Jim Evans
American Financial Corporation
8555 Shawnee Run Road
Cincinnati, OH 45243-3314

Mr. Walter Kaye
475 Park Avenue
New York, NY 10022
Office: 212-330-2300 [redacted] Fax: 212-867-9752

Mr. Miguel Lausell
Law Offices
Bolivia 33 Building, Penthouse
33 Bolivia Street
San Juan, PR 00917
Office: 809-759-6331 Home: Fax: 809-750-6205

Mr. Carl H. Lindner
President
American Financial Corporation
8555 Shawnee Run Road
Cincinnati, OH 45243
Office: 513-579-2121 Home: Fax: 513-579-2580

Mr. Paul Montrone
Fisher Scientific International
Liberty Lane
Hampton, NH 03842
Office: 603-926-5911 [redacted] Fax: 603-926-1152

CGRO-12681
Req.5/28/97

WROTE $100,000 TO $149,999

Mr. Daniel Abraham
President
Slim Fast, Inc.
777 South Flagler Drive
West Tower 8th Floor
West Palm Beach, FL 33401
Office: 407-820-9425 Home: Fax: 407-659-3025

Mr. Dwayne O. Andreas, Jr.
Chairman of the Board
Archer Daniels Midland Company
P.O. Box 1470
Decatur, IL 62525-1820
Office: 217-424-5515 Home: Fax: 217-424-5581

Mr. Truman Arnold
President, Chairman of the Board and CEO
Truman Arnold Companies
701 South Robinson Road
P.O. Box 1481
Texarkana, TX 75504
Office: 903-794-3835 [redacted]2 Fax: 903-838-5803

Mr. Bernard D. Bergreen
1060 Fifth Avenue
New York, NY 10028
Office: [redacted] Fax: 212-410-0286

Mr. William A. Brandt, Jr.
President
Development Specialists, Inc.
Three First National Plaza
Suite 2300
Chicago, IL 60602-4205
Office: 312-263-4141 [redacted]Fax: 312-263-1180

Mr. Ron Burkle
Managing Partner
The Yucaipa Companies
10000 Santa Monica Boulevard
Fifth Floor
Los Angeles, CA 90067
Office: 310-576-6255 [redacted]Fax: 310-576-0496

Ms. Merle C. Chambers
President and CEO
Axem Resources Inc.
1675 Broadway
Suite 1700
Denver, CO 80202
Office: [redacted]Fax:

Mr. Stanley Chesley
President
Waite, Schneider, Bayless & Chesley
1513 Central Trust Tower
Fourth and Vine Street
Cincinnati, OH 45202
Office: 513-621-0267 [redacted] Fax: 513-621-0262

Mr. Melvin Clark
President
Metroplex Corporation
512 G Street, SW
Washington, DC 20024
Office: 202-488-7185 Home: Fax: 202-488-8068

Mr. Mark W. Erwin
200 North College Street
Suite 2035
Charlotte, NC 28202-2173
Office: 704-335-9579 [redacted] Fax: 704-335-9578

Mr. Alfred Estrada
19145 Fisher Island Drive
Miami, FL 33109-1150
Office: Home: 305-672-1150 Fax:

Mr. Belvin Friedson
9125 Southwest-56th Court
Miami, FL 33156-2151
Office: [redacted] Fax: 305-364-0502

Mr. David Geffen
The Geffen Company
9130 Sunset Boulevard
Los Angeles, CA 90069-6197
Office: 310-285-7972 [redacted] Fax: 310-278-9766

Mr. Howard Gilman
Executive Vice President
Gilman Paper Company
111 West 50th Street
New York, NY 10020-1204
Office: 212-246-3300 Home: Fax: 212-582-7610

Mr. Arthur Goldberg
Chairman
Bally's Casino Resort
2 Executive Drive
Somerset, NJ 08879-4003
Office: 908-469-4444 [redacted] Fax: 908-469-3876

Mr. William Haber
Creative Artists Agency
9830 Wilshire Boulevard
Beverly Hills, CA 90212
Office: 310-288-4545 Home: Fax:

Mr. Robert L. Healy
Manager of Federal Government Relations
ARCO
601 Pennsylvania Avenue, NW
Suite 400 North
Washington, DC 20004
Office: 202-879-9253 [redacted] Fax: 202-879-9287

Mr. Jeffrey Hirschberg
Vice Chairman
Ernst & Young PAC
1225 Connecticut Avenue, NW
Suite 600
Washington, DC 20036
Office: 202-327-6000 [redacted] Fax: 202-327-9876

Mr. Muswwar Maanoor Ibn Ijaz
330 East 38th Street, #23 E
New York, NY 10016
Office: 212-370-1131 [redacted] Fax:

Mr. Mark Jimenez
Future Tech International Inc.
3000 NW 72nd Avenue
Miami, FL 33122
Office: 305-477-8300 Home: Fax: 305-477-9434

Ms. Pauline Kanchanalak
Ban Chang International, Inc.
3000 K Street, NW
Suite 630
Washington, DC 20007
Office: 202-337-5970 [redacted] Fax: 202-337-0039

Mr. Jeffrey Katzenberg
Amblin Entertainment
100 Universal Plaza
Bungalow 477
Universal City, CA 91608
Office: 818-777-4600 Home: Fax: 818-733-5222

Mr. Nikos Kefalidis
Bass Steel Company
155 East 56th Street
Sixth Floor
New York, NY 10022
Office: 212-319-9440 Home: Fax: 212-752-4181

CGRO-12684
Req.5/28/97

Mr. Alan E. Kligerman
Chairman and CEO
Alpharma Inc.
Box 111
6840 Old Egg Harbor Road
Pleasantville, NJ 08232
Office: 609-645-5100 [redacted] Fax: 609-645-0767

Mr. William S. Lerach and Ms. Star Soltan
Milberg, Weiss, Bershad, Specthrie, and Lerach
600 West Broadway
Suite 1800
San Diego, CA 92101
Office: 619-338-4550 [redacted] Fax: 619-685-6923

Mr. Peter W. May
DWG Corporation
900 Third Avenue
31st Floor
New York, NY 10022
Office: 212-230-3200 [redacted] Fax: 212-230-3024

Mr. Robert E. McDonough
Remedy Temps
35557 Beach Road
Capistrano Beach, CA 92675
Office: 714-661-1211 [redacted] Fax: 714-248-0813

Mr. Gerald McGowan
Lukas, McGowan, Nace & Gutierrez
1819 H Street, NW
Suite 700
Washington, DC 20006
Office: 202-857-3500 Home: Fax: 202-842-4485

Mr. Frank Moore
Vice President, Government Affairs
WMX Technology & Service, Inc.
1155 Connecticut Avenue, NW
Suite 80
Washington, DC 20036
Office: 202-467-4480 Home: Fax: 202-659-8752

Mr. John J. Moores
President
JMI Incorporated
P.O. Box 1146
Sugarland, TX 77487-1146
Office: 713-491-1500 [redacted] Fax: 713-242-4656

Mr. Harold Nix
Harold Nix & Associates
PO Box 679
Dunderfield, TX 75638

Office: 903-645-7333 Home: Fax: 903-645-5389

Mr. Peter Norton
Norton Family Offices
225 Arizona Avenue
Santa Monica, CA 90401-1210
Office: 310-576-7700 [redacted] Fax: 310-576-7701

Mr. Milan Panic
President
ICN Pharmaceuticals Inc.
3300 Hyland Avenue
Costa Mesa, CA 92626
Office: 714-545-0100 Home: Fax: 714-641-7276

Mr. Ronald O. Perelman
Chairman
Revlon Group, Inc.
35 East 62nd Street
One Chase Manhattan Plaza
New York, NY 10021
Office: 212-572-5050 Home: Fax: 212-572-5056

Mr. Sol Price
7979 Ivanhoe Avenue
Suite 520
La Jolla, CA 92037-4593
Office: 619-551-2345 Home: Fax:

Mr. Wayne Reaud
Senior Partner
Reaud, Morgan, and Quinn
801 Laurel Street
Beaumont, TX 77701
Office: 409-838-1000 [redacted] Fax: 409-833-8236

Ms. Denise Rich
Zerum Inc.
425 East 58th Street
Suite 37A
New York, NY 10022-4049
Office: 212-644-6826 Home: Fax: 212-355-2259

Mr. Felix G. Rohatyn
Lazard, Freres & Company
One Rockefeller Plaza
New York, NY 10021
Office: 212-489-6600 Home: Fax: 212-632-6060

Mr. William D. Rollnick and Mrs. Nancy Ellison
812 Fifth Avenue
New York, NY 10021
Office: [redacted] Fax: 212-980-9593

CGRO-12686
Req.5/28/97

Mr. Bernard Schwartz
President
Loral Corporation
600 Third Avenue
New York, NY 10016-1901
Office: 212-697-1105 Home: Fax: 212-867-1147

Dr. Steven M. Scott
Chairman and CEO
Costal Health Care Group
PO Box 15309
Durham, NC 27704
Office: 919-383-0355 Home: Fax: 919-382-3287

Mr. Steven Spielberg
c/o Breslauer, Jacobson, Rutman, and Chapman
10345 Olympic Boulevard
Los Angeles, CA 90064
Office: 310-282-0477 Home: Fax: 310-282-5199

Mr. George Tagg
Managing Director, Government Affairs
Federal Express PAC
300 Maryland Avenue, NE
Washington, DC 20002-5712
Office: 202-546-1631 Home: Fax: 202-546-3309

Mr. Steven E. Tisch
3815 Hughes Avenue
Culver City, CA 90232-2715
Office: 310-841-4330 Home: Fax:

Mr. John Torkelson
Princeton Venture Research, Inc.
Five Vaughn Drive
Princeton, NJ 08540
Office: 609-924-3000 [redacted] Fax: 609-452-2700

Mr. Charlie Trie
President
Daihatsu International Trading, Inc.
523 Louisiana Street
Suite LL150
Little Rock, AR 72201
Office: 501-370-9522 [redacted] Fax: 501-376-8989

Mr. Marc Turtletaub
Chairman and CEO
The Money Store, Inc.
2840 Morris Avenue
Union, NJ 07083
Office: 916-446-5000 Home: Fax: 916-443-2399

Dr. C.J. Wang
Chairman
International Corporation of America
1300 Army-Navy Drive
Apartment 408
Arlington, VA 22202
Office: 703-979-2412 [redacted] Fax: 703-979-0473

Melvyn I. Weiss, Esq.
Milberg & Weiss
One Pennsylvania Plaza
New York, NY 10119
Office: 212-594-5300 [redacted] Fax: 212-868-1229

Mr. William E. Wells
Vice President
NEC Technologies, Inc.
1201 New York Avenue, NW
Suite 1200
Washington, DC 20005-2502
Office: 202-408-4762 [redacted] Fax: 202-408-4791

Mr. Oscar Wyatt
CEO
The Coastal Corporation
Nine Greenway Plaza
Suite 836
Houston, TX 77046
Office: 713-877-1400 Home: Fax: 713-877-7192

DAILY PHONE LOG FOR MARK MIDDLETON

DATE: January 26, 1995

TIME	NAME/COMPANY	PHONE NO.	REMARKS	ACTION
11:25 A	Martha Schoffner	501-664-8809	Charlie Trie has been invited to a dinner at the WH on the 16th. Should he go or will you be in Asia? Please call her to discuss.	✓

REDACTED

EOP 045080

EXHIBIT 18

Printed: 5:36 pm

February 6, 1995

Charlie Trie
Daihatsu International Trading, Inc.
2224 Cottondale Lane
Suite 102
Little Rock, Arkansas 72202

Dear Charlie:

I want you to know how very much I appreciate your generosity and thoughtfulness in giving me the beautiful pearl necklace at Christmas. I really regret that the ethics rules at the White House prevent me from accepting it.
Again, my deepest thanks for remembering me during the holidays.

Sincerely,

Nancy Hernreich

Sincerely,

Nancy Hernreich

COMMITTEE ACCES

[redacted]

[redacted]
Contact Social Office x2510

THE PRESIDENT AND MRS. CLINTON

Mr. & Mrs. Truman Arnold (Anita)
[redacted]
Mr & Mrs. Morris Biller (Colee)
President, American Postal Workers Union
Hon. Erskine Bowles
Assistant to the President & Deputy Chief of Staff for White House Operations
Mr William A. Brandt, Jr. & Ms. Patrice Bugelas-Brandt
President, Development Specialists, Inc.
Mr & Mrs. Edgar Bronfman, Jr. (Clarissa Alcock)
President, Joseph E. Seagrams & Sons, Inc.
Mr Melvin Clark, Jr.
President, Metroplex Corporation
Bishop Melvin Clark, Sr.
Hon (Sen.) Christopher J. Dodd
United States Senate
Mr Sam Domb
Travel Inn Hotel
Mr Hyman Escava
Mr Daniel E. Dutko & Ms Deborah Jospin
President, Dutko & Associates, Inc.
Mr & Mrs. Edward Faberman (Linda)
Vice President of Government Affairs, American Airlines
Mr Don Fowler
President, Fowler Communications
Mr & Mrs Belvyn Friedson (Lucille)
Miami, FL
Mr & Mrs M. Lee Godfrey (Sandra)
Sussman Godfrey
Mr. & Mrs Ernest Green (Phyllis)
[redacted]
Ms. Laura Hartigan
Finance Director, Democratic National Committee
[redacted] Hawkins
former Commissioner, Dade County
Ms Pat Varone
Mr & Mrs Robert L. Healy (Janet)
Manager, Federal Government Relations, ARCO
Hon. (Ms.) Alexis Herman
Assistant to the President & Director of Public Liaison
Hon. Kathryn Higgins
Assistant to the President, Secretary of the Cabinet
Mr. & Mrs. Mickey Ibarra (Frances)
National Education Association

EXHIBIT
20a

EOP 002306

REPORT DATE 03/08/95
REPORT TIME 05:19PM

DNC Dinner - February 16, 1995

Hon. Harold Ickes
Deputy Chief of Staff
Dr. Mark Jimenez
Future Tech International, Inc.
Mr. Lewis Stephen Frauenfelder
Mr. Alan E. Kligerman
Chairman and CEO, Alkpharma Inc.
Ms. Donna Battista
Mr. & Mrs. Roger Kronenberg (Duangnet)
Mr. & Mrs. Thomas A. Leonard (Kathleen)
Obermayer, Rebmann, Maxwell & Hippel
Mr. & Mrs. Alan M. Leventhal (Carol)
Managing Partner, The Beacon Companies
Hon. & Mrs. Bruce Lindsey (Beverly)
Assistant to the President, Senior Adviser & Director, Office of Personnel
Mr. & Mrs. Terence R. McAuliffe (Dorothy)
President, American Capital Management
Mr. & Mrs. James V. McCanna (Delores)
Director of Finance, Quantum Corporation
Mr. & Mrs. Robert M. McGee (Mary Lou)
President, Occidental Petroleum Corporation
Hon. Mark Middleton
Mr. & Mrs. Paul Montrone (Sandra)
President & CEO, Fisher Scientific International Industries
Hon. Leon E. Panetta
Chief of Staff to the President
Mr. & Mrs. Robert Scott Pastrick (Courtney)
Black, Manafort, Stone & Kelly
Mr. Sol Price
La Jolla, CA
Mr. Murray Galinson
Mr. William D. Rollnick & Ms. Nancy Ellison
New York, NY
Mr. Marvin S. Rosen
Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel, PA
Mr. Matthew Rosen
Mr. & Mrs. Arthur Schechter (Joyce)
President, Schechter & Eisenman
Mr. & Mrs. Fred Seigel (Donna)
President, The Beacon Companies.
Mr. Albert Shanker
President, American Federation of Teachers, AFL-CIO
Miss Jennie Shanker
Mr. & Mrs. Stanley S. Shuman (Sydney)
Executive Vice President, Allen & Company
Ms. Kathy Sloane
Brown, Harris & Stevens, Inc

[redacted]

DNC Dinner February 16, 1995

Mr. & Mrs. Alan Solomont (Susan)
President, ADS Management
Hon. George [illegible]
Senior Advisor to the President for Policy & Strategy
Mr. & Mrs. William A.K. Titelman (Maria)
Klett, Lieber, Rooney & Shorling
Mr. Charlie Trie
President, Daihatsu International Trading, Inc.
Mr. Lapseng Ng
Dr. & Mrs. C. J. Wang (Yuen-Fung)
Chairman, International Corporation of America
Mr. & Mrs. William E. Wells (Linda)
Vice President, NEC Technologies, Inc.
Mr. Robert Zarem
Miss Jessye Norman
Mr. Dirk Ziff
Chairman Emeritus, Ziff Brothers Investments, L.L.C.

EOP 002308

MEMORANDUM FOR HAROLD ICKES

From: Terry McAuliffe
Laura Hartigan
Ari Swiller
Date: February 15, 1995
Re: Managing Trustee Dinners

The dinner February 16th is the first of two dinners (the second is February 21st) honoring the Democratic National Committee's Managing Trustees. Those invited either raised over $250,000 or wrote $100,000 for the DNC in 1994. The program is co-chaired by Scott Pastrick and Beth Dozoretz and there are currently ninety-one members. This group will be an anchor in the 1995and 1996 fundraising efforts.

To note: February 16th is Alan Solomont's birthday. Alan served as co-chair of the Presidential dinner in Boston. Larry Hawkins and Pat Varone got married last weekend. Larry was a co-chair of the Florida Presidential dinner in 1994.

President and First Lady's Tables:

1. POTUS
2. Stan Shuman
3. Susan Solomont
4. Patricia Bugelas-Brandt
5. Edgar Bronfman, Jr.
6. Courtney Pastrick
7. C.J. Wang
8. Sondra Montrone
9. Mark Jimenez
10. Pauline Kanchanalak

1. FLOTUS
2. Alan Kligerman
3. Kathleen Leonard
4. Belvin Friedson
5. Sam Domb
6. Charlie Trie
7. Joyce Schechter
8. Scott Pastrick
9. Pat Varone
10. Lee Godfrey

EOP 043683

EXHIBIT
20b

MEMORANDUM

To: Allen Weinstein
Nancy Jacobson

Fr: David Mercer

Dt: March 20, 1995

Re: Trie Sponsorship

Attached is a check for $10,000 from Charlie Trie that he asked me to forward to you. Thank you for taking the time to meet again and we look forward to working with you in the future. I trust you will keep Charlie abreast of the Center's events and functions. Until next time, take good care.

EXHIBIT
21

DATE: **19 May, 1995**

TO: **Susan Lavine**

FROM: **Shawn Covell**

Susan:

Here is a complete list of the people going on the tour today at 2:30pm:

~~Mr. Yat-Lim Tse (Charlie)~~	~~US Citizen~~	~~Aug. 18, 1949~~
Mrs. Mei Wang (Charlie's Wife)	US Citizen	[redacted]
Mr. ng Lap-seng	[redacted]	[redacted]
Mrs. pun, nun-ho	[redacted]	[redacted]
Ms. Bik Fun Priscilla Wong	[redacted]	[redacted]
Mrs. Kathy Chiu	[redacted]	[redacted]

Thank you for your help. Please call me if you need additional information.

Sincerely,

Shawn A. Covell

Susan -
I just found out
Charlie will not be
going on the tour.
S.

EXHIBIT
22

F 0011404

TO: **SUSAN LAVINE**

FR: **KESHI ZHAN (Chrlie's Trie Office)**

FAX NO: **(202)863-8174**

DATE: **06-13-95**

Dear Susan:

Thank you for your help regarding the visit on June 18th. Here are the guests names that would like to visit to the White House.

Name	Passport NO (or S.S. No)	Date of Birth
Ms. Zhan, Keshi	[redacted]	[redacted]
Mr. Zhan, Fan	[redacted]	[redacted]
Ms. Ma, Ying-Qun	[redacted]	[redacted]
Mr. Wang, Chao-Chen	[redacted]	[redacted]
Ms. Shi, Ying-Xian	[redacted]	[redacted]
Mr. Yu, Xiao-Peng	[redacted]	[redacted]
Ms. Liu, You-Xuan	[redacted]	[redacted]

Country of Issue

We appreciate your help. If you have any question , please call me at (202)965-9899.

Regards

Keshi Zhan

Confidential Information

F 0011401

EXHIBIT 23

WHITE HOUSE TOUR REQUEST FORM
Summer 1995

Requests will not be considered without this information.

Please provide the following typed information:

Name of DNC Member Requesting Tour: CHARLIE TRIE

Address: DAIWATEN INTERNATIONAL TRADING, INC.
2224 CottonTail Lane, Suite 102
Little Rock, AR 72202

Phone number: 501/664-0028
202/274-8202

Nature of relationship to the DNC: MANAGING TRUSTEE

Name of guest to attend tour: SEE ATTACHED

Address of guests: SAME AS ABOVE

Phone number of guests out of state:

Local Phone Number or Name of Hotel: 202/274-8262
905-9899

General Information on guests: ~~Guests~~ WINSTON WANG IS VICE PRESIDENT OF FORMOSA PLASTICS

Type of tour requested:

____ White House Tour Tickets

____ Private White House Tour

__J__ Private West Wing Tour

____ Group Tour

Staff Contact DLM Department FINANCE

Phone # 7105

F 0045436

EXHIBIT
24

Last name,	First name	Date of birth	Social Security #
Tris	Charlie	[redacted]	[redacted]
Wong	Wing Stan	[redacted]	[redacted]
[redacted]			
Chan	Ching Mah	[redacted]	[redacted]

Confidential Information

F 0045407

BRIEFING FOR CHAIRMAN FOWLER

EVENT: Meeting with Charlie Trie and Winston Wang

Charlie Trie
President
Daihatsu International Trading
2224 Cottondale Lane, Suite 102
Little Rock, AR 72202
501-664-0028

Winston Wang
Executive Vice President
Formosa Plastics Corporation
9 Peachtree Hill Road
Livingston, NJ 07039
201-992-2090

DATE: Wednesday, June 21, 1995

LOCATION: Democratic National Committee
Chairman's Office
Contact:David Mercer x-7105

TIME: 3:00 p.m. - 3:15 p.m.

BACKGROUND: Charlie is an FOB and DNC Managing Trustee. He recruited Winston Wang. Winston is participating in the 6/20 WH coffee event. Winston's company Formosa Plastics is a multi-national corporation founded by the Taiwan Wang family. Winston is likely to assume the board chairmanship from his father Y.C. Wang. They have plants in Delaware City, DE, Baton Rouge, LA and Point Comfort, TX in addition to corporate headquarters in Livingston, NJ.

PURPOSE: The purpose of the meeting is to introduce the DNC Chairman to Winston Wang and to thank him and Charlie for their continued support of the Party.

MEETING W/CHARLIE TRIE, PRESIDENT OF DAIHATSUN INTERNATIONAL TRADING AND WINSTON WANG, EXECUTIVE VICE PRESIDENT OF FORMOSA PLASTIC CORPORATION

PURPOSE

- **Service call**
- **To introduce DLF to Winston Wang.**
- **Thank Winston and Charlie Trie for your continue support of the Party.**

BACKGROUND

Charlie Trie is an FOB and a DNC Managing Trustee. Trie recruited Winston Wang for the 6/21 POTUS coffee.

Formosa Plastics is a multinational corporation founded by the Taiwan Wang family. The Wang family has a conglomeration of various multi-million dollar businesses. Interests range from high tech computers to power supply corporations.

Formosa operates a polyester facility in South Carolina. Other plants are in Delaware City DE, Baton Rouge LA, and Point Comfort TX, and a HQ in Livingston NJ.

Winston will likely assume the board chairmanship from his father, Y.C. Wang.

CONTACT

David Mercer
x-7105

F 0017612

National Membership Services

Name of Member Requesting Service

Charlie Trie

Service Performed/ Requested

FCL for 20 Chinese visitors
Meeting w/ Mark Middleton

DATE Week of August 17th

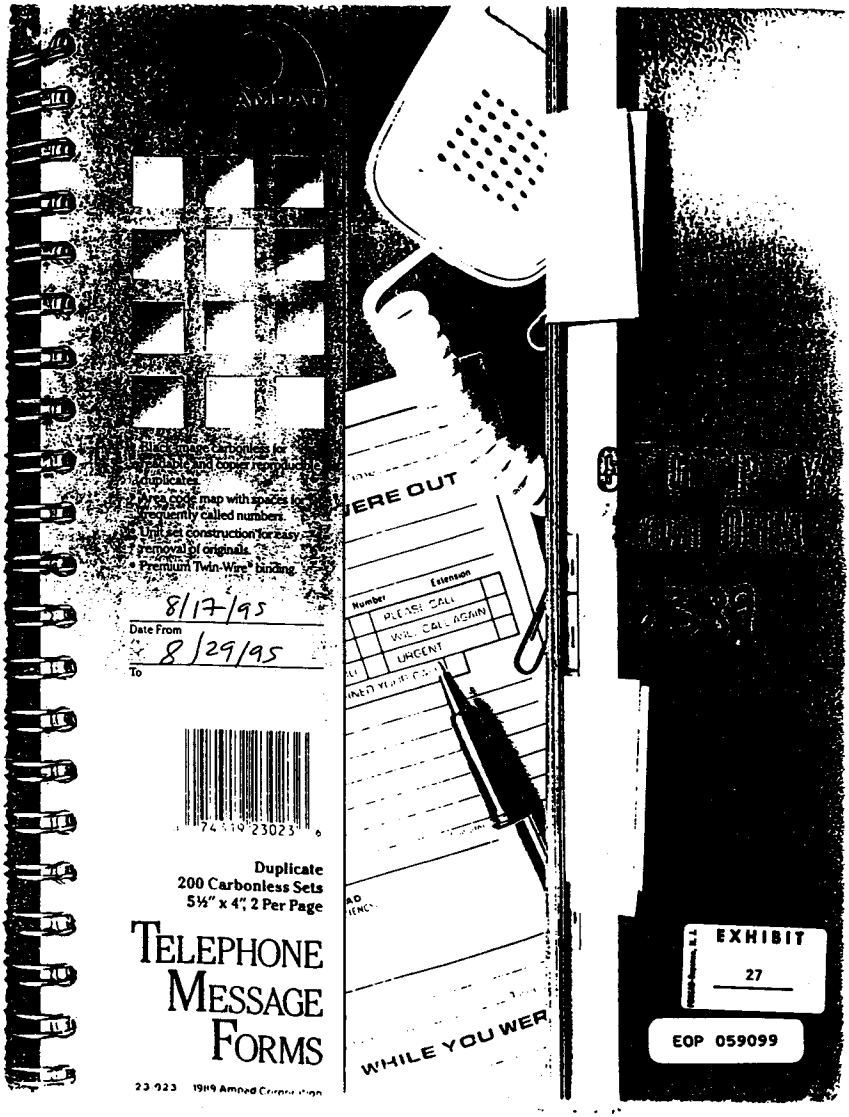
Staff Member or Department Requesting Service

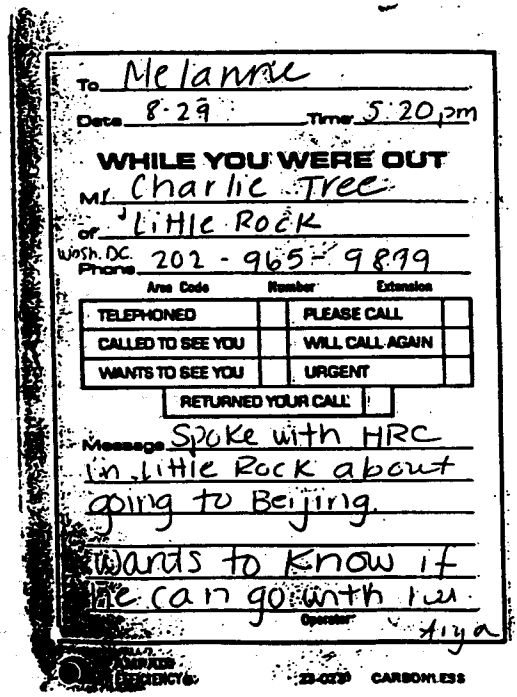
NMS/SL

Prepared by Susan Lavine 1/95

EXHIBIT
26

F 0011696


Duplicate
200 Carbonless Sets
5½" x 4", 2 Per Page
TELEPHONE
MESSAGE
FORMS
8/17/95
8/29/95
ERE OUT
PLEASE CALL
WILL CALL AGAIN
URGENT
WHILE YOU WER
EXHIBIT
27
EOP 059099



To Melanne

Date 8-29 Time 5:20 pm

WHILE YOU WERE OUT

Mr. Charlie Tree

of Little Rock

Wash. DC Phone 202 - 965 - 9899

Area Code Number Extension

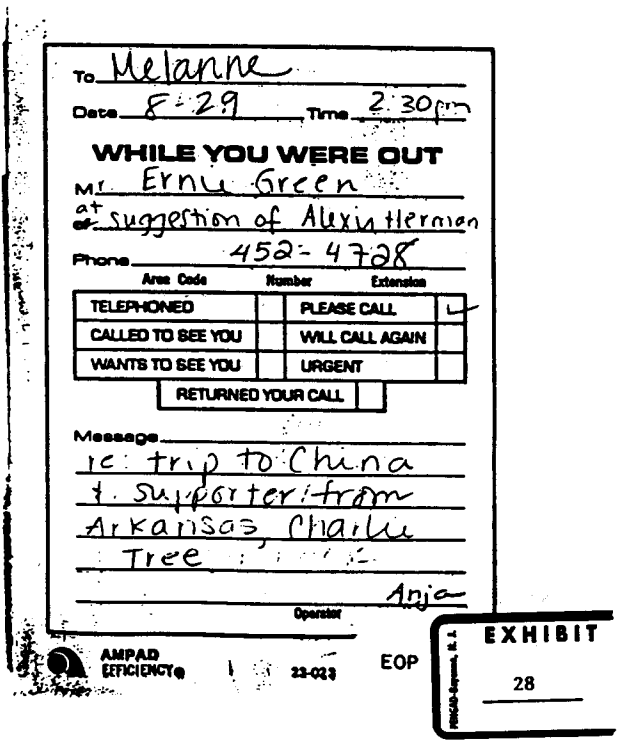
TELEPHONED		PLEASE CALL	
CALLED TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		URGENT	
RETURNED YOUR CALL			

Message Spoke with HRC in Little Rock about going to Beijing. Wants to know if he can go with her.

Operator Aiya

23-0230 CARBONLESS

EOP 059101



To Melanne

Date 8-29 Time 2:30pm

WHILE YOU WERE OUT

Mr. Ernie Green

at suggestion of Alexis Herman

Phone 452-4728

Area Code Number Extension

TELEPHONED		PLEASE CALL	✓
CALLED TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		URGENT	
RETURNED YOUR CALL			

Message

re: trip to China

+ supporter from

Arkansas, Charlie

Tree

Anja

Operator

AMPAD EFFICIENCY® 23-023 EOP

EXHIBIT 28

Thursday, 31 Aug '95

Janice

L. David Mercer - re: Charlie Trie 501.664.0028 (office will contact him)
left for Beijing, hadn't heard from
Al or Flores
Patti Solis Evans
already contacted Green
and he's happy!

EXHIBIT
29

EOP 059198

MEMORANDUM

TO: Debi Schiff, Immediate Office of the President, The White House
Donald Dunn, Office of Political Affairs, The White House

CC: Carol Khare, Chairman's Office, Democratic National Committee

FROM: Eric Sildon, Director, DNC National Membership Services

DATE: September 15, 1995

RE: Kennedy Center tickets

****

The following individual accepted the DNC's invitation to sit in the President's Box at the Kennedy Center for the performance of the National Symphony Orchestra on Friday, September 15, 1995:

1. Charlie Trie
President, Daihatsu International Trading, Inc.
2224 Cottonbale Lane at 102nd Street
Little Rock, Arkansas 72202
(501) 664-0028
2 tickets

2. Hemal Vaidya
3419 East Northern Parkway
Baltimore, Maryland 21206
4 tickets

EXHIBIT
30

DNC 1604112

WIN IN '98 DEMOCRATIC NATIONAL COMMITTEE

Donald L. Fowler, National Chair

September 21, 1995

Mr. Charlie Trie
Daihatsu International Trading, Inc.
2224 Cottonbale Lane & 102nd Street
Little Rock, AR 72202

Dear Charlie,

It was a pleasure seeing you at the White House dinner last week. Thank you very much for joining us. Your continued support to the Democratic National Committee is invaluable to us and to the Administration and we are sincerely grateful.

I look forward to working closely with you as we prepare for next year's election. Please do not hesitate to call on me if I can be of assistance. With warmest regards.

Sincerely,

Donald L. Fowler
National Chair

DLF/nmb

EXHIBIT
31

VIA FAX
501-664-0968

MEMORANDUM FOR CHARLIE TRIE

Fr: David Mercer

Dt: October 16, 1995

Re: Democrats Abroad

This is to serve as a follow up to our conversations regarding Democrats Abroad in Taiwan. A Taiwanese chapter of Democrats Abroad already exists. The chair of the Taiwanese chapter is Tammy Turner. She can be reached at the following:

Phone: 886 2 368 9023 (w)
886 2 217 0514 (h)
Fax: 886 2 367 0342

You should contact her and let her know of your interest to open an office on behalf of the Taiwanese Democrats Abroad. If you have additional questions, please contact me at 202-863-7105. Thanks for your attention. Let me know how I might proceed in assisting you in your efforts.

EXHIBIT
32

DNC 1612853

URGent
Please see phone message at 6-232

To: Melinda Bates

From: Susan Lavine

Re: White House Tour

Brookings
628-3630
Susan Lavine + Felix Enrico
The Vault
Old Anglers Inn

Date: Tuesday November 7th
Tour Date: Tuesday November 7th
Time: 2:00 to 3:00 Time _____
Requestor: Charlie Trie (DNC Mg. Trustee) From Arkansas
# of Guests: 5

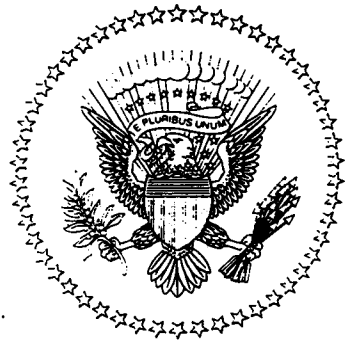
Will be cleared by Susan.
Met at EAG

TOUR is ____ confirmed ____ denied

Due to move of office tour forms are packed. I had not anticipated this Request. Sorry.

EXHIBIT
33

Democratic National Committee



F 0048790

EXHIBIT
34

Democratic National Committee

Presidential Luncheon

November 8, 1995

Chairs

Clarence Avant
Terry Banks
Don H. Barden
Melvin Clark
Harriet Flournoy
Ernest G. Green
Weldon H. Latham, Esq.
Richard L. Mays, Esq.
Hon. Carl H. McCall
Charlie Trie
Hon. Andrew Young

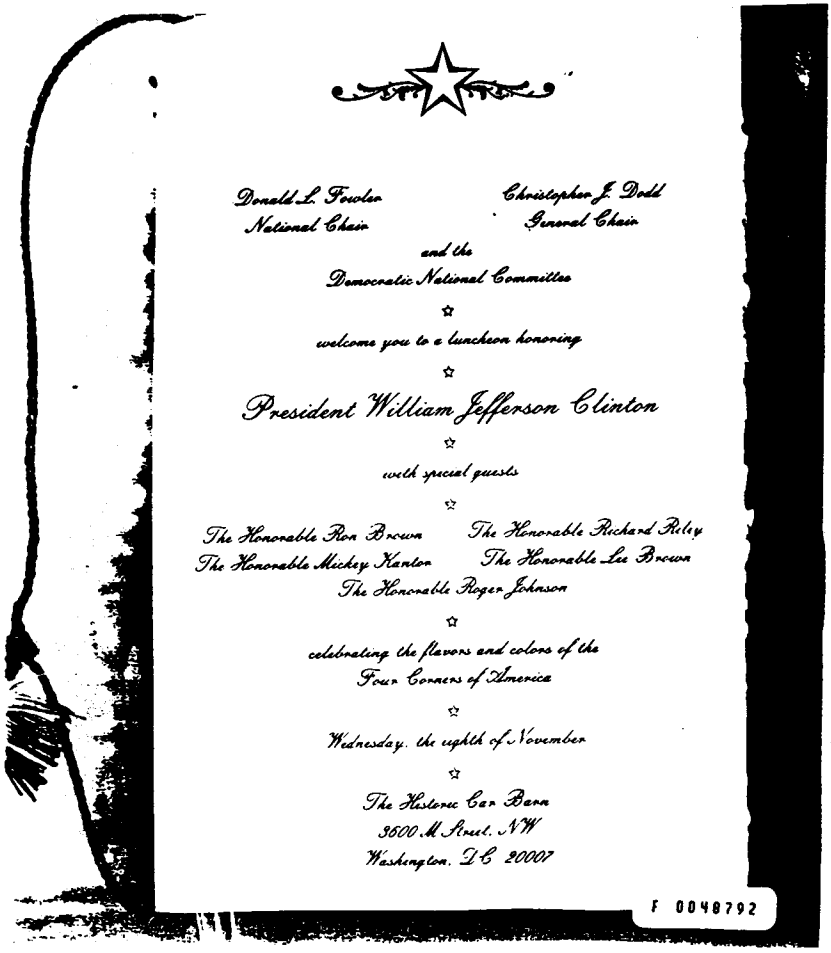
Vice Chairs

Yolanda Caraway
Terry L. Childers
A.J. Cooper, Esq.
Toni Fay
Willie Gary, Esq.
Dennis J. Garrett
Larry Gibson, Esq.
Janice Griffin
Calvin Grigsby
Robert Johnson
William A. Kirk, Jr., Esq.
James H. Lowry
Raymond McClendon
Mary Ann Mitchell
Ralph Moore
Gene R. Newton, MD
Linda Johnson Rice
Berry Shabbazz
Marianne Camille Spraggins
Percy Sutton
Robert Washington
Theodore Wells

Benefactors

Theodore A. Adams
Gayle Andrews
Knowlton R. Atterbeary
Hilton H. Augustine, Jr
Willie L. Baker
Bill Baldwin
Cecil Banks, Esq.
Mel Blackwell
Margo Briggs
Robin Brooks
Trevor Brooks, Esq
Joyce Brown
Keith Butler
Ted Carter
Demetrius Carney, Esq
Emma Chappell
Arthur Collins
Julius Combs
William Davis
Digital Systems Research
Ronald Dobbins
Fred Dual
C. Shelby Durham
Randall Echols
Hon. Rodnes Ellis
Sam Ewing
Leon D. Finnnes, Jr
Kenneth Glover
Earl G. Graves, Sr
Richard Grimes
James Hacknes
Eugene Hale
Luddy Hayden
Edward L. Howlette
William Hickman
Leon Jackson
Levi Jackson
Joe Johnson
Anthony L. Jones
Caroline Jones
Ernest Joshua
Rollie Kimbrough
Paul King
Randolph S. Kinder
Byron Lewis
William Lucy
Bill Lynch
W. Brian Mailhan
Leonard Manning
Joshua C. Mathews
Jewell Jackson McCabe
Mark T. McDonald, Esq
Bob McGlotten
Emmitt J. McHenry
D. J. Miller
Frank Mentique, MD
Elvin W. Moon
Joel Motley
John Nixon
Margaret Nixon
Michael O'Bannon
Beverly Parker
William Peake
R. Donahue Peebles
Beverly Perry
Malcolm D. Pryor
Sherman L. Ragland, II
John Ray
Leo Russell
Sydney Small
Wayman Smith
LeBaron Taylor
Donald Temple
Jeff Thompson
John O. Utendahl
Howard Wally
Otis Warren
O. J. Webb
Alonzo Williams
Chris Womack

F 0048791



Donald L. Fowler
National Chair

Christopher J. Dodd
General Chair

and the

Democratic National Committee

☆

welcome you to a luncheon honoring

☆

President William Jefferson Clinton

☆

with special guests

☆

The Honorable Ron Brown
The Honorable Richard Riley
The Honorable Mickey Kanton
The Honorable Lee Brown
The Honorable Roger Johnson

☆

celebrating the flavors and colors of the
Four Corners of America

☆

Wednesday, the eighth of November

☆

The Historic Car Barn
3600 M Street, NW
Washington, DC 20007

F 0048792

Democratic National Committee

Christopher J. Dodd
General Chair

Donald L. Fowler
National Chair

James J. Brady
Vice Chair
President, ASDC

Debra DeLee
Vice Chair
CEO National Democratic Convention

Martha Love
Vice Chair

Bill Richardson
Vice Chair

Lottie H. Shackelford
Vice Chair

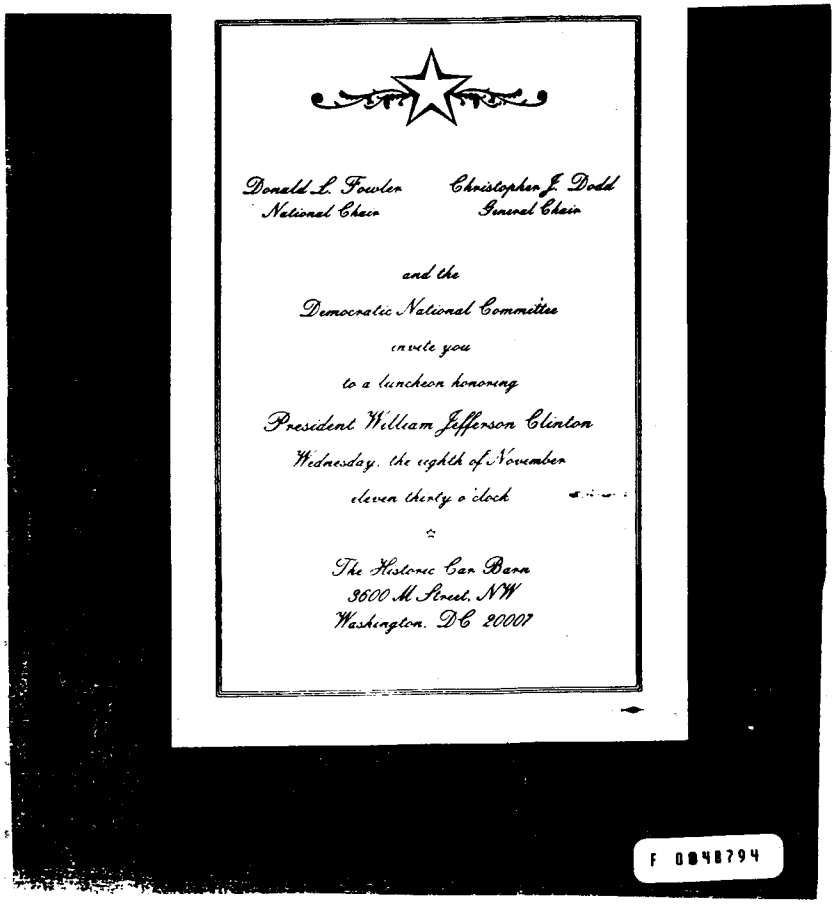
Robert T. Matsui
Deputy Chair

Kathleen M. Vick
Secretary

R. Scott Pastrick
Treasurer

Marvin Rosen
National Finance Chair

F 0040793



Donald L. Fowler
National Chair

Christopher J. Dodd
General Chair

and the

Democratic National Committee

invite you

to a luncheon honoring

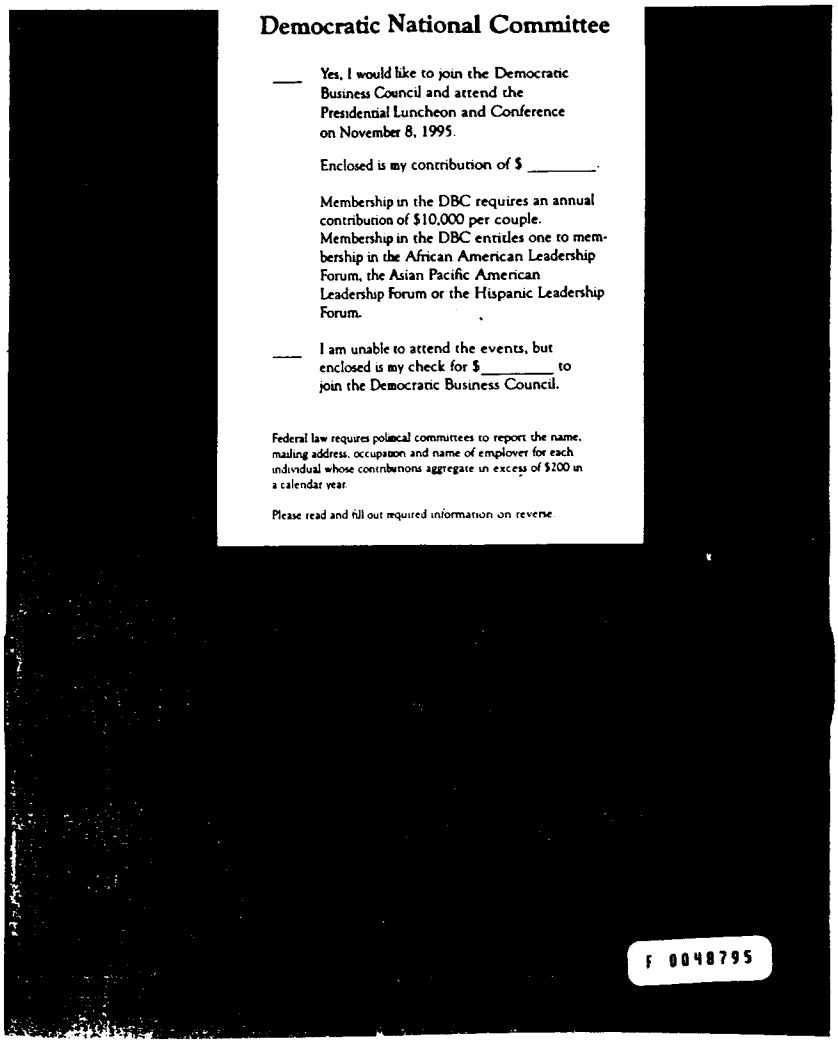
President William Jefferson Clinton

Wednesday, the eighth of November

eleven thirty o'clock

The Historic Car Barn
3600 M Street, NW
Washington, DC 20007

F 0848794



Democratic National Committee

___ Yes, I would like to join the Democratic Business Council and attend the Presidential Luncheon and Conference on November 8, 1995.

Enclosed is my contribution of $ _____.

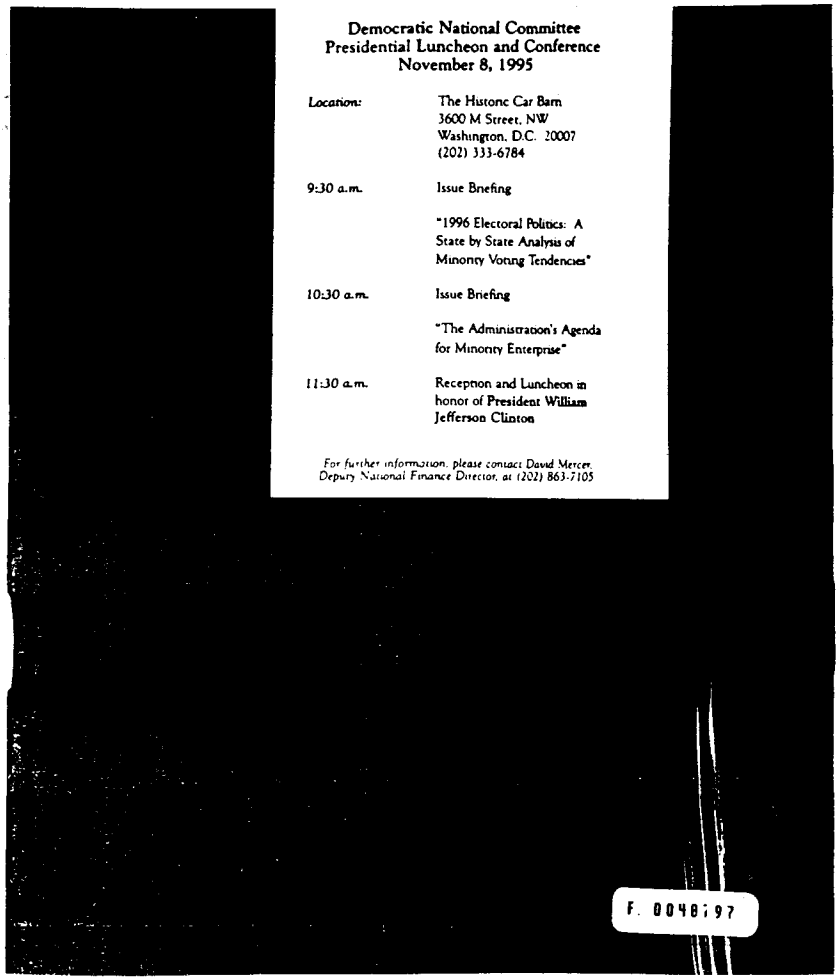
Membership in the DBC requires an annual contribution of $10,000 per couple. Membership in the DBC entitles one to membership in the African American Leadership Forum, the Asian Pacific American Leadership Forum or the Hispanic Leadership Forum.

___ I am unable to attend the events, but enclosed is my check for $_____ to join the Democratic Business Council.

Federal law requires political committees to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of $200 in a calendar year.

Please read and fill out required information on reverse.

F 0048795

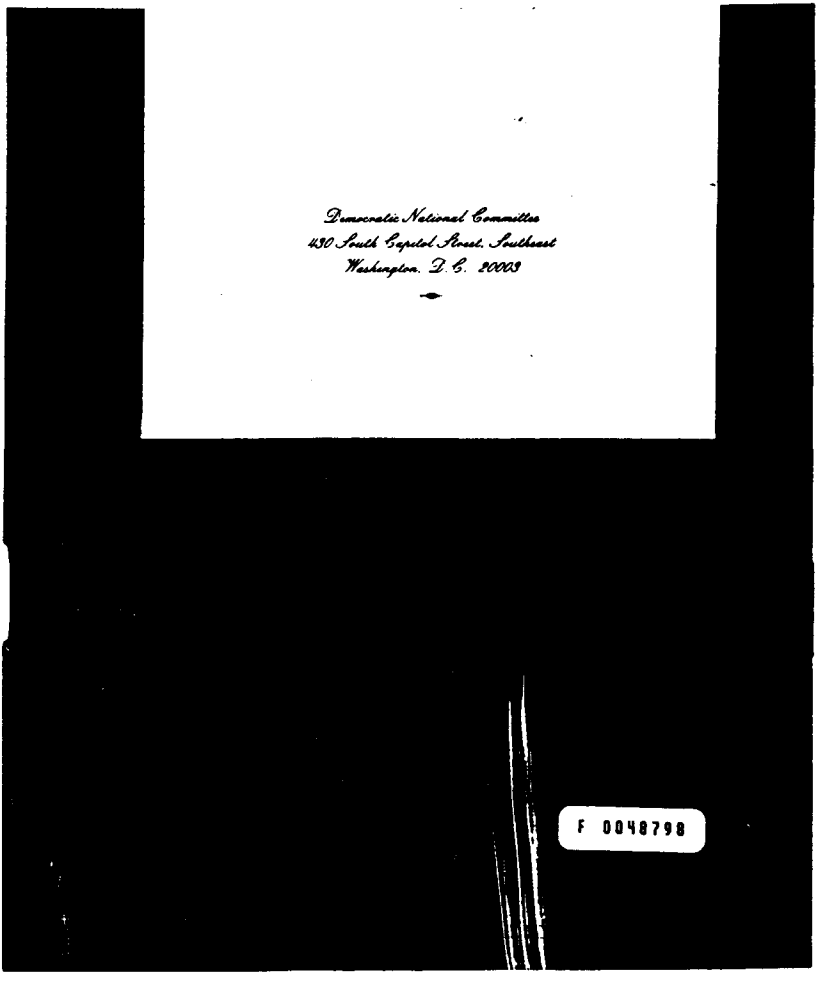


Democratic National Committee
Presidential Luncheon and Conference
November 8, 1995

Location:	The Historic Car Barn 3600 M Street, NW Washington, D.C. 20007 (202) 333-6784
9:30 a.m.	Issue Briefing "1996 Electoral Politics: A State by State Analysis of Minority Voting Tendencies"
10:30 a.m.	Issue Briefing "The Administration's Agenda for Minority Enterprise"
11:30 a.m.	Reception and Luncheon in honor of President William Jefferson Clinton

For further information, please contact David Mercer, Deputy National Finance Director, at (202) 863-7105

F. 0048197


Democratic National Committee
430 South Capitol Street, Southeast
Washington, D.C. 20003
F 0048798

MEMORANDUM

TO: David Mercer

FR: Maura McManimon

RE: Proof photos

DT: November 15, 1995

FYI, the following is a list of the proof photos that were pulled by Ernie and Phyllis Green:

Number	Description
009	Jiongzhang Tang
017	Asian Delegation
019	Ron Brown with Charlie Trie and Chun Hua Yeh
025	Chun Hua Yeh
026	Jiongzhang Tang
027	Nunho Pun
044	Charlie Trie with Ernie Green, Don Fowler, Lap Seng NG
045	Chung Hua Yeh with Charlie Trie, Don Fowler, Yan Seng Pan
046	Clinton with Ernie and Phyllis Green
047	Clinton with Ernie Green and Don Fowler
052	Phyllis Green with Asian Delegation
055	Clinton with Fowler and Ernie and Phyllis Green
069	Yan Sheng Pan with Clinton
070	Chun Hua Yeh with Clinton and Yan Sheng Pan
071	Yan Sheng Pan with Clinton, Nunho Pun and Lap Seng Ng
094	Chun Hua Yeh with Clinton
097	Terry Boyd with Clinton
098	Jesse Chang with Clinton
099	Tony Hsu with Clinton
100	Jing Fan with Clinton
101	Jiongzhang Tang with Clinton
102	Jie Liv with Clinton
103	Robert Xiong with Clinton
104	Celia Chau with Clinton
163	Kellee Baker (photographer's niece)
164	Mya Harrison (photographer's assistant)
168	Jiongzhang Tang with Clinton and Asian Delegation

Confidential Information

169	Asian Delegation with Ernie Green and Clinton
170	Asian Delegation with President Clinton
171	Asian Delegation with Clinton and Secretary Brown
176	Kellee Baker (photographer's niece)
191	Audience photo
196	President Clinton approaching podium
206	Lap Seng Ng and Chun Hua Yeh
221	President Clinton with Ernie Green
223	President Clinton with Ernie Green presenting gift
224	President Clinton with Ernie Green presenting gift
225	President Clinton holding gift
226	President Clinton thanking Phyllis Green

Confidential Information

TO: Ann Stock
White House
Social Secretary

FROM: Susan Lavine

RE: December 11th Reception

DATE: December 7, 1995

I spoke with Carol Khare on the following request and she recommended that I ~~forward it to~~ you directly for your consideration. Mr. Charlie Trie, who is a friend and supporter of the President from Arkansas should have been on the initial DNC reception list. He is in Washington and would like to attend the reception on the 11th or the 13th with a guest. He has not received an invitation to either event. Ms. Khare said if there is room we would like to accomodate him and his guest. Please advise me how to proceed. I may be contacted at (202)863-8172 by phone or (202)863-8174 by fax.

202/456-6235 FAX Tracy

Chris Smith

Doug Sosnik

456-7929 FAX

FAX 456-5558

456-6257 Ryan

EXHIBIT 36

F 0011523

TO: Nancy Hernreich

FROM: Susan Lavine

RE: Request for Charlie Trie

DATE: December 7, 1995

Charlie Trie would like an opportunity to meet with the President at anytime from December 11 - December 15. He is in Washington from Arkansas and would like to introduce the President to a guest of his visiting from Indonesia. They would greatly appreciate a photo op or an opportunity to say hello. Mr. Trie may be contacted at (202)965-9899.

Please advise me how to proceed with this request if I may be of any further assistance. I may be contacted at (202)863-8172.

DNC 1589376

456-2464

OEOB

Attention Melinda Bates

With appreciation

Guests of Charlie Trie for State Arrival Ceremony 2/1/96

~~Kinching Ho~~ Mo Kin Chng
Hong Kong Passport
[redacted]

Peng Jin
Chinease Passport
[redacted]

Peter Chen Hsie
Dominican Republic Passport
[redacted]

Yah Lin Trie
[redacted]

Confidential Information

F 0011417

EXHIBIT
38

MACK McLARTY
WASHINGTON, D.C.

January 10, 1996

Mr. Charlie Trie
Daihatsu International Trading
2224 Cottondale Lane
Little Rock, Arkansas 72202

Dear Charlie:

Thank you so much for the neck tie. Your thoughtfulness certainly helped to make our holidays more enjoyable.

We appreciate your friendship and wish you and your family the very best for a happy and prosperous 1996.

Personally,

Mack

Charlie —

Thanks for your thoughtfulness

COMMITTEE ACCESS

EXHIBIT
39

NOT PRINTED AT GOVERNMENT EXPENSE

Box Situation
Photos
Mercer Trial
2/6/96
"I have done a lot"
...
treatment/recognition
anger/"reputation"
"not easy" reluctant
play the game/Hill tour

F 0011427

new form f.

TO: MELINDA BATES [redacted]

FROM: SUSAN LAVINE FOR THE DNC 863-8172

fax : 863-8174

DATE: January 29, 1996

RE: TOUR REQUEST

DAY AND DATE OF REQUEST: Tuesday February 6

NUMBER OF GUESTS: 2 : 2:30pm

NAME OF GROUP: Jon LAVINE

ESCORT: SL will escort \ :

REQUEST COMES FROM:

GROUP WILL ___ OR WILL NOT ___ [illegible] IN THE COMPLEX

IF ALREADY IN THE COMPLEX, THEY SHOULD BE MET AT ~~EI~~

IF NOT IN THE COMPLEX, THEY SHOULD BE MET AT SWG (East Hall?)

GROUP WILL ✓ OR WILL NOT ___ NEED TO BE CLEARED BY SUSAN

COMMENTS: They are only in town for the afternoon and evening. (Flight arrives 1:15pm Departs 8am). May be combined with others.

VISITORS OFFICE RESPONSE:

TOUR IS CONFIRMED ✓ TIME 2:30

DAY/DATE Tues Feb 6

COMMENTS:

TOUR IS NOT AVAILABLE BECAUSE

SUGGEST ALTERNATE DATE/TIME

cc: CHIEF OF STAFF, OVAL OFFICE, USHERS, USSS

COPY from ORM

EOP 056851

EXHIBIT 41

~~[redacted]~~ WHITE

Please clear for East Appointment Gate for
today Tuesday February 6th at 2:30pm. Thank you.
SUSAN LAVINE x6-2000.

NAME	BIRTHDAY	PASSPORT
WANG, JUN		55349
WANG, XUE		
ZHENG, FUHU		
NG, LAPSHENG		
Li, Yiping		
Xiaopeng Yu		
Otero, Jorge Torres		
Sanchez, Silma		

COPY
from ORM

U59605
A6

REDACTED

EOP 056862

For Official Government Use Only

President's List

DNC COFFEE - Tuesday FEB 6 1996 - 4:45 PM White House - Business - North West Entrance

For Official Government Use Only

THE PRESIDENT

REPORT DATE: August 8, 1996
REPORT TIME: 11:48 AM

Accepts and No Responses

Mr. Timothy C. Collins
Onex Investment Corporation
New York, NY

Hon. (Sen.) Christopher J. Dodd
(D/Connecticut), United States Senate
Washington, DC

Mr. Abul Huda Farouki
Chairman, American International Services
Reston, VA

Mr. Donald L. Fowler
National Chairman, Democratic National Committee
Washington, DC

Mr. Mark Jimenez
Chairman & CEO, Future Tech International, Inc.
Miami, FL

Mr. Wang Jun

Mr. Martin Hoot McInerney
Oak Park, MI

Dr. Carlos Mersan

Hon. Bob J. Nash
Assistant to the President & Director of Presidential Personnel, The White House
Washington, DC

Hon. Frank N. Newman
President & CEO, Bankers Trust Company
New York, NY

Mr. Michael D. Palm
New York, NY

Mr. Marvin S. Rosen
Finance Chairman, Democratic National Committee
Washington, DC

Mr. Lewis Rudin
President, Rudin Management Company, Inc.
New York, NY

Hon. Douglas B. Sosnik
Assistant to the President, White House Political Affairs

Mr. Richard Sullivan
Finance Director, Democratic National Committee
Washington, DC

EXHIBIT
42a

Accepts and No Responses

Mr. Charlie C. Trie
President, Daihatsu International Trading, Inc.
Little Rock, AR

STATE OF THE UNION

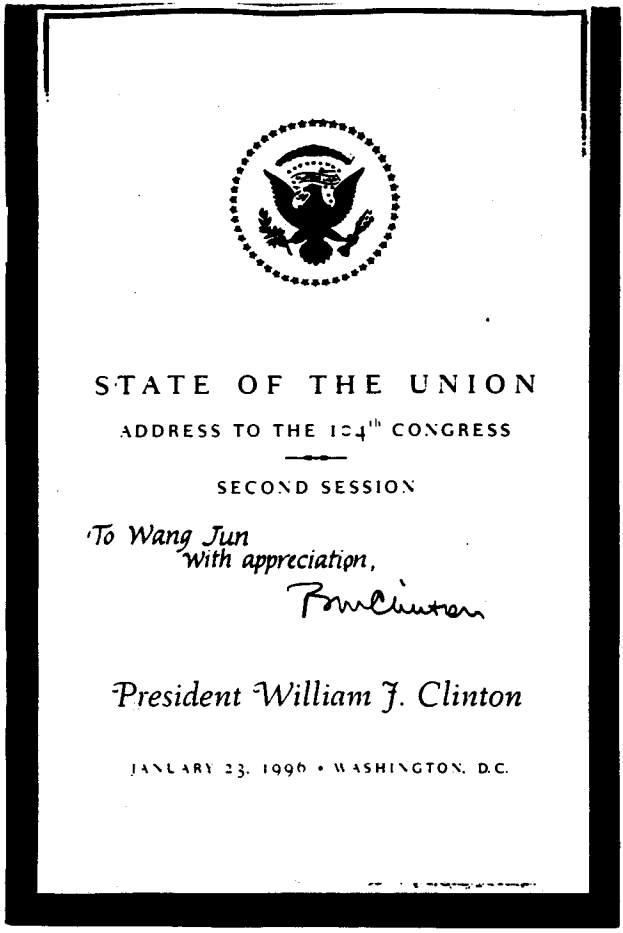
ADDRESS TO THE 104th CONGRESS

SECOND SESSION

To Yah Lin 'Charlie' Trie
With appreciation,
Bill Clinton

President William J. Clinton

JANUARY 23, 1996 • WASHINGTON, D.C.



STATE OF THE UNION

ADDRESS TO THE 104TH CONGRESS

SECOND SESSION

To Wang Jun
with appreciation,
Bill Clinton

President William J. Clinton

JANUARY 23, 1996 • WASHINGTON, D.C.

COMMISSION ON U.S./PACIFIC TRADE AND INVESTMENT POLICY
SECURITY CLEARED AS OF FEBRUARY 14, 1996

Jason Berman	Recording Industry Association of America
Kenneth Lewis	Lasco Shipping Company (Retired), Portland, OR
Ron Simms	King County Council, Seattle, Washington
Jack Tai	J. P. Morgan, San Francisco, CA
Yah LinTrie	Daihatsu International Trading Company, Little Rock, AR

EOP 015178

Democratic National Committee
Asian Pacific American Leadership Council Dinner
Partial Listing as of February 15, 1996

POTUS TABLE:
- NINA WANG
- TED SIOENG
- KWAI FAI LI
- PAULINE KANCHANALAK
- RICHARD PARK
- SANT CHATWALL
- KAZUHIRO NAKAGAWA
- TJU JIN TAN
- ANDREW CHERNG
- LAP SENG NG
- CHARLEY TRIE

Mr. Anindya Bakrie
1500 Chicago Avenue #725
Evanston, Illinois 60201

Mr. Sant Chatwal
234 West 48th Street
New York, NY 10036

Mr. Leo Chan
Chairman & CEO
Colt America Ltd.
9901 Cozy Glen Circle
Las Vegas, NV

Mr. Rashid Chaundary &
Mr. Kamaran Khan
Raani Corp.
5401 West 65th Street
Bedford Park, Illinois 60638-5628

Mr. David Chen
4208 Shiloh Drive
Birmingham, AL 35213

Mr. Andrew J.C. Cherng
President & CEO
Panda Management Co.
899 El Centro Street
South Pasadena, CA 91030

Ridwan Dinata
President
Panda Estate Investment, Inc.

Dr./Dr. Baldev & Manju Devagan
11735 W. Washington Blvd.
Los Angeles, CA 90066

Ms. Jessica Elnitiarta
President, Panda Hotel Investment, Inc.

Mrs. Sandra Elnitiarta & Mr. Didi Kurniawan
President
Panda Real Estate Investments, Inc.

Dr. Stella Evangelides &
Dr. Jose Evangelides
7071 Orchid Lake Road, Suite 220
West Bloomfield, Michigan 483

EOP 058577

EXHIBIT
44a

President
Anhing Corp.
418 North Avenue
Los Angeles, CA 90031

Mr. Kazuhiro Nakagawa
President & CEO
Sunflower Holding Co.
2333 Brandon Street
Los Angeles, CA 90026

Mr. Pin Ni
President
Wanxiang America Corp.
2400 Elainhurst Road
Elk Grove Village, Illinois 60007

Mr. Richard Park
Principal, Park's Jewelry
851 Southwestern Avenue
Los Angeles, CA 90005

Mr. Niranjan Shah
CEO
Globetrotters Engineering Corp.
300 South Wacker Drive
Chicago, Illinois 60606

Mr. Ben Tang &
Mr. Jili Qian
J & B International
1173 Katy Court
Upland, CA 91784

Ms. Maeley Tom
Cassidy & Associates
1127 11th Street, Suite 431
Sacramento, CA 95814

Mr./Mrs. Jimmy C.M. & Jean Lim Tsang
Goldlion International, Inc.
5825 Sunset Blvd., Suite 205
Hollywood, CA 90028

Dr./Mrs. Chi & Ernestine Wang
8344 Old Dominion Drive
McLean, VA 22103

Mr. Kang Song Ye
President & CEO
Kang Long Group
9630 Alpaca Street
South Elmonte, CA 91733

FIS800 5/05/97 Finance System Page 1
Source Detail Report
ASIAN DINNER 2/19/96 (HUANG)

0/00/00

Anhing Corporation	Henry Ly [redacted] Los Angeles, CA 90031	[redacted]	12500.00	M01	2/22/96
AST Sportswear Inc.	Mr. Patrick P.C. Ying [redacted] New York, NY 10001	[redacted]	12500.00	M01	2/22/96
Mr. James M. Belcher	[redacted] Middlebury, CT 06762-1524	[redacted]	10000.00	F01	2/23/96
Mr. Leo Chan	[redacted] Sacramento, CA 95831-4381	[redacted]	12500.00	F01	2/23/96
Mr. Eric Y. Chang	[redacted] Wilmette, IL 60091	[redacted]	12500.00	F01	2/23/96
Mr. David Gin Heing Chen	[redacted] Birmingham, AL 35213	[redacted]	12500.00	F01	2/23/96
Mr. Gin F.J. Chen	[redacted] Pasadena, CA 91106	[redacted]	3000.00	F01	2/23/96
Mr. Charles T. Chiang	[redacted] Arlington, VA 22206		12500.00	F01	2/23/96
Laf Chu	[redacted] Garland, TX 75044	[redacted]	12500.00	F01	2/23/96
Ms. Yue F. Chu	[redacted] Gaithersburg, MD 20879	[redacted]	7500.00	F01	2/23/96

Confidential Information

[redacted] EXHIBIT 44b

DNC 3152441

Ms. Yue F. Chu	[redacted] Gaithersburg, MD 20879	[redacted] 12500.00 F01 2/23/96
Chy Corporation	Mr. Tony Hsu [redacted] Los Angeles, CA 90013-2231	[redacted] 12500.00 N01 2/29/96
CKY Incorporated	Dr. Timothy Yu [redacted] Torrance, CA 90503	[redacted] 15000.00 N01 2/22/96
Daihatsu International Trading Corporation	Mr. Charlie Y. L. Trie [redacted] Little Rock, AR 72204	[redacted] 12500.00 N01 3/08/96
E. Excel International, Inc.	Rui Kang Zhang [redacted] Springville, UT 84663	25000.00 N01 2/20/96
Jessica G. Elnitiarta	[redacted] Fullerton, CA 92831-1951	[redacted] 20000.00 F01 2/23/96
Jessica G. Elnitiarta	[redacted] Fullerton, CA 92831-1951	[redacted] 80000.00 N03 2/23/96
Manlin Foung	[redacted] Fairfield, CA 94585	12500.00 F01 2/23/96
Ernest G. Green	[redacted] Washington, DC 20006	[redacted] 6000.00 F01 3/14/96
Mr. Pi Hsia Hsiao	[redacted] Hacienda Heights, CA 91745-024	[redacted] 2500.00 F01 2/23/96
Mr. Gary Jen Chin Hsueh	[redacted] Hacienda Heights, CA 91745	[redacted] 2000.00 F01 2/23/96

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Source Detail Report
ASIAN DINNER 2/19/96 (HUANG)

Mr. Herbert Ta Cheng Huang	[redacted]rd Arcadia, CA 91006	[redacted] 12500.00 F01 2/23/96
J. & M. International, Inc.	Mr. Jack Ho [redacted]ue Flushing, NY 11354-5314	[redacted] 25000.00 M01 2/27/96
Jimswood International, Inc.	Mr. Davidson Wu [redacted]ve Anaheim, CA 92808-1228	[redacted] 25000.00 M01 2/22/96
Jimswood International, Inc.	Mr. Davidson Wu [redacted]ve Anaheim, CA 92808-1228	[redacted] 25000.00 M01 2/22/96
Jimswood International, Inc.	Mr. Davidson Wu [redacted]ive Anaheim, CA 92808-1228	[redacted] 50000.00 M01 2/22/96
Pauline Kanchanalak	[redacted] Northampton, MA 01060-3652	 10000.00 F01 2/29/96
Kang Long Agriculture Development Co., Ltd.	Mr. Kang Song Ye [redacted]t South El Monte, CA 91733	[redacted]78 12500.00 M01 2/22/96
Duangnet G. Kronenberg	[redacted] McLean, VA 22102-2743	[redacted] 5000.00 F01 2/29/96
Duangnet G. Kronenberg	[redacted] McLean, VA 22102-2743	[redacted] FAX (202) 337-0039 5000.00 M03 3/11/96
Duangnet G. Kronenberg	[redacted]e McLean, VA 22102-2743	[redacted] 5000.00 M03 3/25/96
Mr. Joseph R. Landon	[redacted] Vallejo, CA 94590	[redacted] 12500.00 F01 2/23/96

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FIS600 5/05/97 Finance System Page 4
Source Detail Report
ASIAN DINNER 2/19/96 (HUANG)

Mr. Hsu Chu Lin	[redacted] Rowland Heights, CA 91748-4809	[redacted]	3000.00	F01	2/23/96
Shu-Lan Liu	[redacted] San Gabriel, CA 91776		12500.00	F01	2/29/96
Chun-Mun Lo	[redacted] Arcadia, CA 91007	[redacted]	12500.00	F01	2/23/96
Pacific Asian Group	Mr. Ben Tang [redacted] Upland, CA 91784	[redacted]	10000.00	M01	2/29/96
Panda Management Company, Inc.	Mr. Andrew Cherng [redacted] South Pasadena, CA 91030	[redacted]	12500.00	M01	2/22/96
Platinum Realty, Inc.	Mr. Huey Min Yu [redacted] City of Industry, CA 91748-175	[redacted]	12500.00	M01	2/22/96
Platinum Realty, Inc.	Mr. Huey Min Yu [redacted] City of Industry, CA 91748-175	[redacted]	10000.00	M01	8/01/96
Promay Plastic Machinery, Inc.	Mr. Alen Huang [redacted] Compton, CA 90221	[redacted]	1000.00	M01	2/29/96
Yun-Liang Ren	[redacted] San Gabriel, CA 91776		12500.00	F01	2/29/96
Ms. Denise Rich	[redacted] New York, NY 10022	[redacted]	5000.00	F01	2/12/96
Jou Sheng	[redacted] Maywood, CA 90270		3000.00	F01	2/23/96

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Hsin Cheng Shih	[redacted] Hacienda Heights, CA 91745-644	[redacted]	3000.00	F01	2/23/96
Hsin Kuang Shih	[redacted] Hacienda Heights, CA 91745-644	[redacted]	3000.00	F01	2/23/96
Mr. Richard J. Soon Choi	American International College [redacted] Los Angeles, CA 90010-3880		20000.00	F01	3/28/96
Meiao Jie Su	[redacted] Hacienda Heights, CA 91745		2500.00	F01	2/23/96
Sunflower Holding Co.	Mr. Kazuhiro Nakagawa [redacted] Los Angeles, CA 90021	[redacted]	5000.00	M01	2/22/96
Jane Dewi Tahir	[redacted] Martinez, CA 94553-5868	[redacted]	10000.00	M09	2/22/96
Jane Dewi Tahir	[redacted] Martinez, CA 94553-5868	[redacted]	10000.00	F01	2/23/96
Jane Dewi Tahir	[redacted] Martinez, CA 94553-5868	[redacted]	10000.00	F01	2/23/96
Taiwan Machinery Trade Center	Mr. Alen Huang [redacted] Compton, CA 90221	[redacted]	3000.00	M01	2/29/96
Ms. Maeley L. Tom	[redacted] Sacramento, CA 95831-1411	[redacted]	5000.00	F01	2/23/96
Victor CNC Systems, Inc.	Mr. Alen Huang [redacted] Compton, CA 90221	[redacted]	2000.00	M01	2/29/96

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DNC 3152445

Victor CNC Systems, Inc.	Mr. Alen Huang [redacted] Compton, CA 90221	[redacted]	1000.00	NO1	2/29/96
Victor Industrial Supply Inc.	Mr. Alen Huang [redacted] Houston, TX 77040	[redacted]	1000.00	NO1	2/29/96
Victor Industrial Supply Inc.	Mr. Alen Huang [redacted] Houston, TX 77040	[redacted]	1000.00	NO1	2/29/96
Victor International, Inc.	Mr. Alen Huang [redacted] Piscataway, NJ 08854	[redacted]	3500.00	NO1	2/29/96
Chi Wang	[redacted] McLean, VA 22102	[redacted]	15000.00	FO1	2/23/96
Chi Wang	[redacted] McLean, VA 22102	[redacted]	5000.00	FO1	2/23/96
Chi Wang	[redacted] McLean, VA 22102	[redacted]	5000.00	NO3	2/23/96
Xi Ping Wang	[redacted] Burke, VA 22015		5000.00	FO1	2/23/96
Ms. Suh-Jen Wu	[redacted] Hacienda Heights, CA 91745	[redacted]	3000.00	FO1	2/23/96
Mr. Keshi Zhan	[redacted] Arlington, VA 22201-3752		12500.00	FO1	2/23/96

Roster Count: 64 $716,000.00

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[redacted] DNC 3152446

WIN '96 DEMOCRATIC NATIONAL COMMITTEE

Donald L. Fowler, *National Chair* • Christopher J. Dodd, *General Chair*

Briefing for the President of the United States
William Jefferson Clinton

Asian Pacific American Leadership Council Dinner

Monday, February 19, 1996
6:00 pm to 8:00 pm

Hay-Adams Hotel
Washington, D.C.

Business Attire

Point of Contact:

Mr. John Huang
Vice Chair of Finance
Democratic National Committee
202-863-7178

EXHIBIT
44c

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WIN '98 DEMOCRATIC NATIONAL COMMITTEE
Donald L. Fowler, National Chair • Christopher J. Dodd, General Chair

Briefing for the President of the United States
William Jefferson Clinton

Event:	Democratic National Committee Asian Pacific American Leadership Council Dinner
Date:	Monday, February 19, 1996
Place:	Hay-Adams Hotel Washington, D.C.
Time:	6:00 pm to 8:00 pm
Group:	80 to 100 APA Donors of the DNC from Across the Country Each Participant Donated Minimum $12,500 to the DNC
Format:	Dinner with President Bill Clinton Discussion of 1996 Presidential Election
Attire:	Business
Contact:	Mr. John Huang, Vice Chair of Finance Democratic National Committee 202-863-7178

A. **Background of the Asian Pacific American Leadership Council**

The Asian Pacific American Leadership Council ("APALC") was created to empower Asian Pacific Americans ("APA") by providing them with a stronger voice in the Democratic Party. The concept of a council evolved from individual discussions with businessmen and women, professional leaders, Democratic National Committee Trustees, and the Democratic Business Council members from throughout the country. The need was expressed for a council that focused on the issues of concern to the APA community. Through policy luncheons, monthly briefings and task force groups, APALC members will interact with key political leaders who shape our party and our nation. Members will serve as liaisons with the APA community to provide input into the Democratic Party's agenda.

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The goals of APALC are:

*To create a component of the DNC aimed at fostering the engagement of Asian Pacific American leaders with the DNC's fundraising efforts.

*To expand the national network of APA Democrats interested in contributing to the Democratic Party.

*To provide a vehicle for APA Democrats to voice their concerns and continue outreach to the members of the APA community nationwide who support the Democratic Party's agenda.

On Tuesday, February 20, 1996, APALC participants will have breakfast with Vice President Al Gore, Jr.

Participants of APALC dinner have each donated a minimum of $12,500 to the Democratic National Committee.

B. Logistics

The dinner will be held at the Hay-Adams Hotel. The dinner will begin at 6:00 pm. Your host is Mr. John Huang, Vice Chair of Finance for the Democratic National Committee.

C. The President's Role at the Dinner

Your role at this meeting is to:

1) Discuss the 1996 Presidential Campaign; and
2) Inspire political and fundraising efforts among the APA community.

D. Vast Diversity: Ethnic Composition in the APA Community

Asian Pacific Americans are comprised of Chinese, Filipino, Japanese, Asian Indian, Korean, Vietnamese, Cambodian, Hmong, Laotian, and Thai. Pacific Islanders include Native Hawaiians, Samoans, Tongans, Guamanians, Micronesian, and other Melanesian of Pacific Islanders. Because Asian and Pacific Islanders are grouped for census and political reasons, this population may be the most diverse of America's minority communities. This political appellation represents ethnic groups that have diverse backgrounds, histories, languages, and cultures.

E. Demographics & Characteristics

The Asian Pacific American community is growing rapidly, and could be a reservoir for votes and contributions in 1996. For the last two decades, the number of Asian Pacific Americans in the United States has doubled, from 1.5 million in 1970 to 3.7 in 1980 to 7.3 million in 1990. The percentage in the total population has nearly doubled in the 1980's from 1.5 percent to 2.9 percent in 1990. Based on current immigration patterns, APA's will continue to be the fastest growing ethnic group in the United States into the next millennium.

Fifty-four percent of the Asian population lived in the West Coast in 1990, compared with twenty-one percent of the total population. Approximately sixty-six percent of Asians live in five states -- California, New York, Hawaii, Texas, and Illinois. In California, the largest electoral state in the country, APA's are a significant political force to be reckoned with. APA's in California consist of ten percent of the population, the third largest ethnic group in the state. In Los Angeles and San Francisco, APA's consist of 10.8 and 20.6 percent of the county population, respectively. In New York, APA's consist of approximately four percent of the population. In the 104th Congress, there were 62 congressional districts where APA's represented 5 percent or more of the constituency.

In 1990, the largest percentage of APA's were Chinese (24%) and Filipino (20%), followed by Japanese (12%), Asian Indian (12%), Korean (11%), and Vietnamese (9%) of the Asian population. Newer immigrant groups comprised of Laotian, Cambodian, Thai, and Hmong, each accounting for 2 percent or less of the APA's in America.

Other significant characteristics of the APA community is as follows:

- In 1994, nearly 9 out of 10 APA men 25 years old and over, and 8 out of 10 APA women had at least a high school diploma;
- In 1994, two-fifths of APAs 25 years old and over had at least a bachelor's degree;
- 52 percent of APA householders own their own home versus 70 percent for non-Hispanic White householders;
- College educated APA men are twice a likely as comparable non-Hispanic White men work in technical and administrative support positions.

F. Voter Registration & Political Profile

1.2 million APAs were registered to vote in the 1994 elections. About 890,000 actually voted, representing a 76.3 percent turnout.[1]

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1 Democratic National Committee, Summary of U.S. Census Bureau data (1994).

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In 1992, thirty-one percent and fifty-five percent voted for Clinton and Bush, respectively. Fifteen percent of APAs voted for Perot. In California, there was a strong showing for President Clinton -- fifty three and thirty seven percent voted for Clinton and Bush, respectively. Nine percent of California APAs voted for Perot.[2]

In an exit poll taken in the San Francisco Bay Area, New York City, Diamond Bar/City of Walnut (Los Angeles area), APA voters identified themselves as 62 percent, 43 percent, and 45 percent Democrat, respectively. In Rosemead and Koreatown, APA voters identified themselves as 33 percent and 45 percent Democrat, respectively.[3]

In a recent study by the National Asian Pacific American Legal Consortium ("NAPALC") of three regions of the United States, factors considered by APA voters include:

- APA voters strongly vote in favor of Asian Pacific American candidates.
- When issues affect their communities, APAs turn out to vote.
- Bilingual materials and support lead toward greater APA voter participation.
- There continues to be racial polarization in voter behavior.

The NAPALC study was conducted in the San Francisco Bay Area, the New York City Burroughs, and Los Angeles Country.[4]

G. Asian Pacific American Candidates and Elected Officials

In 1994, there was an unprecedented number of APA's who ran for elected office. Twelve APA's campaigned for national office (7 incumbents, 5 challengers). Of the twelve candidates, eleven were Democrats. More than one hundred APA's ran for state and local offices.

APA's holding national office include: Senator Daniel Akaka (D-HI), Senator Daniel Inouye (D-HI), Del. Eni Faleomavaega (D-AS), Rep. Jay Kim (R-CA), Rep. Robert Matsui (D-CA), Rep. Patsy Mink (D-HI), and Del. Robert Underwood (D-GU).

At the state level in 1994, Benjamin Cayetano (D-HI) defeated former U.S. Representative and Bush appointee Patricia Saiki (R) to become the first Governor of Filipino

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2 Democratic National Committee, Campaign Summary (July 13, 1995).

3 NATIONAL ASIAN PACIFIC AMERICAN LEGAL CONSORTIUM, *Asian Pacific American Electoral Participation Three Region Study* 1 [hereinafter NAPALC] (August 31, 1995). Approximately 6,500 individuals were either exit polled or surveyed in November 1994.

4 NAPALC, *sup.* note 3, at 1.

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ancestry in Hawaii and the U.S. Matt Fong (R-CA) became the highest ranking APA in California state office when he was elected as State Treasurer. Fong's mother is Democrat March Fong Eu who is currently U.S. Ambassador to the Federated States of Micronesia.

H. Issues to Drive Political Involvement for APA's in 1996

With the fierce debate over immigration, affirmative action and welfare reform, political participation of APA's in the 1996 elections will likely be issue-driven. As the Republican Congress leads the charge to scrutinize and ultimately eliminate programs that affect minority, immigrant, and indigent communities, APA's are relying heavily on President Clinton to protect crucial programs that have a substantial impact on their community. A recent Washington Post-ABC News Poll showed that President Clinton and the Democrats have "scored strong points" in attempting to maintain social programs that protect the many vulnerable and middle class Americans. With so much at stake, APA's by necessity will be pulled into the political debate in 1996.

For example, Proposition 187, the California ballot initiative that limits state assistance to unlawfully admitted aliens, mobilized Asian Pacific American communities throughout the state in their attempts to defeat the measure. In San Francisco, APA voting patterns and participation saw a 17 percent increase due to aggressive voter registration and GOTV programs aimed at Proposition 187. Although the initiative passed, the organization for and reaction to the issue is a critical indicator of APA political participation in 1996.

Heads Up: Top three issues for the APA community are: 1) Immigration and Naturalization; 2) Affirmative Action; and 3) Small business and Economic Issues.

I. Immigration & Naturalization: Keep Fourth Preference

1. Asian Immigration: We Are a Young Community

In 1990, there were approximately 7.3 million Asian Pacific Americans ("APA's") in the United States, consisting of 2.9 percent of the total U.S. population. The APA population increased in size by 95 percent since 1980. About 66 percent of Asians were born in foreign countries, with 38 percent of Asians entering the United States from 1980 to 1990. Cambodians, Laotians, and Hmong were the highest proportion of persons immigrating during this period. The median age of the Asian community was 30 years in 1990, compared to the national median of 33 years. Only 6 percent of Asians are 65 years old and older, compared with 13 percent of the total population.

2. Immigration Policy: APA's Suffer a Long History of Discrimination

U.S. immigration and naturalization policy remains a significant concern of the APA community. Because APA's have been historically discriminated against in immigration policy, the APA community continuously keeps a careful watch on Congressional and executive branch

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decisions. For example:

•In 1790, Congress passed a law limiting naturalization to "free white persons."

•The Chinese Exclusion Act of 1882 suspended immigration by Chinese laborers for ten years. This marked the first time the United States has restricted immigration on the basis of race or national origin.

•In 1907, in the "Gentlemen's Agreement," the United States promised not to ban Japanese immigration in exchange for Japan's pledge not to issue passports to Japanese laborers. By separate order, President Roosevelt prohibited secondary immigration from Hawaii to the mainland.

•In 1917, Congress enacts a literacy requirement for all new immigrants, and designates Asia as a "barred zoned zone," except Japan and the Philippines) from which immigration will be prohibited.

•In 1924, the Johnson-Reed Act establishes a national origin quota system, and bans all immigration by persons "ineligible to citizenship" – primarily affecting the Japanese.

•In 1934, the Tyding-McDuffie Act placed a quota of 50 immigrants per year on immigration from the Philippines.

Heads Up: With the historical mistreatment of APA's in U.S. immigration policy, APA's are cognizant of and strongly opposed to any discriminatory laws (intentional or disparate impact) that adversely affect their community.

3. APA's Oppose H.R. 2202 and CIR Proposals: The Significant Elimination of the Family Preference Categories

Of grave concern to the APA community is the ability to unify the family unit. Current family immigration policies allow U.S. citizens to bring spouses, children (married and unmarried), parents, and brothers and sisters to the United States. Legal permanent residents may sponsor spouses and unmarried children. As such, 64 percent of legal immigrants come to the U.S. to rejoin family members.

The INS divides family members eligible for sponsorship into two categories: 1) Immediate Relatives of U.S. Citizens; and 2) Family Preference System.

Under the Immediate Relatives System, spouses, unmarried minor children, and parents of U.S. citizens are eligible for immigration. While there is an unlimited number of visas available each year, it is estimated that 253,000 persons will immigrate to the United States as immediate relatives in FY 1995.

Under the Family Preference System, visas are distributed among four different

categories, with the first receiving top priority. The INS allows in unmarried and married adult children, and brother and sisters of U.S. citizens; and spouses and unmarried minor and adult children of legal permanent aliens. The four categories are as follows:

Category 1:	Unmarried adult children (21 years or older)
Category 2A:	Spouses and minor children
Category 2B:	Unmarried adult children (21 years or older)
Category 3:	Married adult children
Category 4:	Brothers and sisters

There are two major immigration proposals at the discussion table: 1) H.R. 2202, sponsored by Representative Lamar Smith; and 2) the proposal recommended by the U.S. Commission on Immigration ("CIR"), formerly chaired by the late Barbara Jordan. H.R. 2202 and the CIR, seek to significantly limit family immigration from 480,000 (FY 1995) to 330,000 and 400,000 persons, respectively. H.R. 2202 and CIR eliminate all family preference categories except category 2A (spouses and minor children). However, both proposals retain the unlimited immigration of immediate relatives (spouses, minor unmarried children, and parents) of U.S. citizens.

Heads Up: APA's are strongly opposed to H.R. 2202 and CIR proposals because of its detrimental effect on the Asian Pacific American community. Under H.R. 2202, a significant number of persons eliminated will be Asian immigrants. Many of these family members have been on the waiting list for ten years or more. Of the 824,000 immigrants waiting in the adult children category, over 300,000 are from Asian countries. Approximately 240,000 are from the Philippines, 23,000 are from China, 17,000 are from India, 11,000 are from Taiwan, and 10,000 are from South Korea.

4. Top APA Priority: Maintain the Fourth Preference for Brothers and Sisters

While the APA community seeks to maintain all family preference categories, the "fourth preference" (brothers and sisters) is of significant importance to the APA community. State Department reports indicate a backlog of 1.6 million brothers and sisters waiting for family preference visas as of 1994. Nearly 1.1 million or 69 percent of the backlog are from Asian countries alone -- 285,000 are from the Philippines, 207,000 are from India, 154,000 are from China, 135,000 are from Vietnam, 86,000 are from Taiwan, 67,000 are from South Korea, 52,000 are from Hong Kong, and 37,000 are from Pakistan. Currently, only 65,000 immigrants are allowed visas under the Fourth Preference each year.

Heads Up: Brothers and sisters are considered part of the "immediate family" in the APA community. As such, maintaining the Fourth Preference is of extreme importance to the APA community.

White House Position: The White House has been silent as to its support of the Fourth Preference.

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J. APAs Support Retaining Affirmative Action Policies and Programs

1. Myth versus Reality: APAs Still Unequal in Status

Asian Pacific Americans ("APAs") share two underlying attitudes which impact on how they view affirmative action and race-related issues, generally. First, the vast majority of APAs want to live in a society where hard work and perseverance are rewarded. Generally speaking, APAs are confident of their ability to compete in school or in the corporate environment.[5]

Confidence and ability, however, does not translate into social equity for APAs. The facts clearly indicate that APAs have yet to gain parity in earning, managerial, and economic status. For example:

- Whites with college degrees make almost 11 percent more than APAs with college degrees. Whites with a high school education make almost 26 percent more than APAs with a high school education.

- The 1992 Heidrick and Struggles study of 806 of the public Fortune companies revealed that APA women held less than one one-hundredth of one percent of board of director positions, and APA men held less than two-tenths of one percent of those positions.

- In 1989, U.S. born APA doctoral scientists and engineers earned 8% less of that of White doctoral scientists and engineers.

2. Misperception That APAs are Financially Stable

Pervasive is also the misperception that APAs are financially stable. About 11 percent of APA families lived in poverty in 1989, a rate slightly higher than the 10 percent national rate for all families. Hmong and Cambodian families had the highest family poverty rates of 62 percent and 42 percent, respectively. The APA per capita income was $13,806, compared with $14,143 national per capita income. The per capita income for Cambodians and Hmongs are $5,120 and $2,692, respectively. About 6.5 percent of APA legal immigrants receive public assistance, compared to eight percent of the total U.S. population.

3. Clinton Promise to Support Affirmative Action Lauded by APAs

Affirmative action policies have been under siege by the Republican Congress, calling for its elimination. Even the Democratic Leadership Council, a policy group which President Clinton formerly chaired, called for the termination of the program. Of recent significance was the elimination of affirmative action in admissions, hiring, and contractual practices at the University of California. The U.C. student population is currently 23 percent APA, 52 percent

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[5] See e.g. Federal Glass Ceiling Commission, Good For Business: Making Full Use of the Nation's Human Capital, Washington, D.C. 1995.

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White, 12 percent Hispanic, and 4 percent African American. In light of Governor Wilson's (R) strong position against affirmative action, and the state's swing toward conservatism, California Democrats in particular are looking to President Clinton to protect the program.

For the most part, the APA community embraced President Clinton's commitment to affirmative action. Community leaders were delighted when the President aggressively stood his ground in his unwavering message reaffirming affirmative action. It was the kind of Bill Clinton that APA's supported in 1992, and would like to see more of in the future.

4. Majority of APAs Support Affirmative Action

The prevailing view amongst APAs is that they strongly support affirmative action. Those who have spoken out stress that the selection and promotion processes in the business world and elsewhere often are shot through with favoritism - old-boy networks, mentorship, perks, various other forms of corner cutting - that still favor white males at the expense of women and minorities. APAs assert that affirmative action is one legitimate way to ameliorate the situation.

APAs also maintain that affirmative action programs can be set up without resort to quotas or mandates. APAs acknowledge that affirmative action must be consistent with ideals of merit and personal responsibility. If affirmative action programs fail in this respect, then it should be fixed, not ended.

Finally, APA proponents of affirmative action express strong apprehension that conservatives will use the issue of affirmative action to pit APAs against African Americans and Hispanics (by characterizing APAs as the "model minority" that has succeeded without relying on preferential programs).

APAs who oppose affirmative action recoil at the notion that APAs, women and minorities are victims of society. Second, they express concern that affirmative action is being used in some cases to create quotas that penalize APAs. This is particularly a concern in the area of university admissions. Third, in lieu of affirmative action, they express a preference for diversity programs and other measures to "educate" the public about race. Some also favor more effective enforcement of discrimination law.

Heads Up: Affirmative Action remains as an essential government program that APA's seek to maintain. To waiver from its support could be detrimental to Clinton's APA support.

K. APAs Support SBA Programs That Enable Minority Firms to Become Preferred Supplies for Federal Contracts

In 1994, approximately $195 billion was spend on federal procurement. About $9 billion in contracts were awarded to minority firms, of which $4.4 billion went to 8(A) firms. An 8(A) firm is a federal program administered by the Small Business Administration that certifies small businesses owned by women, minorities, veterans, and disabled persons to become certified as

DNC 0573782

preferred suppliers for federal contracts. The program was created by the Small Business Act of 1958.

APA's accounted for 1,137 or 20.1 percent of 8(A) firms, resulting in $1.1 billion or 25 percent of 8(A) funding.

Heads Up: Federal programs that give preference to women and minorities are under scrutiny by Congress. APA's strongly urge the continuation of such SBA programs that enable minority-owned small businesses to grow, develop and compete in the marketplace.

L. Glass Ceiling: Asian Pacific Americans in Corporate America

1. APAs Above the National Average in Education

APAs are well prepared to become corporate managers. As a whole, APAs are above the national average in terms of educational achievement at both the high school and college levels. 20 percent of the general population has graduated with a bachelor's degree or higher, whereas 38 percent of APAs have earned bachelor's degrees. Between 1979 and 1989, the number of bachelor's and master's degrees have doubled. While the rate of gain for doctorates is somewhat lower, the 46 percent increase in doctorates earned during this period by APAs puts them ahead of all other groups.

2. Stereotypes Result in Managerial Underrepresentation

There is widespread stereotype that APAs are not affected by the glass ceiling. Studies show that while APAs are well represented as professionals in the workforce, they are underrepresented in executive-managerial positions. The Federal Glass Ceiling Commission showed that while APAs are held in high regard, they are not selected to become members of management teams. Dangerous stereotypes of APAs as being better suited for technical work rather than people-oriented work is a major reason why they are often not considered leadership material.

3. APAs Nearly Void in Corporate Directorships and Senior Executive Positions

Attitude concerning leadership potential is also reflected in the small number of Asians who serve on the board of directors of major corporations. In a 1992 Heidrick and Struggles study of 806 of the public Fortune companies, APA women held less than one-hundredth of one percent of seats, and APA men held less than two-tenths of one percent of the seats. A recent survey of highly successful executives in Fortune 500 companies show that only 0.3 percent of senior executives are APAs.[6]

---

[6] U.S. COMMISSION ON CIVIL RIGHTS, *Civil Rights Issues Facing Asian Americans in the 1990's* 133-34 (1992) quoting KORN/FERRY INTERNATIONAL, *Korn/Ferry's*

DNC 0573783

4. APA Annual Earnings Lower than White Counterparts

The low promotion rates of APAs have affected earning potential. Even with English fluency and higher levels of education, the average annual earnings of APA's continue to be lower than their White counterparts in the same occupations. The Glass Ceiling Commission found that APAs receive lower yield in terms of income and promotions.

Some research has even suggested that foreign-born APAs experience increasingly lower returns despite more years of education than their White counterparts and that their returns often decrease as education and age increase. This suggests the existence of racial barriers or the possibility that European employees with English-language difficulties are treated differently than are those who immigrated from Asia or the Pacific Islands.

M. Clinton Administration Appointees Buck the National Trend

President Clinton has made more APA appointments than any previous Presidential administration. To date, Clinton has appointed over 170 APA's to significant posts in the federal government, three times more than President Bush. According to the White House Office of Personnel, APA appointees account for 3 percent of the administration, in parity with 3 percent of the APA population in the U.S. A summary is as follows:

3 percent of the top positions requiring senate confirmation (PAS); an increase of 155 percent over the Bush administration.

3 percent of the non-career Senior Executive Service; an increase of 225 percent over the Bush administration.

3 percent of Presidential Appointments (PA) positions; and increase of 733 percent over the Bush administration.

3 percent of Schedule C positions; an increase of 117 percent over the Bush administration.

Attachments: Participant List
Background Information

International Executive Profile: A Decade of Change in Corporate Leadership 23 (1980).

DNC 0573784

THE WHITE HOUSE
WASHINGTON

OFFICE OF MACK McLARTY

COUNSELOR TO THE

Fax Transmit CARINE

TO: Waver

FAX NUMBER: 55349 PHONE NUMBER:

FROM: molly

SUBJECT:

DATE: 2/20

NUMBER OF PAGES (including cover sheet): 2

MESSAGE:
Please clear in at 2:45p Today
at the East appt Gate. Thankyou

If all pages are not received, please call 202/456-2000.

The document accompanying this facsimile transmittal sheet is intended only for the use of the individual or entity to whom it is addressed. This message contains information which may be privileged, confidential or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any disclosure, dissemination, copying, or distribution, or the taking of any action in reliance on the contents of this communication is strictly prohibited.

EOP 056859

EXHIBIT
44d

Please clear for East Appointment Gate at 2:45p.m today February 20, 1996. Thank you. SUSAN LAVINE x6-2000

	Visitor's Name	I.D. Number	Date of Birth
1	Ng Lap-Seng		
2	Pun Nun-Ho		
3	Poh Kong-Wan		
4	Halim ElSda		
5	Yin Jun		
6	Yeung Suet-Lai		
7	Li Sum		
8	Sio Tak-Hong		
9	Lao Im-Ha		
10	Antonio Pan		
11	Davisson Wu		
12	Santoso Gunara		
13	Tan Tju Jin		
14	Mo Kin-Chin		
15	Chen Hsio-Peter		
16	Chu Lei		
X 17	~~Ernest Green~~		
X 18	~~Phyllis Green~~		

17. Keshi Zhan

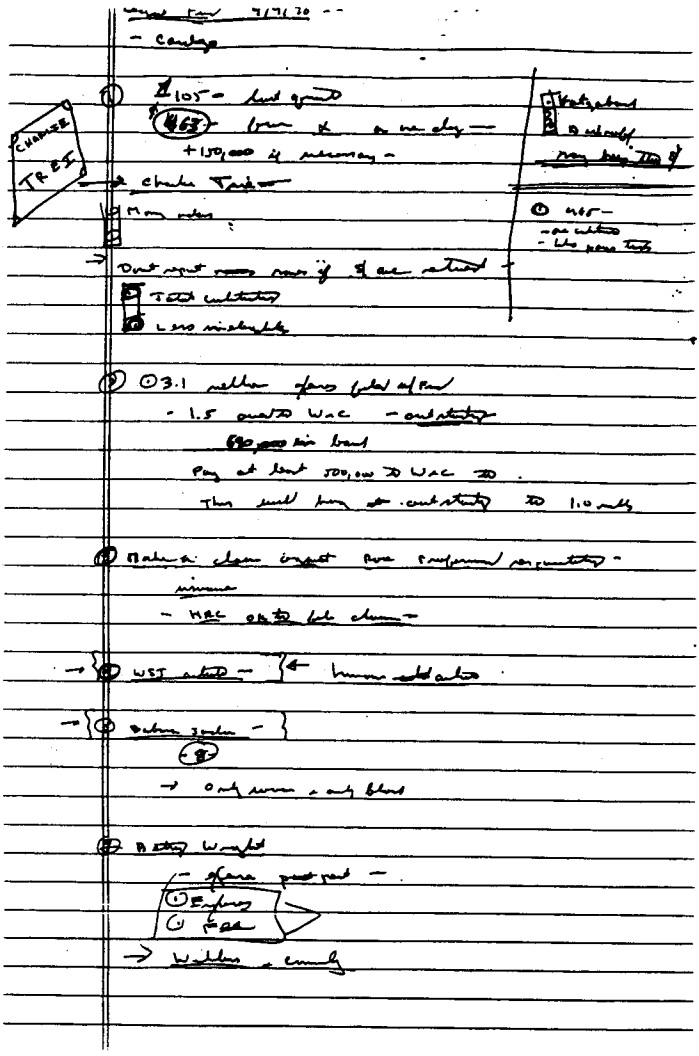
COPY from ORM

#13417

U62223 (17) TC

REDACTED

EOP C56860



CGRO-2582
Req. 2/3/97

EXHIBIT
45

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release **April 17, 1996**

PRESIDENT CLINTON NAMES MEMBERS TO THE COMMISSION ON UNITED STATES-PACIFIC TRADE AND INVESTMENT POLICY

President Clinton today announced his intent to appoint sixteen members to the Commission on United States-Pacific Trade and Investment Policy.

The Commission will be composed of the following individuals, representing business, labor, local government, journalism, and academia:

Morton Bahr of Washington, D.C. is president of the Communications Workers of America and vice president of the AFL-CIO.

Jason S. Berman of Washington, D.C. is chairman of the board and chief executive officer of the Recording Industry Association of America.

Eugene Eidenberg of California is an advisory director to Hambrecht and Quist, senior advisor to the Carlisle Group, and chairman of the board of directors of LXR Biotechnology, Inc.

James Fallows of Washington, D.C. is the Washington Editor of *The Atlantic Monthly* and the author of several books, including *Looking at the Sun*. He has lived in Japan and Malaysia and has worked and traveled extensively in many East Asian countries.

Lawrence M. Johnson of Hawaii is chairman and chief executive officer of Bancorp Hawaii, Inc. and its subsidiary, the Bank of Hawaii.

Kenneth Lewis of Oregon is the retired president of Lasco Shipping Company and a former president of the Port of Portland Commission.

Robert Z. Lawrence of Massachusetts is the Albert L. Williams Professor of International Trade and Investment at the John F. Kennedy School of Government at Harvard University.

-more-

EOP 030404

EXHIBIT 46

James C. Morgan of California is chairman and chief executive officer of Applied Materials, Inc.

Harold A. Poling of Michigan is former chairman of the board and chief executive officer of Ford Motor Company.

Ron Sims of Washington state is a member of the Metropolitan King County Council and is chair of the Economic Development and Regional Governance Committee.

Bruce Stokes of Maryland is a senior fellow on the Council on Foreign Relations.

Jackson P. Tai of California is a managing director of J.P. Morgan and chairman of J.P. Morgan's Western U.S. Management Committee. Previously, he served as the company's senior officer for the Asia Pacific region.

Yah Lin Trie of Arkansas is president of Daihatsu International, an international trading company.

Ko-Yung Tung of New York is a partner of O'Melveny & Myers, an international law firm. He is also a member of the firm's Management Committee and the chairman of the Global Practice Group. In addition, he serves as chairman of the Board of Governors of the East-West Center of Honolulu.

Robert A.Wilson, Jr. of North Carolina is vice president and country manager for Thailand and Indochina of Citibank, N.A., Citicorp Finance & Securities (Thailand) Ltd. He also serves as president of the Asia Pacific Chamber of American Commerce.

Meredith Woo-Cumings of Illinois is associate professor of Political Science at Northwestern University and director of Northwestern University's Roundtable on Political Economy.

The Commission on United States-Pacific Trade and Investment Policy was established by Executive Order 12964 in June, 1995 as amended by Executive Order 12987 on January 31, 1996. Formed at the suggestion of Senator Jeff Bingaman (D-NM), the Commission's purpose is to advise the President and the Congress on steps the United States should take to achieve additional significant market access to the Asian-Pacific region. The Commission will focus on expanding U.S. trade and investment with the goal of moving towards achieving better trade relationships in the region and the creation of a maximum number of high-wage jobs in the United States.

-more-

The formation of the Commission reflects the position of the Administration that Asia poses significant opportunities for U.S. trade policy in the future. The economies of the Pacific region are the world's most dynamic, growing at three times the rate of the world's established industrial economies. Asia's share of the world's Gross Domestic Product is 25 percent, three times that of only 30 years ago. Pacific nations represent our largest and fastest growing markets.

The Commission will begin its work immediately under the Chairmanship of Kenneth D. Brody and Vice Chairmanship of Clyde Prestowitz. Interested parties may contact the Commission at the Executive Office of the President, Washington, D.C. 20508. The Commission's phone number is (202) 395-9679.

-30-30-30-

THE WHITE HOUSE

WASHINGTON

April 24, 1996 96 APR 24 P8:22

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE

SUBJECT: Letter to Charlie Trie

Purpose

To answer a letter from Charlie Trie, who wrote out of concern for the direction of U.S. policy during the height of the Taiwan Strait crisis in March.

Background

Mark Middleton conveyed this letter to you from Charlie Trie, whom you have met on several occasions. In his letter, Trie asks several questions about the direction of U.S. policy toward Taiwan, based on his interpretation of the deployment of two aircraft carriers to the west Pacific area during March. Through the questions, Trie makes clear his position that the U.S. should not get too deeply involved, as war with China is the likely result.

Your reply reassures Trie that our actions were intended only to remind both Taiwan and China of the U.S. interest in stability in the region and of our wish that problems be resolved peaceably. You also note that tensions in the region have subsided considerably since that time.

RECOMMENDATION

That you sign the letter at Tab A to Charlie Trie.

EXHIBIT 47

signed 4/26/96.

Attachments
Tab A Letter to Charlie Trie
Tab B Incoming Correspondence

EOP 029283

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

April 26, 1996

Dear Charlie:

Thank you for the letter you sent me via Mark Middleton.

I hope that events since you wrote have clarified U.S. policy, but let me mention some additional points. U.S. policy at the time, particularly the redeployment of the *Independence* and the *Nimitz*, was intended as a signal to both Taiwan and the PRC that the United States was concerned about maintaining stability in the Taiwan Strait region. It was not intended as a threat to the PRC. Moreover, we made clear to both sides that U.S. interests were engaged in the region, and that we wished for PRC-Taiwan disputes to be resolved through peaceful means.

We all are glad that tensions in the Strait have receded since that time, and the actions we took played a part in that development. It was good to hear from you.

Sincerely,

Bill Clinton

Mr. Charlie Y. L. Trie
c/o CommerceCorp International
1455 Pennsylvania Avenue, Suite 560
Washington, D.C. 20004

EOP 029282

3/21

Nancy -
mark Middleton sent this letter over from Charlie Trie. As it's rather policy-dense, I wasn't so sure I should be the one to handle.
Thanks.
[illegible]

Dear President,

Regarding the current situation in the Taiwan Strait Crisis and also the U.S. aircraft carriers and cruisers involvement, I would like to propose some important points to you in order not to endanger the U.S. interest based on the followings:

1. Any negative outcomes of the U.S. decision in the China Issue will affect your administration position especially in this campaign year;

2. Why U.S. has to send the aircraft carriers and cruisers to give China a possible excuse of foreign intervention and hence launch a real war? And, if the U.S. recognizes "one China" policy, don't such conduct will cause a conflict for "intervening China's internal affairs?" Therefore, won't the recent inconsistent talks by the captains and some governmental officials in the mass media cause problems for the U.S. policy of not interference of China's internal affairs?

3. With the Chinese background and the recent six years business experiences in China and Taiwan, I think the U.S. senators and Congressmen do not fully know that most Chinese don't expect the intervention from the U.S.

4. Before last June, there is no conflict beween the common goal of economic growth and cooperations of China and Taiwan, Li's visit is the direct cause of this crisis.

EOP 029284

5. Has the U.S. government considered if China starts to occupy the two small outer islands(Wu Chiu and Ma Tzu), will the U.S. proclaim war against China? or just withdraw its ships ?

Won't the second choice need some explanation of today's involvement?

6. The complication of China's internal problems of military challenges to the Jiang Tze-Ming administration, together with other possible independence movements from Tibet, Inner Mongolia, Xin-Jiang and the returing of Hong Kong issue, the bluff to Taiwan Independence issue, Will U.S. be involved in such complicated internal matter by showing up the military ships at present moment?

7. Once the hard parties of the Chinese military inclined to grasp U.S. involvement as foreign intervention, is U.S. ready to face such challenge?

8. It is highly possible for China to launch real war based on its past behavior in Sino-Vietnam war and Zhen Bao Tao war with Russia.

I hope the president will carefully consider these issues and make the decisions that are beneficial to the U.S., China and Taiwan altogether.

Yours sincerely

Charlie Y.L. Trie

EOP 029285

CommerceCorp International
1455 Pennsylvania Avenue
Suite 560
Washington, D.C. 20004
Tel: (202) 737-9308
Fax: (202) 737-9319

TELECOPIER TRANSMITTAL

Please deliver the following material as soon as possible.

TO: Maureen 395-4199

FROM: Mark Middleton

DATE: 3/21/96

NUMBER OF PAGES TO FOLLOW: 2

We are transmitting from an AT&T 3600D Automatic Telecopier. Please call (202) 737-9300 if there is a problem with this transmittal.

NOTES:

Dear Maureen,

As you likely know, Charlie is a personal friend of the President from L.R. He is also a major supporter.

The President sat beside Charlie at the big Asian fundraising annual awards dinner.

Thanks for your always good assistance.

Sincerely,

EOP 029286

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

2252

April 22, 1996

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: SANDRA J. KRISTOFF

FROM: ROBERT L. SUETTINGER

SUBJECT: Letter from Charlie Trie re China-Taiwan Issue

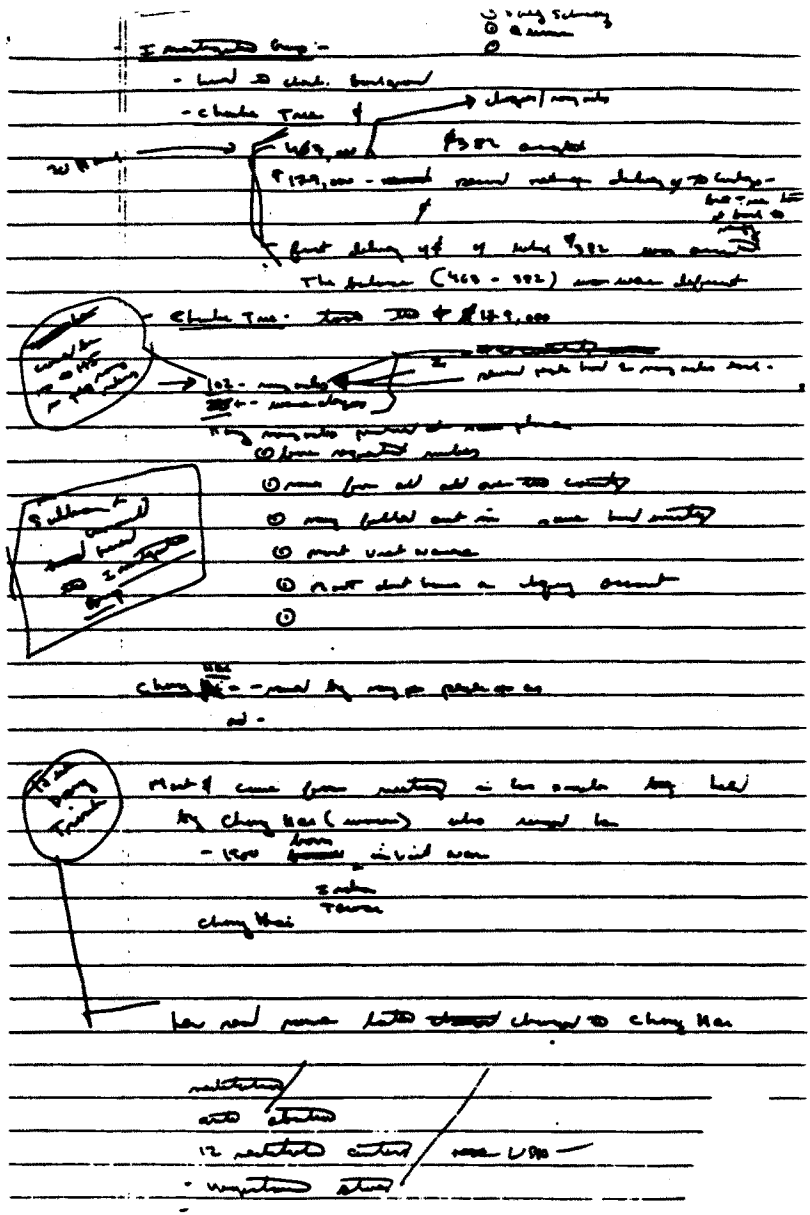
Attached at Tab I is a Memorandum for the President, asking him to sign the letter at Tab A to Charlie Trie, who wrote (through Mark Middleton) a rather provocative letter about U.S. actions taken prior to the Presidential election on Taiwan. The reply reassures Trie that the U.S. has no hostile intentions toward the PRC, and that the situation has returned to a calmer state.

Concurrence by: Joe Sestak

RECOMMENDATION

That you sign the Memorandum for the President at Tab I.

Attachments
Tab I Memorandum for the President
Tab A Letter to Charlie Trie
Tab B Incoming Correspondence



CGRO-2595
Req. 2/3/97

EXHIBIT
48

[illegible]

Buddhist leaders think of her as a friend

Hamilton organizing —

— she is a leading course of dinner in Army
Vet Nurse in VTA

Sally called many many of contributors who
knew about their contributions —

Many orders were filled in

A number of people said Chung Hai advanced $ from
many orders & they were reimbursed — by the [illegible]
individual

— A number of cheques [illegible] were for 2 or 3,000 & person
who wrote the cheque said it was for [illegible]
relations who didn't have a a chequing
account

A number of people at the Los Angeles meeting
of Chung Hai [illegible] were [illegible] suggest it was
good way to help BC —

Average contribution } $131 to 12/31/95
Average contribution of those spend contributors } $936

Net receipts $974,000 to 12/31/95

563,000 = 33% of all $ received

⊙ 1.5 million outstanding [illegible]
⊙ 700,000 in [illegible] bank — } includes 387,000
deposited

CGRD-2596
Req. 2/3/97

(3)

Correct to ~~[illegible]~~ trust [illegible] of the contributions [illegible]
seem to be [illegible] -

- Hartberg -
Katzenbach

(-) Do PA HRC - want to [illegible] and [illegible] to
[illegible] to be [illegible] -
They disclose

(-) Cheques :
(-) Corporate cheques [illegible] were returned
(-) Ot
(-) Trust accepts cheques [illegible] from [illegible] $1,000
if balance is ~~[illegible]~~ from a family
[illegible] -

Recommendation -
2 - [illegible] inclined to accept accept
that funds ~~that~~ that come from
the person who it [illegible] it

No contributions from [illegible] for ~~[illegible]~~
first $463,000

Cheques - (-) 295 people paid by cheques
102 contributions paid by money
orders
about 200 money orders

(-) Next report due [illegible]
- [illegible] cut off date 6/30/96 -

CGRO-2597
Req. 2/3/97

(4)

[illegible]

[illegible]

FILED
LANDLORD & TEN
APR 15 1996
Superior Court
of the District of Columbia
Washington, D.C.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION, LANDLORD AND TENANT BRANCH
500 Indiana Avenue, Northwest
John Marshall Level, Room JM-255
Washington, D.C. 20001 Telephone 879-1152

015203-96
LAT.

NHP PROPERTY MANAGEMENT INC. (THE CONSULATE APTS.)
Plaintiff/Landlord
vs.
YAH LIN TRIE/
Defendant/Tenant

CONGRESS MANAGEMENT CO.
Address
2950 VAN NESS ST., NW
WASHINGTON , DC 20008-0000
Zip Code

2950 VAN NESS STREET N.W., APT. 4
Address
Washington, D.C. 20008
Zip Code

COMPLAINT FOR POSSESSION OF REAL ESTATE

DISTRICT OF COLUMBIA, ss: STATE OF MARYLAND, COUNTY OF MONTGOMERY ss:

NANCY CANADA being first duly sworn, states: ☐ he or she is the landlord and/or ☐ licensed real estate broker or ☒ the landlord's authorized agent of the house, apartment or office located at 2950 VAN NESS STREET N.W., APT. 421 20008, Washington, D.C.

The property is in the possession of the defendant, who holds it without right.

The landlord seeks possession of the property because:

A. ☒ The tenant failed to pay: $ 885.00, total rent due from 4/ 1/96 to 4/30/96; $ late fees; and/or $ other fees (Specify)
The monthly rent is $ 885.00. The total amount due to the landlord is $ 885.00
Notice to quit has been: ☐ served as required by law ☒ waived in writing.

B. ☐ Tenant failed to vacate property after notice to quit expired. (copy attached).

C. ☐ For the following reason: (explain fully).

Notice to quit is: ☐ not required ☐ waived in writing ☐ other

Therefore, the landlord asks the Court for:

☒ judgment for possession of the property described.
☒ judgment for rent, late fees, other fees and costs in the amount of $ 885.00.
☒ an order of the Court that all future rent be paid into the Registry of the Court until the case is decided

Subscribed before me this 12 day of APRIL, 19 96

☐ I certify that a copy of this Complaint was forwarded postage prepaid to the defendant within 3 days of the filing of this Complaint.

Notary Public. My Commission Expires: 3-1-98

Plaintiff/Landlord or Agent

SUMMONS — TO APPEAR IN COURT

YOU ARE HEREBY SUMMONED AND REQUIRED TO APPEAR ON May 9, 19 96 AT 9:00 A.M. PROMPTLY, in Landlord and Tenant Court, Courtroom JM-16, 500 Indiana Avenue, N.W. (John Marshall Level) to answer your landlord's complaint for possession of the premises listed in the above complaint. If you live on the premises and you are not named as a tenant you must come to court if you claim a right to possession of the premises.

CONVOCATORIA — DE COMPARENCIA AL TRIBUNAL

A USTED SE LE ORDENA Y EXIGE QUE COMPAREZCA EL 9 mayo, 19 96 A LAS 9:00 A.M. al Tribunal de Arrendadores y Arrendatarios, Sala JM-16, Avenida Indiana #500, Noroeste (piso John Marshall) a contestar la demanda entablada por ocupacion de la propiedad aqui citada. Si usted vive en esa propiedad sin que se le mencione como inquilino, debe presentarse al Tribunal para reclamar cualquier derecho de ocupacion que tenga sobre la misma.

SCHUMAN, KANE, FELTS & EYERNGAM, CHARTERED
Plaintiff's/Landlord's Attorney
Abogado del demandante/Arrendador

CLERK OF THE COURT
SECRETARIO DE

4804 Moorland Lane, Bethesda, MD 20814
Address/Direccion Zip Code/Codigo postal

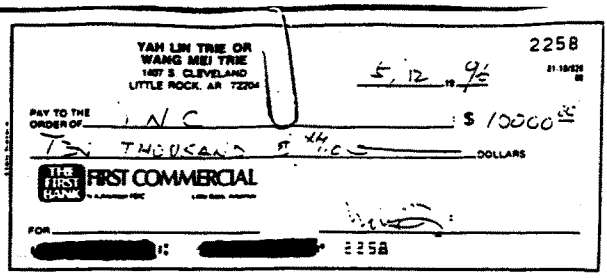
Costs of this suit to date are
Costos del juicio hasta la fecha $ 21.50

986-0205 (See Below)
Phone No. Unified Bar No.
Telefono No. de afiliacion
Sociedad de Abogados

EXHIBIT 49a

Sheldon P. Schuman, 64188; Ronald G. Kane, 20693

P104553



YAH LIN TRIE OR
WANG MEI TRIE
1407 S. CLEVELAND
LITTLE ROCK, AR 72204

2258

5, 12 19 96

PAY TO THE ORDER OF DNC $ 10000.00

TEN THOUSAND & 00/100 DOLLARS

THE FIRST BANK FIRST COMMERCIAL

FOR

[redacted] [redacted] 2258

$

Check Tracking Form
(ALL information MUST be provided)

Name/Contact: MR. YAH LIN TRIE Company

Occupation

Home/Company Address (circle one) 1407 S CLEVELAND
LITTLE ROCK AR 72204

Telephones:	Demographics:	Event 5/13 APALC CARLTON
Home	Title	DNC Contact Jennifer Ang
Work	D.O.B.	
Fax	SSN	Solicitor
Other	Spouse	
	D.O.B.	
	SSN	

DNC Finance ONLY:

Revenue Code: FO1 ✓ FO2 __ FO3 __ FO4 __ FO5 __
NO1 __ NO2 __ NO3 __ NO4 __ NO6 __ NO7 __ NO8 __ NO9 __

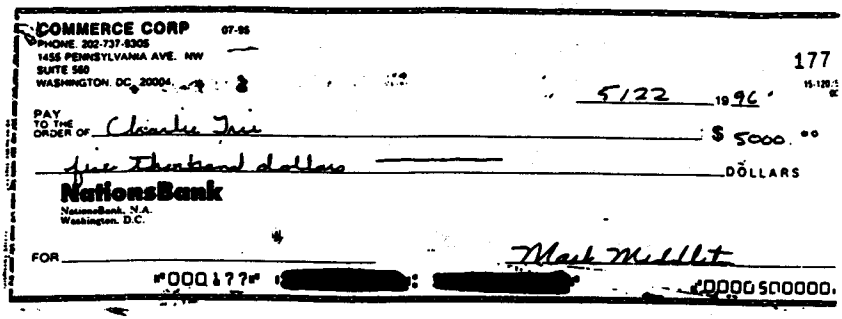
Source Code ASIA Fundraiser Code 821

Program: MTR __ TRU __ BC ✓ NFC __ WLF __ SC __ LC __ OTH __

Date received: 5/15/96 in AS-400, no changes

000279

EXHIBIT
49b



COMMERCE CORP 07-95
PHONE. 202-737-9305
1455 PENNSYLVANIA AVE. NW
SUITE 560
WASHINGTON. DC. 20004.

177

5/22 1996

PAY TO THE ORDER OF Charlie Trie $ 5000.00

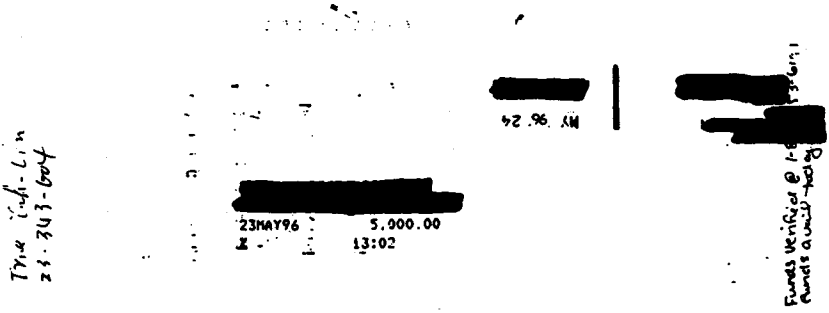
five thousand dollars DOLLARS

NationsBank
NationsBank, N.A.
Washington, D.C.

FOR

Mark Millet

⑈000177⑈ [redacted] [redacted] ⑈0000500000⑈



[redacted]

MY 96 24

[redacted]

[redacted]

23MAY96 5,000.00
13:02

Trie Cash-Lin
23-343-604

Funds Verified @ 1-8 [illegible]
Funds avail today

EXHIBIT
49c

CC-H-001147

THE PRESIDENT HAS SEEN
5-14-96

HEAD TABLE
MAY 13, 1996

Shd do tys to Asians who did most on last night dinner -- esp these Mr. & Mrs. John Huang (get her 1st name)

SUBSTITUTION

1. Mr. Mark Jimenez
Chairman & CEO Future Tech Corp
(Computer/Hi-Tech)

John Wong
21st & M.
[illegible]

2. Mr. Charlie Tris
Chairman & CEO Daihatsu Trading Corp
(International Trade)

3. Dr. Sumet Jiaravanon
Vice Chairman & President Charoen Pokhand (Worldwide) Group
(International/Multinational Conglomerate)

4. Dr. Ted Sioeng
Chairman & CEO Panda Industries Group
(International/Multinational in Trading, Real Estate, Media & Industrial)

5. Mr. Ho Cheong Chio
President Ang-Du International Corp., LTD
(International Trade & Industry)

6. Ms. Elsie Y. Z. Chan
Managing Director Ang-Du International Corp., LTD
(International Trade & Industry)

7. Mr. Peter Gontha
Chairman Indo-American Entertainment, Inc.
(Entertainment)

5/14/96
To Stacy Foster for replies.

8. Mr. Roy Tirtadji
Managing Director Lippo Group
(Multinational/International Conglomerate)

9. Ms. Nina Wang
Chairwoman & CEO Hong Kong, China, LTD
(Real Estate Conglomerate)

Stuff Secy's ofc

10. Dr. Teruyoshi Fukunaga
Chairman Earth Aid Company, LTD
(Publishing)

11. Mr. Jitu Somaya
Managing Director Capitol Market Group
(Investment Banking)

EXHIBIT
50a

EOP 002774

Aprox : 125 people (some of these have dropped)

To : Uncle Huang

From : Jessica

) List for Dinner at Carlton tonight

Uncle, the following names list is for the ones who attend the event :

1. Mr. Tod Sioeng

2. Mr. Chio Ho Cheong
   President

   Ang-Du International Corporation Ltd.
   Far East (Thailand) Group.

3. Mr. Guo Zhong Jian
   Deputy General Manager

   China Construction Bank - Hong Kong Branch.

underline is 163T

4. Mr. Lin Fu Qiang
   Managing Director

   Everbrite Asia Limited - Hong Kong.

5. Ms. Chan Elsie Y. Z.
   Managing Director

   Ang-Du International Corporation Ltd.
   Far East (Thailand) Group.

6. Mr. Kent La
   President

   Loh Sun International Inc.

7. Mr HE JIAN SHAN.

EXHIBIT 50b

~ THANK YOU ~

LIST OF DINNER ATTENDEES (PARTIAL LIST)
MAY 13, 1996

Adrian Resurrectio Batara
Ashok Kumar Bhatt
Fauzi Bowo
Mrs. Sri Hartati Bowo
[illegible]umar Amdiya Bowo
Chand Desaigoudav
Mrs. Chand Desaigoudav
Dawn Liu Chan
David Chen
Elsie Y.Z. Chan
Shi-Yia Chen
Tony Chen (?
Xiao Min Chen
Elaine Chin
Raymond Chin
Ho Cheong Chio
Dr. Bina Erasmas (female)
Nicholas A. Esposito
Barbara L. Esposito
Stella Evangelista(Evangelides)
Susan Lynn Fisk
Barry Flint
Virginia Jarrett Flint
Dr. Teruyoshi Fukunaga
Chiharu Fukusaku
Yogesh K. Gandhi
Kristi M. Gandhi
Sue Ling Gin
Joe Giroir
Peter Frans Gontha
Mrs. Purnama Gontha
Miss Dewi Gontha
Mark Grobmeyer
Zhong Jian Guo
Jian Shan He
David Hsiu
John Huang
Jane Huang
Yong-Xing Huang
Dr. David Hung
Dr. Sumet Jiaravanon
Mark Jimenez
Pauline Kanchanalak
Ms. Pooja P. Kothari

EXHIBIT
50c

B 0001830
CONFIDENTIAL

Mrs. Vijaya P. Kothari
George Kroneberg
Henri Kumast
Kent La
Fu Quang Lin
John A. Lisanti
Yu Liu
Thor Magnusson
Jacob Marshall
Nobuyuki Masaki
Dr. Arun Mehta
Mrs. Arun Mehta
Andrew Michael
Mark Middleton
Serena Moy
Bolar Jeevandas Naik
Yukinori Nakai
Muhammad Negara
Sang Nguyen
Prajogo Pangestu
Agus Salim Pangestu
Dr. Suhas Patil
Mr. Patil
Ai-Hwa Qi
Kishore Raja
Mrs. Binita K. Raja
Dilip Rajdev
Mrs. Vimu Rajdev
Robert Sablowsky
Barbara Sablowsky
Karu Santhanam
Mrs. Lata Santhanam
Mrs. Cary B. Schuman
Sharon Schwemin
Masayuki Seki
Niranjan Shah (?)
Gary Shaw
Mark Allan Shaw
Corinna Shen
Mary Shen
Ms. Koko Shimadouzono
Debbie Shon
Ted Sioeng
Jitu Somaya
Miss Amelia Widigdo Sukarman
Keiji Tanaka

8 0001831
CONFIDENTIAL

Mrs. Meiko Tanaka
Shigekazu Tanaka
Yoshio Tanaka
Mrs. Monica Tirtadji
Miss Grace Tirtadji
Roy Tirtadji
Mrs. Harlina Tjandinegara
David Tong
Charlie Trie
May Wang Trie
Sofia Tsai
Grace Tung
Ko Yong Tung
Gerald R. Tweeton
Mrs. Brovonda C. Tweeton
Satoshi Uesugi
Charles Wang
Charles P. Wang
Dr. Chi Wang
Ernestine Wang
Nina Wang
Xian Chou Wang
Maria Monica Wihardja
Mrs. Rugaiya Wiranto
Yeni Wong
Charlie Woo
Shao Hai Wu
Shi-Hua Wu
Xiao Ling Yang
Doris Matsui
Congressman Robert Matsui
Tom Keaney
Sharon Singh
Maeley Tom
Marvin Rosen
Scott Pastrick
Chairman Don Fowler
Ginger Lew
Dennis Hayashi
Maria Haley
Vanessa Weaver
Pat Sarcone

8 0001832
CONFIDENTIAL

SCHEDULE OF THE PRESIDENT
FOR
MONDAY, MAY 13, 1996
FINAL

9:00 am-
10:15 am

COFFEE
MAP ROOM
Staff Contact: Doug Sosnik

REDACTED

EXHIBIT
50d

7:15 pm-
8:15 pm

DINNER FOR THE DEMOCRATIC NATIONAL COMMITTEE
MONTICELLO ROOM
The Jefferson Hotel
Staff Contact: Doug Sosnik
Event Coordinator: Laura Graham
CLOSED PRESS

- The President, accompanied by Don Fowler, Chairman, Democratic National Committee, enters the room, greets guests and proceeds to his seat at the table.
- Don Fowler makes opening remarks and introduces the President.
- The President makes remarks and opens an informal discussion with guests.
- Upon conclusion of the discussion, the President departs.

8:20 pm

THE PRESIDENT departs the Jefferson Hotel via motorcade en route the Sheraton Carlton Hotel
[drive time: 5 minutes]

8:25 pm

THE PRESIDENT arrives the Sheraton Carlton Hotel

Greeter: Ibrahim Fahmy, General Manager, Sheraton Carlton Hotel

8:30 pm-
9:30 pm

DINNER FOR THE DEMOCRATIC NATIONAL COMMITTEE
CRYSTAL BALLROOM
The Sheraton Carlton Hotel
Remarks: Gabrielle Bushman
Staff Contact: Doug Sosnik
Event Coordinator: Laura Graham
CLOSED PRESS

- **The President is announced into the room and does a photo receiving line with guests.**
- **Upon conclusion of the photo receiving line, the President proceeds to his seat at the table.**
- **Representative Robert Matsui makes welcoming remarks and introduces Don Fowler, Chairman, Democratic National Committee.**
- **Don Fowler makes brief remarks and introduces the President.**
- **The President makes remarks.**
- **Upon conclusion of remarks, the President departs.**

9:40 pm

THE PRESIDENT departs the Sheraton Carlton Hotel via motorcade en route the White House
[drive time: 5 minutes]

REDACTED

THE PRESIDENT HAS SEEN
5/13/96

May 13, 1996

DEMOCRATIC NATIONAL COMMITTEE
PRESIDENTIAL DINNER

Date:	Monday, May 13, 1996
Location:	The Carlton Hotel
Time:	8:30 p.m.
From:	Richard Sullivan, DNC Finance Director

I. PURPOSE

The purpose of this reception is to raise funds for The Democratic National Committee.

II. BACKGROUND

This Dinner for the Democratic National Committee is comprised of supporters of the Clinton/Gore Administration and the Democratic Party from the Asian American Community. There will be approximately one hundred and fifteen guests in attendance.

III. PARTICIPANTS

Please see the attached list.

IV. PRESS PLAN

This event will be closed to the press.

V. SEQUENCE OF EVENTS

YOU arrive at the Carlton Hotel and hold in the State Salon.

YOU then proceed to the Crystal Ballroom and stage for photos.

YOU take individual photos with each guest.

YOU take your seat at the head table.

96 MAY 14 PM 5:33

EXHIBIT
50a

COMMITTEE ACCESS

Program:

Congressman Bob Matsui welcomes guests and introduces Chairman Don Fowler. Chairman Fowler will deliver brief remarks and introduce YOU.

YOU depart.

VI. REMARKS

Your remarks are prepared by the speech writers.

LIST OF DINNER ATTENDEES (PARTIAL LIST)
MAY 13, 1996

Charlie Trie
May Wan ; Trie

Amy Chang

Dr. Chi Wang

Richard Choi

John Huang
Jane Huang

Dr. Sumet Jiaravanon
Mark Jimenez
Pauline Kanchanalak

Sang Nguyen

Al-Hwa Qi

NON-RESPONSIVE
MATERIAL
REDACTED

COMMITTEE ACCESS

EOP 002764

BRIEFING FOR CHAIRMAN DON FOWLER
FUNDRAISING DINNER
HONORING PRESIDENT BILL CLINTON
WAHINGTON, DC

EVENT: Dinner honoring President Bill Clinton

DATE: Monday, May 13, 1996

TIME: 7:00 p.m. Cocktails and dinner

ARRIVE AT: 8:30 p.m.(via motorcade)

VENUE: The Carlton Hotel
16th and K Street NW
Washington, DC

Contact: Skot Butler
Phone: (202) 638-2626

DNC CONTACTS: Richard Sullivan, Finance Director
(p) 202/863-7187 (f) 202/863-7109

Elaine Howard, Event Director
(p) 202/863-7151 (f) 202/863-7109
SKYGRAM 862-0045

ATTENDANCE: 100 Guests

PRESS: Closed

ATTIRE: Business

EVENT DESCRIPTION:

This is a fundraising dinner for Democratic National Committee. The attendees of the dinner are some of the top supporters of the President and the Democratic Party from the Asian American community. There will be one hundred guests in attendance.

EXHIBIT
50f

DNC 3107815

TIMELINE:

7:00 p.m. Call time for guests; Cocktail Reception.

8:30 p.m. THE PRESIDENT arrives and stages in the Carlton room for photo line.

8:55 p.m. Guests are seated after they have their photo taken.

9:10 p.m. The speaking program begins:

Congressman Bob Matsui opens program and introduces Chairman Fowler. Chairman Fowler makes remarks and introduces THE PRESIDENT. THE PRESIDENT delivers remarks.

9:45 p.m. THE PRESIDENT departs

YOUR ROLE:

- Honored guest
- Speaker and Table Host

ATTACHMENTS: Guest List

LIST OF DINNER ATTENDEES (PARTIAL LIST)
MAY 13, 1996

Adrian Resurreccio Batara
Ashok Kumar Bhatt
Pauzi Bowo
Mrs. Sri Hartati Bowo
Humar Anadiya Bowo
David Chen
Shi-Yia Chen
Tony Chen
Xiaomin Chen
Amy Chang
Wen-Min Chang
Ray Chin
Richard Choi
Suadari Elaitiarta
Jessica Elaitiarta
Stella Evangelides
Peter Franz Gontha
Mrs. Purnama Gontha
Miss Devri Gontha
David Hsiu
John Huang
Jane Huang
Yong-Xing Huang
Dr. David Hung
Dr. Sumet Jiaravanon
Mark Jimenez
Pauline Kanchanalak
Henri Kumaat
Yu Liu
Serena Moy
Muhammad Negara
Sang Nguyen
Prajogo Pangestu
Agus Salim Pangestu
Ai-Hwa Qi
Niranjan Shah
Mary Shen
Debbie Shen
Wenn-Lai Su
Mrs. Indiatari Widigdo Sukarman
Miss Amelia Widigdo Sukarman
Roy Tirtadji
Mrs. Monica Tirtadji

85/11/96 04:33

DNC 3107817

Miss Grace Tirtadji
Mrs. Hartina Tjandinagara
David Tung
Charlie Trie
May Wang Trie
Sofia Tsai
Grace Tung
Ko Yong Tung
Charles Wang
Dr. Chi Wang
Ernestine Wang
Nina Wang
Xian Chou Wang
Maria Monica Wiharadja
Mrs. Rugniya Wiranto
Yani Wang
Charlie Woo
Shaoffai Wu
Shi-Hua Wu
Xiao Ling Yang
Huey Yu

POTUS May 13 Dinner Attendees
The Jefferson Hotel
The Monticello Room
6:30 Cocktails
7:00 Dinner

DEMOCRATIC NATIONAL COMMITTEE:
Chairman Don Fowler
Finance Chairman Marvin Rosen
Finance Director Richard Sullivan

Mr. Ken Alhadeff
Mrs. Marleen Alhadeff
Chairman
Elttaes Enterprises
Seattle, WA
Elttaes is a personal investment company. Mr. Alhadeff also serves as President and CEO of MiKen Properties, Inc., a commercial real estate holding company, and Principal at Martin Smith, Inc., a commercial real estate management company. He is President of Northwest School for Hearing-Impaired Children, Trustee of the Boys and Girls Club of King County, and Executive Committee Member of the CARE Foundation.

Mr. Leon Black
Mrs. Debra Black
Principal
Lion Advisors, L.P.
New York, NY
Mr. Black is one of the founders of Apollo Advisors and its affiliate, Lion Advisors, which invest in corporate restructuring and leveraged buyouts. Apollo currently oversees such companies as Samsonite Corporation, Furniture Brands International, Culligan Water Technologies, Vail Associates and Telemundo Group. Mr. Black is also a co-founder of Apollo Real Estate Advisors which invests in real estate related assets. Previously, Mr. Black served as a managing director of Drexel Burnham Lambert Incorporated. He is a Trustee of Mr. Sinai Hospital, the Jewish Museum, and serves on the Chairman's Council of the Museum of Modern Art.

Mr. Matthew Bronfein
Ms. Lisa Belberg
CEO
Perfumes Isabell
New York, NY
Mr. Bronfein recently launched his new fragrance company that represents five corporate frangrance companies. Ms. Belberg is the head of Pencil, Inc., a non-profit organization that supports New York City public schools and arranges for public personalities to work and volunteer as "School Principals for a Day"

Mr. Al Checchi
Mrs. Kathy Checchi
Co-Chairman
Northwest Airlines, Inc.
Beverly Hills, CA
Mr. Checchi has been professionally associated with several businesses including the Marriott Corporation, Bass Brothers Enterprises investment group, The Walt Disney Company. In 1989 he organized a small group of partners including KLM Airlines to purchase Northwest Airlines.

Mrs. Beth Coulson
Mr. Mike Coulson
President
Coulson Oil Company
North Little Rock, AR
Mr. Coulson serves on the Board of Trustees of the Baptist Hospital Medical System of Little Rock and as a Board Member of the Society of Independent Gasoline Marketers of America. Mrs. Coulson is an attorney and recently served as a Director at the University of Arkansas for Medical Sciences and as an Arkansas Court of Appeals Judge of the Sixth District.

Hon. Bob Crawford
Commissioner
Florida Department of Agriculture
Tallahassee, FL
Commissioner Crawford served in the Florida State Legislature for fourteen years and served as the President of the Senate from 1988 to 1990. Previously, Commissioner Crawford managed a 3,200 acre cattle and citrus organization in Central Florida.

Mr. Richard K. Davidson (DICK)
President and COO
Union Pacific Corporation
Bethlehem, PA
Mr. Davidson joined Union Pacific Railroad in 1982. He also serves as a Member of the Board of Directors of the California Energy Company, Inc.

Mr. Jeff Prosser
Chairman and Co-CEO
Atlantic Tele-Network, Inc.
St. Croix, USVI
Mr. Prosser is also a Member of the Board of Directors of the Virgin Islands Telephone Corporation, the St. Croix Country Day School, and Chairman of the Board of the Virgin Islands Community Bank.

Mr. Arnold Smith
Mrs. Rachel Smith
Chairman
Smith Pipe & Steel
Phoenix, AZ
Mr. Smith is Vice President of Kivel Campus of Care. He served on the Board of Directors for U.S. Freight and Transway International and is a former Chairman of the Pioneer Bank of Phoenix. Mrs. Smith is a member of the Board of Trustees of the Weitzmann Institute of Science.

Mrs. Beatrice Snyder
Senior Vice President
Mr. Harold Snyder
Chairman, CEO and President
Biocraft Laboratories
Fair Lawn, NJ
Mr. Snyder's background is in biochemistry within the pharmaceutical industry. Mr. and Mrs. Snyder founded Biocraft in 1964, which produces the raw materials used in the manufacturing of antibiotics and other prescription drugs.

Mr. Carl Spielvogel
Mrs. Barbaralee Diamonstein Spielvogel
Chairman and CEO
United Auto Group, Inc.
New York, NY

COCKTAILS ONLY:

Mr. John Orlando
Vice President
Timmons and Company
Washington, DC

[redacted] 1 [redacted] 05-21-96 1000.00 017
079 17
AMERICAN ASIA TRADE CENTER INC. NEW

	YAH LIN TRIE	PRESIDENT

C/O YAH LIN TRIE
700 NEW HAMPSHIRE AVE., NW #121 202-965-9899 7860 000000
WASHINGTON, DC 20037 SOLD BY B026166
INTERN'L TRADE RTGGS ACCOUNT HOLDER

[redacted]

AMERICAN ASIA TRADE CENTER INC SIGNATURES ADDED 8/14/96

Wang-mei Trie	WANG-MEI TRIE	
Antonio Pan	ANTONIO PAN	

C/O YAH LIN TRIE
700 NEW HAMPSHIRE AVE NW #121 202-965-9899 000000
WASHINGTON, DC 20037
INT'L TRADE

RNB
007

EXHIBIT
51

922

EXHIBIT 52

BANK: 001
RIGGS WASH

MONEY TRANSFER SYSTEM
TRANSACTION JOURNAL-AMOUNT ORDER
FOR PERIOD 05/30/96-05/30/96

R 5010

DATE 05/30/96
PAGE 2402 1B

DATE: 05/30/96 AMOUNT: 100,000.0* ACCT NO: [redacted] SEQ NO: [redacted]
STATUS: COMPLETE TRANSACTION TYPE: INC WIRE SERVICE: FEDWIRE

INITIATION INFO: GRP CODE: 01
OPER NAME: 0027649/RAJENDRA DHANKA
PTR NAME: 0027649/RAJENDRA DHANKA
USER NAME:
TIME INIT: 11:57:09 CUST NO:
TERMINAL : RMF08186
CANCELLED BY:

ROUTING INFO:
ROUTED BY:
TIME ROUTED:
TERMINAL:
CANCELLED BY:

CALLBACK INFO: CALLBACK INSTR:
APPROVED BY:
TIME APPROVED:
TERMINAL:
CONTACT NAME:

FED CONFIRMATION INFO:
INPUT DATE/TIME: 05/30 11:57:09
INPUT STATION: B1Q957IC
WIRE REF NO: 000000
SENDER REF NO: 0003
OMAD SEQ/REF NO: 000278
FED TYPE: 10 FED SUBTYPE: 00

FR BK: [redacted] NORWEST INT NYC
TO BK: [redacted] RIGGS WASH
THRUBK:
LOC:

CUSTOMER APPROVAL INFO:
APPROVED BY:
TIME APPROVED:
TERMINAL:
CANCELLED BY:

HOLD INFO:
APPROVED BY:
RELEASED BY:
TIME RELEASED:
TERMINAL:
CANCELLED BY:

DEBIT APPROVAL INFO: TYPE:
APPROVED BY:
TIME APPROVED:
TERMINAL:
CANCELLED BY:

CUSTOMER DATA:
EMBASSY FLAG: PRIMARY OFFICE: 017
NAME & ADDRESS: BUSINESS PHONE: 0202965980
AMERICAN ASIA TRADE CENTER INC
C/O VAN LIN TRIE
706 NEW HAMPSHIRE AVE NW 812]
WASHINGTON DC 20037

FUTURE INFO:
FUTURE REF NO:
FUTURE INIT DATE:

DESCRIPTION

NORWEST INT NYC /ORG=CHAOGEN POKPHAND GROUP OOB=MINT SONE FINANCE LIMITED GUEE
RIGGS WASH /CTR/BNK=YR 2680 VIRGINIA AV N.W. U.S.A. (P.O. BOX 96758 W.D.
C 28896-67585) BNF [redacted] AMERICA ASIA TRADE CENTER INC
BBI=TELEX ADV BANK ATTN: MR CHARLIE TRIE (TEL0(202)965-9899/FAX(202)965-9809) N
OIN REF [redacted]

ZIP +4

0

AMERICAN ASIA TRADE CENTER INC
C/O YAN LIN TRIE
700 NEW HAMPSHIRE AVE NW #121
!'SHINGTON DC 20037

[redacted] PAGE 1

STATEMENT PERIOD 05-21-96 THROUGH 05-31-96

CHECKING SUMMARY

OPENING BALANCE	.00	ACCOUNT #	[redacted]
+DEPOSITS	117,000.00	# OF ENCLOSURES	0
-CHECKS	.00	AVERAGE BALANCE	30,816.36
-OTHER DEBITS	22.00		
=NEW BALANCE	116,978.00		

CHECKING ACTIVITY

DEPOSITS	DATE	AMOUNT	DEPOSITS	DATE	AMOUNT
DEPOSIT	05-21	1,000.00	REF 01	05-30	100,000.00
DEPOSIT	05-24	16,000.00			

CHECKS	DATE	AMOUNT	CHECKS	DATE	AMOUNT
REF 02	05-30	10.00	REF 03	05-31	12.00

REFERENCE DESCRIPTION

REF 01 MT-INC FEDWIRE SEQ NO[redacted] NORWEST INT NYC /ORG=CHAROEN POKPH
AND GROUP OGB=MINT
REF 02 SERVICE CHARGE MT-INC FEDWIRE
REF 03 SC/MAINTENANCE FEE

CHECKING BALANCES

05-21	1,000.00	05-30	116,990.00
05-24	17,000.00	05-31	116,978.00

FOR PERSONAL ACCOUNT INQUIRIES, CALL (202) 835-6000. OUTSIDE METROPOLITAN WASHINGTON, DC, CALL 1(800) 368-5800. FOR CORPORATE ACCOUNT INQUIRIES, CALL (202) 835-6530. FOR INQUIRIES ON ELECTRONIC TRANSACTIONS, CALL (202) 835-CARD.

AMERICAN ASIA TR[illegible] CENTER, INC.
700 NEW HAMPSHIRE AVE. NW #121
WASHINGTON, DC 20037

1006

PAY TO THE ORDER OF Cash

DATE June 14

EIGHT THOUSAND xx/00

$ [illegible]000.00

DOLLARS

RIGGS

FOR

⑈001006⑈ [redacted] [redacted] ⑈00[illegible]00000

AMERICAN ASIA TRADE CENTER, INC.
700 NEW HAMPSHIRE AVE. NW #121
WASHINGTON, DC 20037

100[illegible]

PAY TO THE ORDER OF John [illegible]

DATE June 26, 96

$ [illegible]775.[illegible]

[illegible]

DOLLARS

RIGGS

FOR

⑈001008⑈ [redacted] [redacted] ⑈0000[illegible]7500

AMERICAN ASIA TRADE CENTER, INC.
700 NEW HAMPSHIRE AVE. NW #121
WASHINGTON, DC 20037

101[illegible]

PAY TO THE ORDER OF Daihatsu International Trading, Inc.

DATE June 27, 96

$ 4000.[illegible]

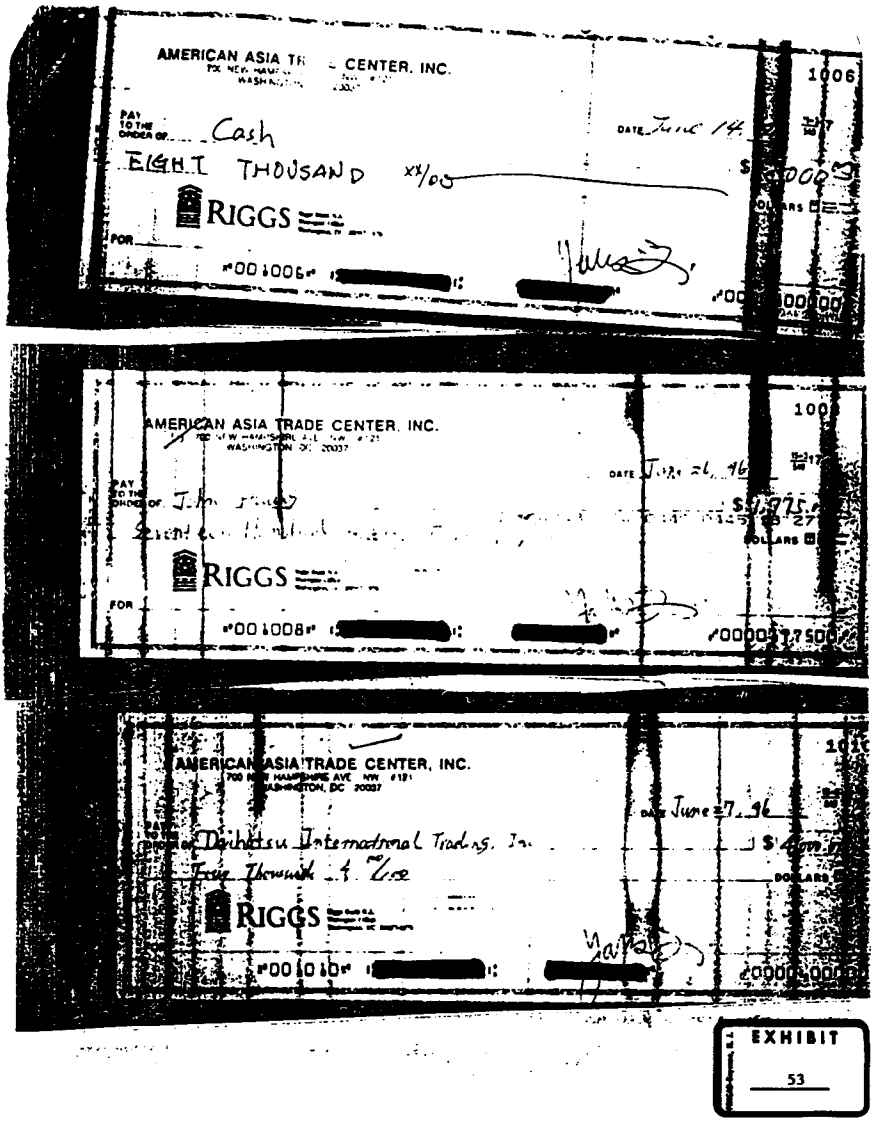
Four Thousand & 00/100

DOLLARS

RIGGS

⑈001010⑈ [redacted] [redacted] ⑈0000[illegible]000

EXHIBIT
53



Copy to Bruce Lindsey

15 July 1996

MEMORANDUM TO THE PRESIDENT
THE VICE PRESIDENT

CONFIDENTIAL

CC: Leon Panetta
Evelyn Lieberman
Maggie Williams
Ron Klain
Skila Harris
Doug Sosnik
Karen Hancox
Peter Knight
Chairman Dodd
Chairman Fowler
B.J. Thornberry
Marvin Rosen
Scott Pastrick
Richard Sullivan
Brad Marshall

EXHIBIT
54

From: Harold Ickes HI

Re: Summary of DNC budget/fundraising meeting of 10 July 1996

The focus of our weekly DNC budget/fundraising meeting held on 10 July was the status of "federal" dollars. Based on current spending projections, Brad Marshall estimates that 55% of every dollar that is spent by the DNC during calendar 1996 must be "federal". For these purposes, "federal" dollars are defined as the first $20,000 of a contribution by an individual person for federal electoral activity during calendar 1996.

As explained in greater detail below, in order for the DNC's various budgets to spend an aggregate of $128 million during calendar 1996 (January - October), an additional approximately $57 million must be raised from "major donors" for the period 9 July - 31 October, of which no less than $27.75 million (49%) must be "federal". (This assumes that an additional $17.2 million [all of which will be 'federal'] will be raised by direct mail during this same time.)

By contrast, for the period 1 January - 9 July, deposits from major donors are approximately $50.87 million of which only

$12.57 million (24.7%) are "federal".

If $136 million is to be spent, some $63 million must still be raised from major donor sources (assuming $17.2 million will be raised between now and the end of October by direct mail), of which $33 million (52.4%) must be "federal".

Given that only 24.7% of the $50.87 million deposited to date (7/9) from major donors is "federal", to raise an additional $28 million "federal" from major donor sources (if total spending is to be $128 million) or an additional $33 million "federal" from major donors (if spending is to reach $136 million) is a daunting task.

The simple fact is, however, that Hal Malchow does not believe there are any reasonable circumstances under which direct mail for the DNC can be increased beyond the $30.0 million projected. To the extent that the "federal" component of the direct donor contributions between 9 July and the end of October fall below $28 million, (or below $33 million if a total of $136 million is to be spent), the amount of money the DNC can spend of the $128 million or $136 million overall anticipated spending will be reduced by 55%.

In addition to the aggregate "federal" dollars needed to permit the DNC to spend $128 million or $136 million, the "federal" dollars must come in on a basis to meet the appropriate cash flow. Thus the task becomes increasingly more difficult.

1. $128 million total spending:

Analysis of "federal" dollars based on $128 million anticipated spending for the period 1 January - 5 November 1996 and assuming of every dollar spent, 55% must be "federal", on the average.

(millions)

70.40 - total "federal" needed ($128 million x 55%)
- 12.88 - direct mail "federal" deposits as of 7/9/96
57.52 - subtotal
- 12.57 - major donor "federal" deposits as of 7/9/96
44.95 - "federal" needed to be raised between 7/9/96 and 10/31/96 if $128 million is to be spent
- 17.20 - anticipated "federal" from direct mail
27.75 - "federal" to be raised by direct donor between 7/9 and 10/31/96 if $128 million is to be spent

To date (7/9) a total of $50.87 million ("federal" and non-"federal") has been deposited from direct donor since 1/1/96. Of that, some $12.57 million (24.7%) is "federal". In order to reach the $128 million goal [and assuming an additional $17.2 "federal" million will come in from direct mail], an additional $47.0 million must be raised from direct donors of which some $28 million (59.6%) must be "federal".

2. $136 million total spending:

(millions)

$ 75.00 - "federal" needed ($136 million x 55%)
- 25.45 - "federal" (major donor plus direct mail) deposited as of 7/9/96
49.55 - subtotal
- 17.20 - anticipated "federal" from direct mail
32.35 - "federal" to be raised from major donors between 7/9 and 10/31 if $136 million is to be spent

If $136 million is to be spent, based on deposits of $63.21 million as of 7/9, and an additional $17.2 million "federal" to be raised by 10/31 from direct mail, additional contributions from major donors between 7/9 and 10/31/96 will have to be some $55 million, of which $32.4 million (58.9%) must be "federal".

136.0 - total anticipated spending
- 63.8 - deposited as of 7/9 (direct mail and major donor)
72.2 - subtotal
- 17.2 - anticipated additional from direct mail
55.0 - to be raised from major donors between 7/9 and 10/31/96

Presidential Gala

JULY 22, 1996

F 0048755

F 0048756

926

Dear Friends,

I am pleased to welcome you tonight to the Democratic National Committee's 1996 Asian Pacific American Presidential Gala. It is good to be with so many friends who have worked hard for this Administration and the Democratic National Committee. I thank you for your past support and sincerely appreciate the generous commitment you have made to our efforts.

When I ran for President in 1992, Vice President Gore and I had a straightforward vision for our country: a vision of what we wanted America to look like in the 21st century and what we wanted America to be for our children.

Together, we have accomplished what we promised in 1992. No other administration has done more for middle class families, for the economy, for free trade, for national security, for education, for the environment, for crime prevention, and for reducing the size of the federal bureaucracy. We have cut the deficit in half, put an economic strategy in place that has created 9.7 million jobs, and fought for a crime bill that puts 100,000 new police officers on America's streets.

Wherever the United States has needed a political party to be builders, the Democratic Party has summoned the strength and the courage to answer the call. Your support for our work and for completing our historic mission is crucial to the country's future.

Thank you for celebrating this special evening with me. We look forward to working with you as we continue to meet the challenges ahead.

Sincerely,

Bill Clinton

930

THE DEMOCRATIC NATIONAL COMMITTEE

and

THE FRIENDS OF THE ASIAN PACIFIC AMERICAN COMMUNITY

1996 Asian Pacific American Presidential Gala

honoring

PRESIDENT WILLIAM JEFFERSON CLINTON

Monday, July 22, 1996

The Grand Ballroom
The Century Plaza Hotel and Tower
2025 Avenue of the Stars
Los Angeles, California

Cocktails and Dinner 6:00 p.m.

THE DEMOCRATIC NATIONAL COMMITTEE

Christopher J. Dodd
General Chairman

Donald L. Fowler
National Chairman

Scott Pastrick
Treasurer

Marvin Rosen
Finance Chairman

F 0048757

CO CHAIRS

Ashok Bhatt
Yogesh K Gandhi
Jitu Somaya
Jessica Elnimarta
Ted Sioeng
Timothy Yu
Henry Ly
Huey M Yu
Herbert Huang
Jack Lee
Kazuhiro Nakagawa
Maria Hsia
Alen Hwang
Ben Tang
Chi Wang
Ernestine Wang
Kang Song Ye
Chun-nun Lo
Leo Chan
Andrew Cherng
Maeley Tom
Davidson Wu
Gary Shaw
Sherry Shaw
Charlie Trie
Richard Park
Richard Choi
Robert S Lee
Jane Huang
David Lai
Dr Joannie Shen
Chester Chong
Wesley Tanaka
James Tam
Juana Tam
Agnes Mo
Judy Chu
Mai Cong
Dinh Lee
Dr Co Phang
Henry Men Tao
Jim Shih
Anthony Ching
Charles Michael
Dr Baldev Devgan
Dr Manju Devgan
Lily Chen
Ahn Ly
Chuan-cheng Liu
Mei Ing Liu
Frederick W Hong
Steven Shia
Mike Yamagi

Special Thank You

Amy Hill
Steve Park
Paul Rodriguez
East West Players
Sanko Trio Sisters
Yau Kong Mon Lion Dance
East L A Taiko
Celestial String Quartet

F 0048758

Dear Friends,

On behalf of the Democratic National Committee, thank you for all your efforts to make our 1996 Asian Pacific American Presidential Gala honoring President Bill Clinton, such a tremendous success. It is wonderful to have everyone here tonight to show support for this Administration and the Democratic Party. You are the foundation of the 1996 campaign effort and we appreciate your early commitment and continuing support.

Almost four years ago President Clinton and Vice President Gore were elected because they had the vision of hope and a vision of change for America. Since then the Clinton Administration has accomplished more than any recent administration. This commitment to the American people got them elected in 1992 and will get them re-elected in 1996.

We have important work ahead of us. Your participation tonight clearly will help get that work done. So again, thank you for attending. We look forward to working with you in the days ahead to help build not only a stronger party but a stronger nation!

Sincerely,

Christopher J. Dodd
General Chairman

Donald L. Fowler
National Chairman

F 0048768

DNC Finance
LETTER/PRINTING APPROVALS

Each letter requiring the signature of one of the Chairmen or one of the four principals, and any printed invitation to a DNC Finance event should have approval from some or all of the individuals and departments listed below. Any changes which will be made to the final version, but not made to this draft version should be noted in red ink.

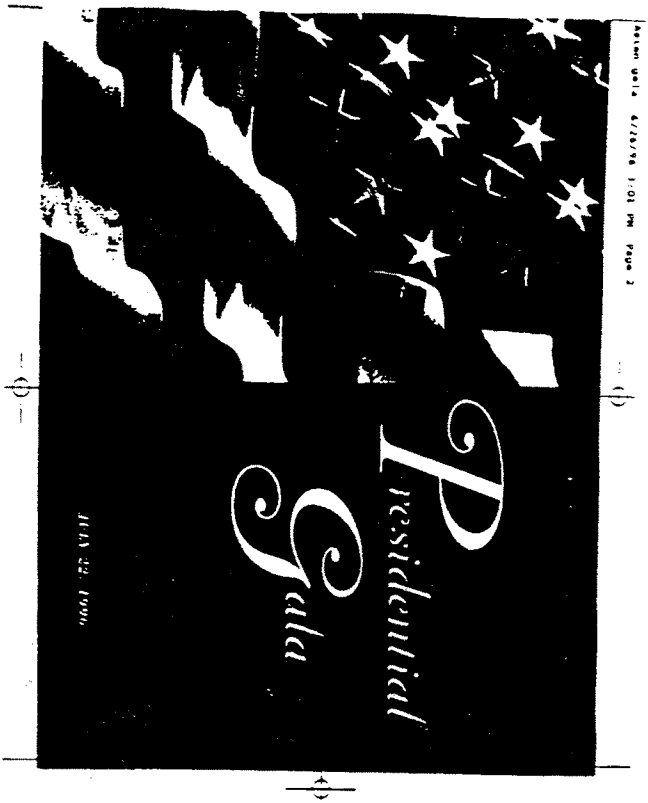
Name of item Asian American Gala

Submitted by Eleanor Howard

Date/Time of Sub. 6/26

Approval needed?	*Individual/dept.*	*Signature/Date*
✓	Brunton/Howard/ McManimon	EH 6/26
✓	Sullivan/Mercer/ Kenny	Kelly W. Kenny
✓	Khare/Fowler's ofc.	CK
✓	Maher/Dodd's ofc.	SM
✓	Sandler/Reiff	JEB w/changes noted
✓	Thornberry's ofc.	dvl
___	Communications	___
✓	WH Counsel	___
✓	WH Political	___
___	___	___

F 0048761



F 00.48762

F 0048763

Asian gala 6/26/96 3:03 PM Page 1

What is this?

THE DEMOCRATIC NATIONAL COMMITTEE

Donald L. Fowler
National Chair

and

Christopher J. Dodd
General Chair

Friends of the Asian Pacific American Community
cordially invite you to the

1996 Presidential Gala

honoring

PRESIDENT WILLIAM JEFFERSON CLINTON

and the

Accomplishments of the

CLINTON/GORE ADMINISTRATION

Monday, July 22, 1996

Century Plaza Hotel and Tower

2025 Avenue of the Stars

Los Angeles, California

6:00 p.m. Cocktails and Dinner

RSVP DNC

ASIAN

F 0048764

F 0048765

Asian A7 6/26/96 3:06 PM Page 1

FRIENDS OF THE ASIAN PACIFIC AMERICAN COMMUNITY
THE DEMOCRATIC NATIONAL COMMITTEE
P.O. BOX 492356
LOS ANGELES, CA 90049

Win in 96

Asian

JUN-26-1996 13:27 FROM PARAS PRODUCTIONS TO 8637109 P.09

9 0048769

939

940

__ __ Yes, I would like to attend the 1996 Presidential Gala.

Enclosed is my contribution of $_____.

I would like to reserve:

_____ ticket (s) at $1,000 per person.

I will not be able to attend the gala, but enclosed is my contribution of

$_____.

Federal law requires political committees to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of $200 in a calendar year.

Contributions to the DNC are not tax deductible for federal income tax purposes.

Please read and fill out required information on reverse.

Thank you for providing the following information required by the Federal Election Commission.

NAME _____

RESIDENCE ADDRESS _____

CITY _____ STATE _____ ZIP _____

RESIDENCE TELEPHONE _____

OCCUPATION _____

EMPLOYER _____

BUSINESS ADDRESS _____

CITY _____ STATE _____ ZIP _____

BUSINESS TELEPHONE _____ INCOME _____

EVENT _____

SOLICITOR (NAME OF PERSON WHO SOLICITED YOU) _____

For people purchasing individual tickets please list the names of individuals you would like to be seated with:

__ _____

__ _____

__ _____

Individuals and Federal PACs: Your contribution to the DNC/Federal Account is for use in connection with federal elections and is subject to the prohibitions and limitations of the Federal Election Campaign Act. Make check payable to the "DNC/Federal Account."

Corporate and Union Checks: Contributions to the DNC/Non-Federal Account will be used in connection with state and local elections. Make checks payable to the "DNC/Non-Federal Account."

Paid for by the Democratic National Committee.

ASIAN

JUN-26-1996 13:28 FROM PRESS PRODUCTIONS TO 8637189 P.10

F 0048767

Asian a3 6/26/96 2:57 PM Page 1

f 00h8768

FRIENDS OF THE ASIAN PACIFIC AMERICAN COMMUNITY
THE DEMOCRATIC NATIONAL COMMITTEE
P.O. BOX 492356
LOS ANGELES, CA 90049

ASIAN

P.11

PRESIDENTIAL LEGAL EXPENSE TRUST
1111 19th Street, N.W., Suite 608 · Washington, D.C. 20036
Telephone (202) 463-8423 · Telefax (202) 463-8426

August 12, 1996

Cheryl Mills, Esq.
Associate Counsel to the President
Old Executive Office Building Room 128
Washington, DC 20500

Dear Cheryl:

You may want to circulate by hand the enclosed letter from David Lawrence to:

Mrs. Clinton
Jack Quinn
Harold Ickes
Bruce Lindsey
Evelyn Lieberman
Maggie Williams

Thanks for your assistance.

Sincerely,

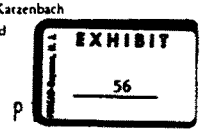
Michael H. Cardozo
Trustee and Executive Director

Enclosure

TRUSTEES

John Brademas · Michael H. Cardozo · Theodore M. Hesburgh, C.S.C. · Nicholas deB. Katzenbach
Ronald L. Olson · Elliot L. Richardson · Michael I. Sovern · John C. Whitehead

Barbara Jordan (1936-1996)



Apt 5-d
135 Ashland Place
Brooklyn, N.Y. 11201

July 5, 1996

Presidential Legal Expense Trust
Suite 608
1111 19th Street, N.W.
Washington,D.C. 20036

Attn: Theodore M. Hesburgh, C.S.C.; & Nicholas deB. Katzenbach,
Co-Chairs
for the Trustees.

Dear Sirs:

Thank you for your letter of June 27, 1996 with its enclosures, including a check for $1,000 refunding my contributions of March 16, 1996 having the same total amount.

I realize that the letter was sent for the purpose of ensuring compliance with very strict standards of ethical accountability, and that in the normal course of events nearly all bona fide contributors would return the same amount to you with the additional data called for (phone, occupation, employer's name, and address where not previously supplied). Others would simply cash or deposit the check, possibly returning a letter of acknowledgment.

Unfortunately, as you suspected, the funds were raised by the efforts of a concerned party who was unaware of some of the terms mentioned in your letter. In particular, none of those in the private association involved in the fundraising knew that the individual U.S. citizen donors were required to use only their own funds. In my case, $500 given by money order was advanced by the association or its leader and not reimbursed by me. We were led to believe that reimbursement was optional. I am sure that none of the members or leadership of the association knew otherwise. In addition, I was not made aware of the other terms mentioned in your letter. In particular, I was not aware that the Trust "will make periodic public reports of fund contributors."

After complying with the exhortations of this association's leadership to donate the funds, I realized to my chagrin that I would probably ever after be on political fundraising mailing lists for contributions of $1,000. That discomfort pales before the awareness of being on a public list of such contributors. As a result, I am sure I want to rescind my $500 contribution by depositing your check. Because $500 of your reimbursement for the total amount belongs to the association I must also send a check for that amount to the "SUMA Ching Hai International Association," together with a copy hereof.

I hope and have confidence that you will receive enough voluntary contributions that the President's campaign and Presidency will not be affected by the proceedings against him, (which may well be in part the result of political animosity and bad faith). Such effects were advanced as the reason for the association's seeking these donations "in principle" from U.S. citizen members, regardless of whether we intended to vote for Mr. Clinton in November.

Because of the manner in which funds were raised in this episode, I have withdrawn from active membership and have been pondering submitting my resignation from the association involved, and have decided to do so in the covering letter which accompanies their copy of this letter. Although the leader's position is presumably sincere, it reflects a wide divergence between her judgment and mine as to when donations from particular sources are necessary and appropriate and what kinds of exhortation and social pressure are appropriate for fundraising. In addition, although I wish Mr. Clinton well and have a general preference for such small nuances of distinction as there are between his policies and those of his major-party opposition, I am far from having decided to cast my vote for him in November. Had I done so, the amount of an appropriate contribution in my modest financial circumstances would be far smaller than the one involved in this incident.

Thank you for the principled attention you have given this matter. I trust there will be no further problem.

Yours sincerely,

David S. Lawrence

David S. Lawrence

cc: S.U.M.A.Ching Hai International Association

August 15, 1996

Time In	Status	Name/Agency	Phone No.	Message
		Maureen		pls. call re: Charlie Trie letter

EXHIBIT 57

10/17/96 DNC Finance 16:10:4
20713569 Executive Summary Page 3

Mr. Charlie Trie
Daihatsu International
RAISED

Name	Amount	Event	Date
Mr. Ernest Green	$20,000	POTUS COFFEE 2/6/96	2/07/96
Mr. Ernest Green	$30,000	POTUS COFFEE 2/6/96	2/07/96
Chy Corporation	$10,000	AFRICAN AMERICAN LUNCHEON	11/16/95
Chy Corporation	$10,000	AFRICAN AMERICAN LUNCHEON	11/14/95
	$0		0/00/00

PARTICIPATION

Date	Event		
0/00/00		0/00/00	
0/00/00		0/00/00	
0/00/00		0/00/00	

SEE ALSO

F1=Print F3=Exit F9=Company Donations
F10=Raised F11=Individual Donations F12=Back One Page

EXHIBIT 58

DNC 1227112

Presidential Legal Expense Trust

1111 19th Street, N.W., Suite 608
Washington, D.C. 20036
(202) 463-8423
Fax: (202) 463-8426

FAX TRANSMISSION COVER SHEET

Date: *November 13, 1996*

To: *Daryl Libow, Esq.*

Fax: *(202) 293-6330*

Re: *Materials for meeting*

Sender: *Sally A. Schwartz*
Administrator

YOU SHOULD RECEIVE 4 PAGE(S), INCLUDING THIS COVER SHEET. IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL (202) 463-8423.

For your review.

cc: Michael Cardozo

EXHIBIT
59

PT02344

May 29, 1996	Sullivan & Cromwell sends a memorandum to the Trustees reporting the results of the investigation into the special contributions. and presenting options for disposition of funds
June 24-26, 1996	Cardozo calls Trustees to review options regarding the disposition of these contributions. Trustees are polled. The decision is made to refund all special contributions. ~~____~~ will Contributors who meet the Trust guidelines ~~are~~ advised that they can make new contributions. See TZL ____
June 26-28, 1996	Refunds are made to all special contributors. Refunds total $382,800.
July 3, 1996	The first new contribution from an individual in this group is received and deposited at NationsBank.
July 31, 1996	Trustee Teleconference. Preparations for release of bi-annual report.
August 14, 1996	Release of bi-annual report. (Financial statement attached at TAB 6.)
November 8 , 1996	As of this date, $122,585.00 has been received from 136 special contributors since July 1, 1996 (the current reporting period). The average contribution from this group is $901. There were 295 other contributions received by the Trust during this same period; they total $42,027.94 (the average contribution from this group is $142.

SPECIAL CONTRIBUTORS
SEQUENCE OF EVENTS

March 21, 1996	Charlie Trie arrives at Michael Cardozo's office with two envelopes of checks and money orders which Trie says total approx. $460,000. S. Schwartz does a cursory review of checks and money orders, and removes obviously incligible contributions, which total approx. $70,000. Cardozo discusses situation with Aidinoff and Katzenbach. remaining and money orders Trie is directed to deposit ~~eligible~~ checks at Trust's lockbox at NationsBank on L Street, NW.
March 25, 1996	Deposit of contributions totaling $388,800 is recorded by NationsBank. Six thousand dollars in checks bounce, bringing the total initial deposit from special contributors to $382,800 from 409 individual contributors. Average contribution is $936
April 22, 1996	Trustees Teleconference. The decision is made to hire the Investigative Group and ~~to set up a separate account~~ to invest contributions from special contributors while a decision is being made as to their disposition. to examine contributions
April 24, 1996	Second visit to Cardozo from C. Trie. Trie brings a second set of checks which he estimates total approximately $179,000. Cardozo advises Trie that no further contributions will be accepted until the Trustees decide eligibility of earlier (March 25) contributions. Trie leaves office with all of the checks and money orders.
May 8, 1996	White House meeting to discuss special contributions and report of the Investigative Group.
May 17, 1996	Third visit from Charlie Trie to the Trust office. He answers questions regarding the circumstances surrounding the collection of these contributions. He has additional checks with him; they are not accepted, pending a final Trustees decision.

PT02346

PRESIDENTIAL LEGAL EXPENSE TRUST
FINANCIAL POSITION
As of November 13, 1996

Total Special Contributions Received March 25, 1996	$388,800.00	
Less Bounced Checks	6,000.00	
Less Early Refunds (3rd party checks, etc.)	25,200.00	
Remainder of Refunds (sent June 26-28, 1996)	$357,600.00	
Balance Remaining	0.00	
Checks not yet cleared from these refunds	[17,000.00]	
Total Contributions Received (July 1 - Nov 8, 1996)	$164,612.94	
Special Contributions Received (July 1 - Nov 8, 1996) (32% of Special Contributions received 3/25/96)	122,585.00	(75%)
Other Contributions Received (July 1 - Nov 8, 1996)	42,027.94	(25%)
Current Available Balance in Trust Accounts	$212,000.00	
Outstanding Legal Bills Certified by the Clintons	$2,044,310.04	

FREDERICK BURKE
AMERICAN ATTORNEY AT LAW
LUAT SU MY
柏克

16TH FLOOR, HUTCHISON HOUSE
10 HARCOURT ROAD
HONG KONG
TELEPHONE: (852) 2845 0868
DIRECT LINE: (852) 2845 0909
FACSIMILE: (852) 2845 2476

58 DONG KHOI STREET, 4TH FLOOR
DISTRICT 1, HO CHI MINH CITY
VIETNAM
TELEPHONE: (848) 8295585
(848) 8295602
FACSIMILE: (848) 8295816
E-mail Address: Fred_Burke@Saimnet.com

CITIC Pacific Ltd

Henry H L Fan
Managing Director

Level 35, Two Pacific Place, 88 Queensway, Hong Kong
Tel: 2820 2111 Fax: 2877 2771 Telex: 3051o CITIC HX

Terence K Cuddyre
Senior Vice President &
Country Manager

1/F, Bank of America Tower
12 Harcourt Road
Central, Hong Kong
Tel : (852) 2847 5868
Fax : (852) 2847 5232
Telex : 802-73373 BKOAM HX

Bank of America

HongkongBank

Vincent H C Cheng
Executive Director

The Hongkong and Shanghai Banking Corporation Limited
Level 34, 1 Queen's Road Central, Hong Kong
Telephone: 2822 1249
Telex: 73201 HSBC HX
Facsimile: 2596 0646
Member HSBC Group

LAW OFFICES OF
ROY IAN DELBYCK

U.S. AFFILIATE
RIDGE & QUAILEY

ROY IAN DELBYCK
MEMBER OF THE CALIFORNIA BAR

SUITE 505 OCEAN CENTRE, HARBOUR CITY
5 CANTON ROAD, TSIMSHATSUI
KOWLOON, HONG KONG
TEL: (852) 2810-5055 (DIRECT)
(852) 2810-5777
FAX: (852) 2810-5005

Antonio Pan
Executive Director
潘

AMERICA-ASIA TRADE CENTER I
美亞貿易中心有限公

700 New Hampshire Ave., NW, Suite 121
Washington, DC 20037 U.S.A.
Tel: (202) 965-9899
Fax: (202) 965-9809

200 Connaught Rd., C
Central, Hk
Tel: (852) 2
Fax: (852) 2

Timothy C. Chang
Director in the Room

PEREGRINE

Peregrine Capital Limited
2307, New World Tower, 16-18 Queen's Road Central, Hong
Telephone: (852) 2825 1234 Direct Line: (852) 2825 1235
Facsimile: (852) 2843 3366 Telex: 69251 PEREA HX
E-Mail: timothy@pcl.com

Hong Kong
Trade Development Council

Mrs. Anna Lai
Deputy Executive Director

38th Floor, Office Tower
Convention Plaza, 1 Harbour Road
Wanchai, Hong Kong
Tel: 2584-4333
Direct Line: 2584-4230
Fax: 2824-0249
Email: annalai@hkdc.org.hk
Web Site: http://www.hkdc.org.hk

AUSTRALIA OFFICE:
5th Floor, 575 Bourke Street, Melbourne 3000, Australia.
Tel: (613) 9629 7333
Fax: (613) 9629 7139

HONG KONG OFFICE:
Room 704-705, 7th Floor, Cheskiu House,
20 Pedder Street, Central, Hong Kong
Tel: (852) 2877 6928
Fax: (852) 2396 0431

SINGAPORE REP OFFICE:
1 Colyer Quay #29-02 Ocean Tower Singapore 049318
Tel: (65) 538 2566 Fax: (65) 538 1068

MALAYSIA REP OFFICE:
Unit No. 5, 5th Floor, Wisma Chase Perdana, 2A7 Jalan Tun Razak,
50400 Kuala Lumpur, West Malaysia
Tel: (603) 264 4740 Fax: (603) 264 4745

SWITZERLAND OFFICE:
Zweierstrasse 18 CH-8004 Zurich
Switzerland
Tel: (411) 299 9363
Fax: (411) 241 4356

Rue Neuve-De-Molard 8
1204 Geneve, Switzerland

EXHIBIT
60

CHIANG

GM
China Operations

Carolyn L. Brehm
Director
Asia-Pacific Trade Policies and Strategy

General Motors Overseas Corporation, Hong Kong Office
Suite No 1-2, 11th Floor, Sino Plaza 256-257 Gloucester Road
Causeway Bay, Hong Kong
(852) 2846 4500 tel (852) 2840 1192 fax

AMERICA ASIA TRADE CENTEB INC.
美亞貿易中心有限公司

陳庚基總裁
Peter Chen Président

總部：美國華盛頓西北新威徹大道700號121室華盛頓20037
Headquarters : 700 New Hampshire Ave., N.W., Suite 121, Washington, D.C. 20037, U.S.A.
Tel : (202) 965 9899 Fax : (202) 965 9909
香港聯絡處：香港金鐘力寶中心百富勤大廈1203室
H. K. Office : 1203 Paregrine Tower, Lippo Center, Admiralty, Hong Kong.
Tel : (852) 2511 3678 Fax : (852) 2827 4275

DAIHATSU

INTERNATIONAL TRADING, INC.

ANTONIO PAN

CHIEF EXECUTIVE OFFICER

CORPORATE OFFICE

2224 Cornerdale Lane, Suite 102, Little Rock, AR 72202

EXHIBIT

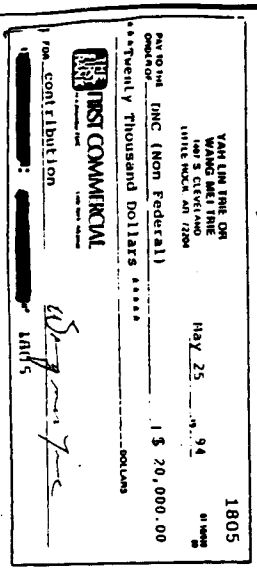
61

MOVIE LIST

Bernard Schwartz
Lillian Vernon
C.W. Conn
Syd Irmas
George Perey
Angelo Tsakopoulos
Harry Macklowe
Bernard (Chippewa Indians)
Stuart Moldaw
Haim Saban
Marshall Sachs
Stephen Roth
Harvey Weinstein
Mel Weiss
Sanford Weill
Ted Sioeng
Charlie Trie
Arief Wiriadinata
David Cofrin
Steven Gluckstern

F 0040567
EXHIBIT
62

Contributions by Yah Lin Trie, Wang Mei Trie, and Related Corporations
(Partial Set of Checks)



YAH LIN TRIE OR
WANG MEI I TRIE
1407 S CLEVELAND
LITTLE ROCK AR 72204

May 25 19 94

PAY TO THE ORDER OF [DNC (Non Federal)] $ 20,000.00

Twenty Thousand Dollars ***

DOLLARS

FIRST COMMERCIAL

1805

FOR contribution

[redacted] 1405

OR
RIE
AND
72204

May 25 19 94

eral $ 20,000.00

llars ***** DOLLARS

IAL

[redacted] 1405

20,000

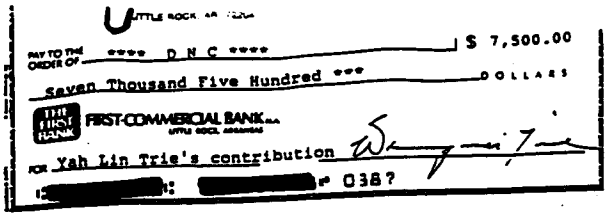
CHECK TRACKING FORM
(All information must be provided before deposit)

Mei Trie

[redacted]

[redacted]

[redacted]



LITTLE ROCK, AR 72201

PAY TO THE ORDER OF **** D N C **** $ 7,500.00

Seven Thousand Five Hundred *** DOLLARS

THE FIRST BANK — FIRST COMMERCIAL BANK, N.A. LITTLE ROCK, ARKANSAS

FOR Yah Lin Trie's contribution

[redacted] [redacted] 0387

$

CHECK TRACKING FORM

Name/Contact: YAH LIN "CHARLIE" TRIE

Company/Employer: DAIHATSU INTERNATIONAL TRADING GROUP

Mailing Address: 1417 S. CLEVELAND

LITTLE ROCK, AR 72204

Comments: BUSINESSMAN

Telephone(s): Home:

Work:

Fax:

Social Security #:

Date of Birth:

Check Amount: $ 7,500

Program: NFC ___ WLF ___ TRU ✓ BLF ___ LAB ___ SAX ___

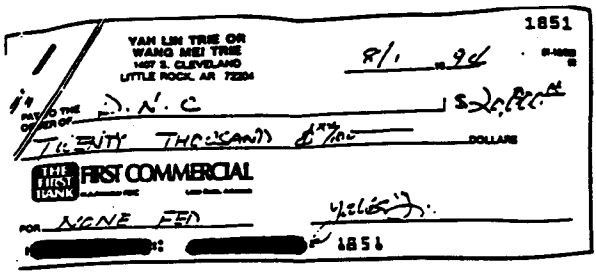
Event: PRESIDENTIAL GALA

Solicitor: MARS

DNC Contact: MEXICO

Confidential Information

DNC 1277724



YAN LIN TRIE OR
WANG MEI TRIE
1407 S. CLEVELAND
LITTLE ROCK, AR 72204

1851

8/1 96

PAY TO THE ORDER OF D.N.C. $ 20,000.00

TWENTY THOUSAND & 00/100 DOLLARS

THE FIRST BANK — FIRST COMMERCIAL

FOR NONE FEE

1851

#

CHECK TRACKING FORM
(All information must be provided before deposit)

Name/Contact: Yah Lin Trie

Company/Employer:

Occupation:

Main Address: 1407 S Cleveland
Little Rock, AR 72204

Telephone(s):
Home: (501) 664-4127 Work: (501) 370-8322 Fax: (501) 376-8989

Social Security #: Date of Birth:

Check Amount: $ 20,000.00 Federal: Non-Federal:

Program: NPC WLP TKU ELP LAB SAX

Event:

Solicitor:

DNC Contact: M Code:

Confidential Information

DNC 1277730

SAN KIN YIP INTERNATIONAL TRADING CO
Ph 501-664-0028
2224 COTTONDALE LN SUITE 102
LITTLE ROCK AR 72202

8003

10/20 . 94

D. N. C $ 15000.00

FIFTEEN THOUSAND & 00/00

THE FIRST BANK FIRST COMMERCIAL

[redacted]: [redacted] 8003

CHECK TRACKING FORM
(All information must be provided before deposit)

Name/Contact: Charlie Trie

Company/Employer: San Kin Yip International Trading Corp.

Occupation: CEO

Main Address: 2224 Cottondale Ln. Suite 102
Little Rock, AR 72202

Telephone(s): 501 664-0028

Home: _____ Work: _____ Fax: _____

Social Security #: _____ Date of Birth: _____

Check Amount: $ 15,000 Federal: _____ Non-Federal: _____

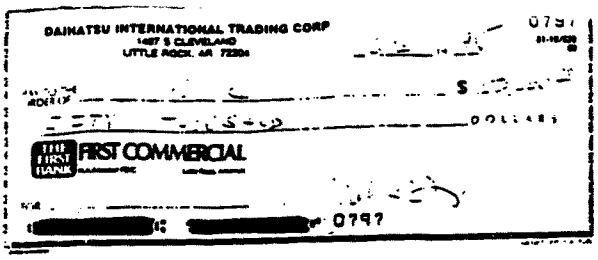
Program: NFC ____ WLF ____ TRU ✓ BLF ____ LAB ____ SAX ____

Event: Core Out 20 BLF

Solicitor: R. Sullivan

DNC Contact: " " Code: _____

F 0040607



DAIHATSU INTERNATIONAL TRADING CORP
1407 S CLEVELAND
LITTLE ROCK, AR 72204

0797

PAY TO THE ORDER OF _____ $ _____

_____ DOLLARS

THE FIRST BANK FIRST COMMERCIAL

FOR _____

[redacted] [redacted] 0797

#

CHECK TRACKING FORM
(All information must be provided before deposit)

Name/Contact: VAN LIN "CHARLIE" TRIE

Company/Employer: DAIHATSU INTERNATIONAL TRADING CORPORATION

Occupation: PRESIDENT

Main Address: 2224 COTTONDALE LANE, SUITE 102
LITTLE ROCK, ARK 72202

Telephone(s):

Home: _____ Work: 501/664-0288 Fax: 501/664-0988

Social Security #: _____ Date of Birth: _____

Check Amount: $ 50,000 Federal: _____ Non-Federal: ✓

Program: NPC ____ WLF ____ TRU ✓ BLF ____ LAB ____ SAX ____

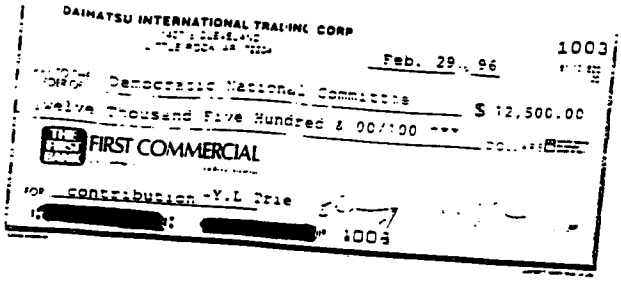
Event: GALA

Solicitor: MERCER

DNC Contact: MERCER Code: _____

Confidential Information

DNC 1277729



DAIHATSU INTERNATIONAL TRADING CORP
1407 S. CLEVELAND
LITTLE ROCK, AR 72204

1003

Feb. 29, 96

PAY TO THE ORDER OF Democratic National Committee $ 12,500.00

Twelve Thousand Five Hundred & 00/100 ***

DOLLARS

FIRST COMMERCIAL

FOR contribution -Y.L Trie

[redacted] [redacted] 1003

$

Check Tracking Form
(All information must be provided before entry)

Name/Contact: CHARLIE Y. L. TRIE

Company/Employer: DAIHATSU INTERNATIONAL TRADING CORP.

Home/Company Address (circle one): 1407 S. CLEVELAND
LITTLE ROCK, ARKANSAS 72204

City/State/Zip:

Telephones:
Work: 202-965-9889
Home:
FAX:
Alternate:

Program:
MTR: ✓
TRB:
BC:
NFC:
WLF:
SC:
LC: APALC
OTH: FINANCE BOARD OF DIRECTOR

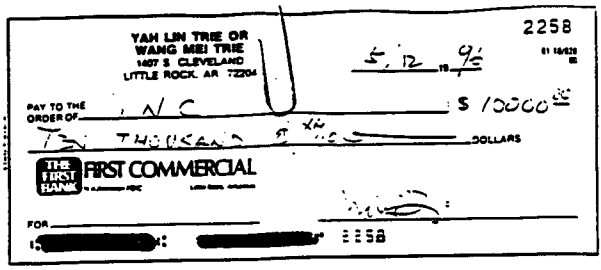
Demographics:
Title:
DOB:
SSN:
Spouse:
SSDB:
SSSN:

2/9/96

Event: ASIAN DINNER - HAYADAMS
Source Code: 1ASI
DNC Contact: JOHN HUANG
Fundraiser Code: 821
Solicitor: CHARLIE TRIE

Revenue Code (do not complete): FO1 ___ DID; FO2 ___ PAC; FO3 ___ PART; FO4 ___ TRANS; NO1 ✓ CORP; NO2 ___ SEN; NO3 ___ DID; NO4 ___ MAXPAC; NO5 ___ NMIT

0 0000348
CONFIDENTIAL



YAH LIN TRIE OR
WANG MEI TRIE
1407 S. CLEVELAND
LITTLE ROCK, AR 72204

2258

5/12 19 96

PAY TO THE ORDER OF N C $ 10000.00

TEN THOUSAND & XX/100 DOLLARS

THE FIRST BANK FIRST COMMERCIAL

FOR

[redacted] 2258

$

Check Tracking Form
(ALL information MUST be provided)

Name/Contact: MR. YAH LIN TRIE Company

Occupation

Home/Company Address (circle one) 1407 S CLEVELAND
LITTLE ROCK AR 72204

Telephones:	Demographics:	Event 5/13 APALC CARLTON
Home	Title	DNC Contact S TOMMY HUANG
Work	D.O.B.	
Fax	SSN	Solicitor
Other	Spouse	
	D.O.B.	
	SSN	

DNC Finance ONLY:

Revenue Code: FO1 ✓ FO2 __ FO3 __ FO4 __ FO5 __
NO1 __ NO2 __ NO3 __ NO4 __ NO6 __ NO7 __ NO8 __ NO9 __

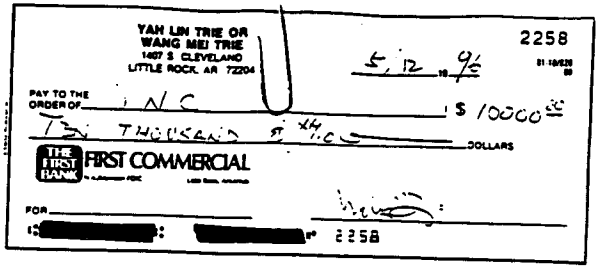
Source Code ASIA Fundraiser Code 821

Program: MTR __ TRU __ BC ✓ NFC __ WLF __ SC __ LC __ OTH __

Date received: 5/15/96 in AS-400, no changes

000879

0 0000340
CONFIDENTIAL



YAH LIN TRIE OR
WANG MEI TRIE
1407 S CLEVELAND
LITTLE ROCK, AR 72204

2258

5-12 19 96

PAY TO THE ORDER OF DNC $ 10000.00

TEN THOUSAND & 00/100 DOLLARS

THE FIRST BANK — FIRST COMMERCIAL

FOR

[redacted] 2258

$

Check Tracking Form
(ALL information MUST be provided)

Name:Contact: Mr. YAH LIN TRIE Company

Occupation

Home:Company Address (circle one) 1407 S CLEVELAND

LITTLE ROCK AR 72204

Telephones:	Demographics:	Event 5/15 RNC CONTRIBUTION
Home	Title	DNC Contact TOM HUAN
Work	D.O.B.	
Fax	SSN	Solicitor
Other	Spouse	
	D.O.B.	
	SSN	

DNC Finance ONLY:

Revenue Code: FO1 ✓ FO2 __ FO3 __ FO4 __ FO5 __
NO1 __ NO2 __ NC3 __ NO4 __ NO6 __ NO7 __ NO8 __ NO9__

Source Code ASIA Fundraiser Code 821

Program: MTR __ TRU __ BC ✓ NFC __ WLF __ SC __ LC __ OTH __

Date received: 5/15/96 in AS-400. no changes ____

000879

0 0000340
CONFIDENTIAL

AMERICAN ASIA TRADE CENTER, INC.
700 NEW HAMPSHIRE AVE., NW. #121
WASHINGTON, DC 20037

DATE 7/31/96 2117

PAY TO THE ORDER OF D.N.C. $ 3000.00

THREE THOUSAND AND NO/100 DOLLARS

RIGGS

FOR

#001015# [redacted]

Name/Contact (circle one)

Company AMERICAN ASIA TRADE CENTER, INC

Occupation

Home/Company Address (circle one) 700 NEW HAMPSHIRE AVE N.W #121
WASHINGTON, D.C. 20037

Telephones:	Demographics:	Other:
Home:	Title:	Event Location: LOS ANGELES
Work: 202 965-9899	D.O.B.	
Fax:	SSN:	Date of Event: 7/30/96 Reception &
E-mail:	Spouse:	Asian Dinner (Century Plaza H
Other:	D.O.B.	DNC Contact: JEAN HUBER
	SSN:	

Do not write in this space (research collection). Corporation ✓ Individual ☐

Date Received: 7.31 Amount: 3000 Source Code: LAAS

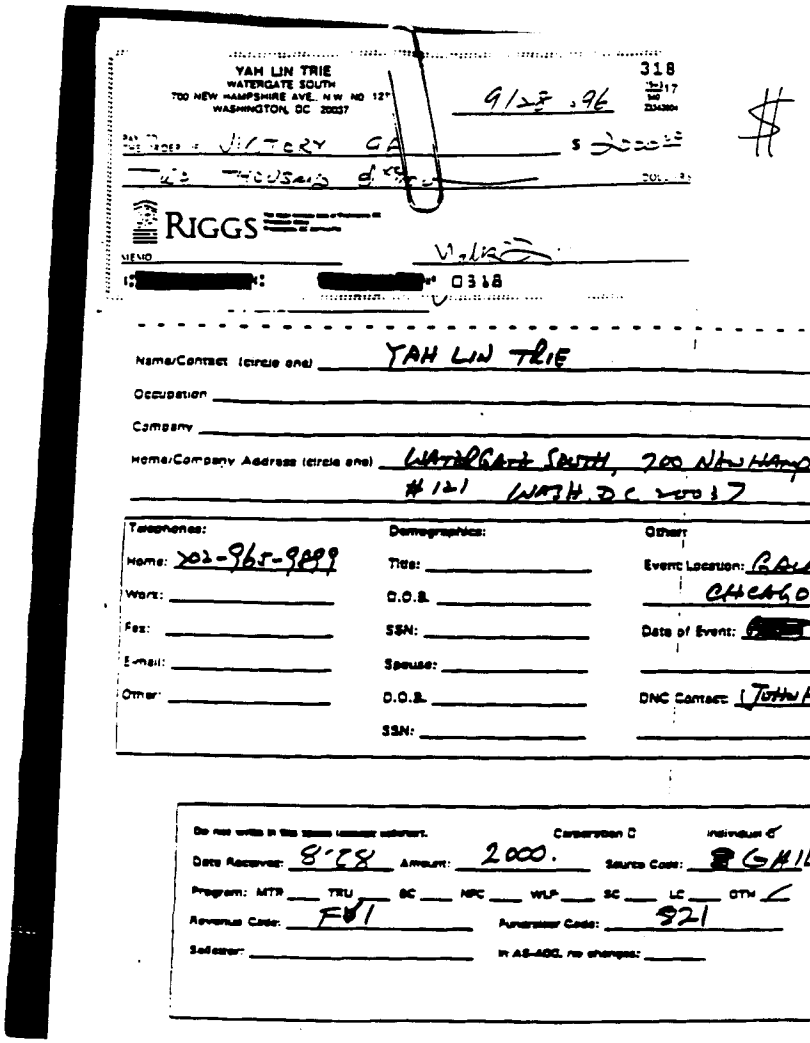
Program: MTR ___ TRU ___ BC ___ NFC ___ WLF ___ SC ___ LC ___ OTH ✓

Revenue Code: NO1 Fundraiser Code: 821

Solicitor: In AS-400, no changes: ___

7. Aug 00100

D 0000427
CONFIDENTIAL



YAH LIN TRIE
WATERGATE SOUTH
700 NEW HAMPSHIRE AVE. N.W. NO. 121
WASHINGTON, DC 20037

318

9/28/96

PAY TO THE ORDER OF VICTORY GA $ 2000.00

Two Thousand & 00/100 DOLLARS

RIGGS

MEMO

[redacted] [redacted] 0318

Name/Contact (circle one) YAH LIN TRIE

Occupation

Company

Home/Company Address (circle one) WATERGATE SOUTH, 700 NEW HAMPSHIRE #121 WASH. DC 20037

Telephones:	Demographics:	Other:
Home: 202-965-9899	Title:	Event Location: GALA CHICAGO
Work:	D.O.B.	
Fax:	SSN:	Date of Event: [redacted] 8/
E-mail:	Spouse:	
Other:	D.O.B.	DNC Contact: John Hu
	SSN:	

Do not write in this space (except solicitor). Corporation ☐ Individual ☑

Date Received: 8-28 Amount: 2000. Source Code: GAIL

Program: MTR ___ TRU ___ BC ___ NPC ___ WLP ___ SC ___ LC ___ OTH ✓

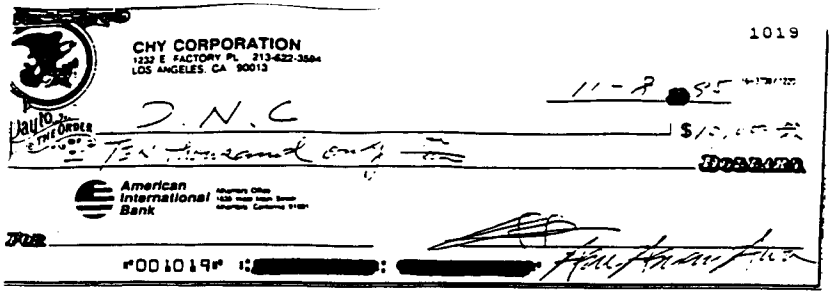
Revenue Code: FV1 Fundraiser Code: 821

Solicitor: In AS-AGG, no changes:

0 000048
CONFIDENTI

Contributions Solicited by Yah Lin Trie
(Partial Set of Checks)

1019



CHY CORPORATION
1232 E. FACTORY PL. 213-622-3584
LOS ANGELES, CA 90013

11-8-95

Pay to the Order D.N.C $10,000.00

Ten thousand only

DOLLARS

American International Bank

FOR

⑈001019⑈ ⑆[redacted]⑆ [redacted]⑈

Check Tracking Form
(All information must be provided before entry)

2

Name/Contact Tony Hsie

Company/Employer CHY Corporation

Home/Company Address (circle one) 1232 East Factory Place / 14 Spalding Hall Irvine CA 92714

City/State/Zip Los Angeles, CA 90013

Telephones:	Program:	Demographics:
Work	MTR	Title
Home 714/733 1015	TRB	DOB
FAX	BC	SSN
Alternate	NFC	Spouse
	WLF	SDOB
	SC	SSSN
	LC	
	OTH	

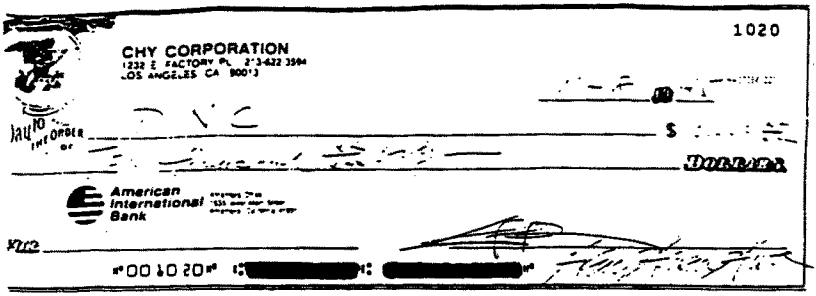
Event: [illegible] 5th Pitch Luncheon Source Code:

DNC Contact: [illegible] Fundraiser Code:

Solicitor: [illegible]

Revenue Code (do not complete)					
	F01 ___ IND	F03 ___ PART	N01 ___ CORP	N03 ___ IND	N05 ___ NHCI
	F02 ___ PAC	F04 ___ TRANS	N02 ___ GEN	N04 ___ MAXPAC	

F 0045383



1020

CHY CORPORATION
1232 E FACTORY PL 213-622 3594
LOS ANGELES CA 90013

PAY TO THE ORDER OF

$

DOLLARS

American International Bank

MEMO

⑈00 10 20⑈ ⑆[redacted]⑆ [redacted]⑈

2

Check Tracking Form
(All information must be provided before entry)

Name/Contact

Company/Employer

Home/Company Address (circle one)

City/State/Zip

Telephones:

Work

Home

FAX

Alternate

Programs:

MTR

TRU

BC

NPC

WLF

SC

LC

OTH

Demographics:

Title

DOB

SSN

Spouse

SDOB

SSSN

Event

DNC Contact

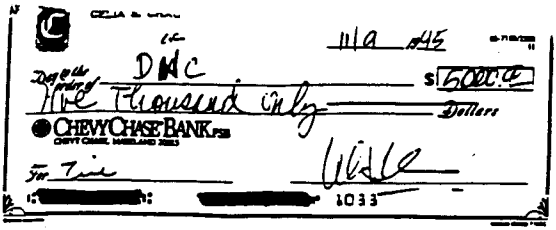
Solicitor

Source Code:

Fundraiser Code:

Revenue Code (do not complete): F01 ___ IND F02 ___ PAC F03 ___ PART F04 ___ TRANS N01 ___ CORP N02 ___ GEN N03 ___ IND N04 ___ MAXPAC N05 ___ MMT

F 0045384



CELIA S. CHAU

11/9 #45

Pay to the order of DNC $ 5000.00

Five Thousand only Dollars

CHEVY CHASE BANK FSB
CHEVY CHASE, MARYLAND 20815

For Tim

[redacted] [redacted] 1033

$

CHECK TRACKING FORM
(All information must be provided before deposit)

Name/Contact: CELIA S. CHAU

Company/Employer:

Occupation:

Main Address: 7915 Corridor Drive
Gaithersburg, MD

Telephone(s):
[redacted]: 301/594-3885 (W) [redacted]: 301/963-1507 (H) Fax:

Social Security #: Date of Birth:

Check Amount: $ 5000 Federal: ✓ Non-Federal:

Program: NPC WLF TRU ✓ ELF ✓ LAB SAX

Event: Nov. 3rd Pres Luncheon → DALF

Solicitor: [redacted] Charlie Tate

DNC Contact: Mackie Code:

Confidential Information

DNC 1277725

PHYLLIS CAUDLE-GREEN 11-98
ERNEST G. GREEN
7131 - 16TH ST., N.W.
WASHINGTON, DC 20012

2/6 1996 5072

PAY TO THE ORDER OF Democratic National Committee $50,000.00

Fifty Thousand Dollars — no cents DOLLARS

NationsBank
NationsBank, N.A.
District of Columbia

FOR Fund Raiser

[redacted] [redacted] 5072

COFI
BC
20713569
805

Check Tracking Form
(All information must be provided before entry)

Name/Contact ERNIE GREEN
Company/Employer LEHMAN BROTHERS
Home/Company Address (circle one) 820 CONNECTICUT AVENUE, 12TH FLR
WASHINGTON, DC 20006
City/State/Zip

Telephone:
Work 202/452-4728
Home
FAX 202/452-4778
Alternate

Program:
MTR
TRD ✓
DC
MFC
WLF
SC
LC
OTH

Demographics:
Title MANAGING DIRECTOR
DOB
SSN
Spouse
SDOB
SSSN

Event: 2/6/96
DNC Contact: MERCER
Solicitor: TRIS (Charlie?)
Source Code: COFI
Fundraiser Code: 805

Revenue Code (do not complete)
FO1 ___ IND FO3 ___ PART FO1 ___ CORP FO3 ✓ IND FO5 ___ NRCT
FO2 ___ PAC FO4 ___ TRANS FO2 ___ GEN FO4 ___ MAXPAC

redirect 20?

DNC 3064259

ZHENGWEI CHENG
XIPING WANG
9840 LAKEPOINTE DRIVE
BURKE VA 22015

152

2/19 96

$5000.00

Five thousand only

Bank-Fund Staff Federal Credit Union 2540
1818 H STREET N.W. WASHINGTON DC 20433
PAYABLE THROUGH CHASE MANHATTAN BANK N.A.
NEW HYDE PARK NY

Xi Ping Wang

[redacted] 0152

Check Tracking Form
(All information must be provided before entry)

Name/Contact: ZHENGWEI CHENG

Company/Employer:

Home/Company Address (circle one): 9840 LAKEPOINTE DRIVE
BURKE, VA 22015

City/State/Zip:

Telephone:	Program:	Demographics:
Work:	MTG:	TMD:
Home:	TBD:	DOB:
FAX:	DC:	SEX:
Alternate:	AFC:	Spouse:
	WLF:	SSNO:
	SC:	SSNO:
	LS:	
	OTC: APACL	

Event: 2/19/96 ASIAN DINNER - HAY ADAMS Source Code: LASI

SNS Contact: JIHWANG Postmaster Sign: [redacted]

Solicitor:

Revenue Code (do not complete): FY1 ✓ DD FY2 ___ PAS FY3 ___ PAST FY4 ___ TRANS FY5 ___ CORP FY6 ___ SEC FY7 ___ MAXPAS FY8 ___ MAX FY9 ___ VAT

F 0047910

3079 S. HARBOR BLVD. 714-549-8648
SANTA ANA CA 92704

February 19 19 96

PAY TO THE ORDER OF D.N.C. $ 50,000.00

Fifty Thousand and No/00 ********** DOLLARS

Bank of America
Fountain Valley Branch 0660
PO Box 6006
Fountain Valley CA 92708

FOR

X Davidson Wu

⑈001175⑈ ⑆[redacted]⑆ [redacted]⑈

(MT)

2

Client Tracking Form
(All information must be provided before entry)

Name/Contact: MR. DAVIDSON WU
Company/Employer: JIMS WOOD INTERNATIONAL INC
Name/Company Address (street, city): 3079 S. HARBOR BLVD
SANTA ANA, CA 92704
City/State/Zip:

Telephone:
Work: 714-549-8648
Home:
Fax:
Alternate:

Progress:
NEW
TBD
DC
NFC
WRP
SC
LS
OTH

Incorporation:
Title:
Date:
Sign:
Speed:
Time:
Hour:

Event: 4/13/96 Brian Dunnor - Hayadan
Source Code: 1ASI
Date Received: 7 Mar 96
Postmaster Code: 821
Submitted: CHARLIE TRIE

Service Code: FST ___ SEC FOR ___ PAST NOT ✓ CHAP NOR ___ NEW FOR ___ NOTE
(DO NOT MODIFY) FOR ___ PAS FOR ___ TRANS NOR ___ SEC NOR ___ NOTEPAS

000521

JIMSWOOD INTERNATIONAL, INC.
3079 S. HARBOR BLVD 714-549-8848
SANTA ANA CA 92704

February 19 19 96

PAY TO THE ORDER OF D.N.C. $ 25,000.00

Twenty-five Thousand and No/00 ********** DOLLARS

Bank of America
Fountain Valley Branch 3800
P.O. Box 6066
Fountain Valley CA 92708

FOR

K Davidson Wu

⑈001177⑈ ⑆ [redacted] ⑆ [redacted]

2

Check Tracking Form
(All information must be provided before entry)

Name/Contact: MR DAVIDSON WU
Company/Supplier: JIMSWOOD INTERNATIONAL
Name/Company Address (Street Name):

City/State/Zip:

Telephone:
Work: 714-549-8648
Home:
Fax:
Alternate:

Program:
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible] APARC

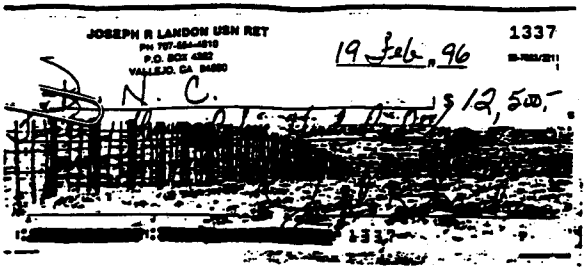
Transfer:
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]
[illegible]

Event: 4/9/96 ASIAN DINNER - HAY ADAM
Source Code: IASI
Site Contact: J. HUANG
Postmaster Code: 821
Subsidiary: (Charlie Tr. C)

Services Code: FOR ___ DO FOR ___ PAST NOT ✓ CHAP NOT ___ DO NOT ___ VOC
LOG AND ASSIGNED: FOR ___ PAST FOR ___ TRANS NOT ___ DO NOT ___ SCHEDULE

Huary 00522

0 000036
CONFIDENTI



JOSEPH R LANDON USN RET
PH 707-554-4810
P.O. BOX 4382
VALLEJO, CA 94590

1337

19 Feb 96

N. C. $12,500.-

[redacted]

1337

Check Tracking Form
(All information must be provided before entry)

Name/Contact: JOSEPH R. LANDON

Company/Employer:

Name/Company Address (street use): P.O. BOX 4382
VALLEJO, CA 94590

City/State/Zip:

Telephone:
Work:
Home: 707-554-4810
Fax:
Alternate:

Progress:
MAIL:
TEL:
DC:
ATC:
WAF:
CS:
LB:
OTH: APARC

Correspondence:
TEL:
MAIL:
SEC:
Speech:
Other:
Other:

2/9/96
Event: ASIAN DINNER - HAY ADAMS
Source Code: 1ASS
Sub Account:
Fundraiser Code: 821
Submitter: JOHN HUANG

Reference Code (as are necessary): FC1 ✓ FC2 ___ FC3 ___ FC4 ___ FC5 ___ FC6 ___ FC7 ___ FC8 ___ FC9 ___ FC10 ___ FC11 ___ FC12 ___ FC13 ___ FC14 ___ FC15 ___ FC16 ___ FC17 ___ FC18 ___ FC19 ___ FC20 ___

Huang
00527

0 0000350
CONFIDENTIAL

MANLIN FOUNG
1685 DALEWOOD COURT
FAIRFIELD CA 94585

390

TRAVIS FEDERAL CREDIT UNION

02-94

[redacted] [redacted] 0390

DBC

[redacted]

Check Tracking Form
(All information must be provided before entry)

Name/Contact: MANLIN FOUNG

Company/Employer:

Home/Company Address (street size): 1685 DALEWOOD COURT
FAIRFIELD, CA 94585

City/State/Zip:

Transaction:	Program:	Transaction:
Work:	MTG:	TBD:
Home:	TBD:	DIS:
FAX:	DS:	SEC:
Alternate:	AFC:	Spanish:
	WLF:	SDIS:
	SS:	SDIS:
	LS:	
	VTC: APALC	

Event: 4/3/96 ASIAN DINNER - HAYADAMS Source Code: 1ASI
Site Contact: Postmaster Code: 821
Submitter: JOHN HUANG CHARLIE TRIE

Reviewed Code (do not overwrite): FC1 ✓ SD FC2 ___ PAST FC3 ___ TRANS FC4 ___ SHIP FC5 ___ SD FC6 ___ VOC FC7 ___ PAS FC8 ___ MULTIPAS

000526

0568

KESHI ZHAN
1200 N QUEEN ST #502
ARLINGTON VA 22209

Feb 19 1996

Pay to the Order of [illegible] $ [illegible]

Twelve Thousands Five Hundred [illegible] Dollars

Bank-Fund Staff Federal Credit Union
1818 H STREET, N.W., WASHINGTON, DC 20433

For [illegible] Keshi Zhan

[redacted] [redacted] 0568

Check Tracking Form
(All information must be provided before entry)

Name/Contact: KESHI ZHAN

Company/Employer:

Home/Company Address (street one): 1200 N. QUEEN ST. #502
ARLINGTON, VA 22209

City/State/Zip:

Telephone:
Work:
Home:
FAX:
Alternate:

Program:
MTG:
TRD:
DS:
DFD:
WBP:
SS:
LS:
OTH: IDPHC

Designation:
TRD:
DS:
SS:
Spouse:
[illegible]:
[illegible]:

[redacted] DINNER - HAYADA Expense Code: 1ASi
[redacted] Funding Source: 821
Subject:

Reviewed Date (as set [illegible]): FO1 ✓ [illegible] FO3 [illegible] FO5 [illegible] FO7 [illegible] FO9 [illegible]
FO2 [illegible] FO4 [illegible] FO6 [illegible] FO8 [illegible] FO10 [illegible]

F 0047909

Yuefang Chu

Feb 19 .96

15-7417 2540

Pay to the Order of DNC $ 12500.00

Twelve Thousands Five Hundred & 00/100 Dollars

Bank-Fund Staff Federal Credit Union
1818 H STREET N.W. WASHINGTON, DC 20433

For

Yfchu

[redacted] [redacted] 0526

DBC

Check Tracking Form
(All information must be provided before entry)

Name/Contact: YUEFANG CHU

Company/Employer:

Name/Company Address (street and):

City/State/Zip:

Telephone:
Work:
Home:
FAX:
Alternate:

Program:
NTS:
TSS:
SS:
RFS:
WLF:
SS:
LS:
OTS: Applic

Description:
TSS:
SS:
SS:
Sponsor:
SS:
SS:

Event: 2/19/96 Asian Dinner Hay Adams
Source Code: LASI
DNC Contact: J Huang
Postmaster Code: 821
Solicitor: Charlie Trie

Revenue Code (do not enclose): FD1 ✓ DIR FD2 ___ PAC FD3 ___ PAST FD4 ___ TRANS FD5 ___ SHIP FD6 ___ DIR FD7 ___ MAIL FD8 ___ MAIL

000528

D0000287

MING CHEN
YUE F. CHU
PH 301-948-7403
30 CARRIAGE WALK CT
GAITHERSBURG, MD 20879

865

65-7159/2550
52

Feb 17 96

$

DNC. $ 7,500.00

Seven Thousands Five Hundred & ~~00/100~~ Dollars

CHEVY CHASE BANK FSB
CHEVY CHASE, MARYLAND 20815

Y F Chu

For

[redacted] [redacted] 0865

NFC

Check Processing Form
(All information must be provided before entry)

Name/Account: MING CHEN → Yue F. Chu

Company/Reference:

Home/Company Address (street and): 30 CARRIAGE WALK CT
GAITHERSBURG, MD 20879

City/State/Zip:

Telephone	Progress	Disbursement
Work:	MRG:	Title:
Home: (301)-948-7403	TRS:	DOC:
FAX:	DC:	DOC:
Alternate:	CRP:	Telephone:
	SC:	[illegible]:
	LS:	[illegible]:
	[illegible]:	

Project: 269 96 ASIAN DINNER — Source Code: LAST

DNC Contact: JOHN HUANG — Processing Code: 821

Solicitor: CHARLIE TRIE

Processing Code: FP1 ✓ [illegible] FP2 ___ [illegible] FP3 ___ [illegible] FP4 ___ [illegible] FP5 ___ [illegible] FP6 ___ [illegible]

LOG FOR PROCESSING: FP7 ___ [illegible] FP8 ___ [illegible] FP9 ___ [illegible] FP10 ___ [illegible] FP11 ___ [illegible]

000531

D 000028?

$ 12,500

DOLLARS

RIGGS

[redacted]: [redacted] 1587

DBC

Check Tracking Form

(All information must be provided before entry)

Name/Contact: CHARLES T. CHIANG

Company/Employer:

Home/Company Address (street use): 4060 SOUTH 28TH ST

ARLINGTON, VA 22206

City/State/Zip:

Telephone:

Work:

Home:

FAX:

Alternate:

Progress:

NTC:

TDS:

DS:

NTS:

WAF:

SS:

LS:

OTS: APALC

Transportation:

TRD:

DIS:

SIS:

Sponsor:

Other:

Other:

Event: 2/19/96 ASIAN DINNER - HAYADAN

Source Code: 1ASI

Staff Contact: J. HUANG

Postmaster Code: 821

Solicitor: CHARLIE TRIB

Revenue Code (as per instructions): FD1 ✓ SD FD2 ___ PAC FD3 ___ PAST FD4 ___ TRANS FD5 ___ SHIP FD6 ___ SD FD7 ___ MAIL FD8 ___ MAIL

000529

DC000292

5917 Indian Hills Dr.
Garland TX 75044
Lei Chu

90

DATE 3/20/96

PAY TO THE ORDER OF D.N.C $ 12500

[illegible] DOLLARS

CITIZENS BANK OF WASHINGTON N.A.

Lei Chu

[redacted] 0090

DBC

Check Tracking Form
(All information must be provided before entry)

Name/Contact: LEI CHU

Company/Employer:

Home/Company Address (street and) 5917 INDIAN HILLS DRIVE
GARLAND TX 75044

City/State/Zip:

Telephone: Tries #
Work (202) 965-8899
Home:
Fax:
Address:

Program:
NRC:
TRD:
DC:
CFC:
WRP:
SC:
LG:
DNC: APACC

Demographics:
Title:
Sex:
Age:
Spouse:
Child:
Child:

Event: 2/19/96 ASIAN DINNER - HAY ADAM
Contact Date: 1ASE
Contact Source: JOHN HUANG CHARLIE TRIE
Postmaster Code: 821
Solicitor:

Revenue Code (as set forth): FD1 ✓ DD FD2 ___ PAC FD3 ___ PAST FD4 ___ TRANS NR1 ___ DISP NR2 ___ DD NR3 ___ NRC NR4 ___ DISPOS

000525

J. AND M. INTERNATIONAL, INC.
135-12A ROOSEVELT AVE FLR 3
FLUSHING NY 11354-5314

2/23/96

DEMOCRATIC NATIONAL COMMITTEE $ 25,000.00

TWENTY FIVE THOUSAND & 00/100

CITIBANK

CONTRIBUTION

Jack Ho

[redacted] [redacted] 0750

(DBC)

Check Tracking Form
(All information must be provided before entry)

Name/Contact: J. AND M. INTERNATIONAL, INC

Company/Employer: JACK HO, PRINCIPAL OWNER

Home/Company Address (circle one): 135-12A ROOSEVELT AVE FLR 3
FLUSHING, N.Y. 11354-5314

City/State/Zip:

Telephone:
Work: 718-460-5700
Home:
FAX:
Alternate:

Program:
MTR:
TRB:
BC:
NFC:
WLF:
SC:
LC:
OTH: APAC

Demographics:
Title:
DOB:
SSN:
Spouse:
SDOB:
SSSN:

Event: 2/19/96 ASIAN DINNER - HAY ADAMS
Source Code: IASI
DNC Contact: JOHN HUANG
Fundraiser Code: 821
Solicitor: CHARLIE TRIE

Revenue Code (do not complete): FO1 ___ IND; FO2 ___ PAC; FO3 ___ PART; FO4 ___ TRANS; NO1 ✓ CORP; NO2 ___ GEN; NO3 ___ IND; NO4 ___ MAXPAC; NO5 ___ NHCC

000524

ERNEST G. GREEN
TRAVEL EXPENSES ACCOUNT
1627 I ST N.W. STE 1100
WASHINGTON D.C. 20006

9/ 2/96

DNC $ 6,000.00

Six Thousand Four

RIGGS

[redacted] [redacted] 0887

Check Tracking Form
(All information must be provided before entry)

Name/Contact: ERNEST G GREEN

Company/Employer:

Home/Company Address (circle one): 1627 I ST N.W SUITE 1100
WASHINGTON DC 20006

City/State/Zip:

Telephones:	Program:	Demographics:
Work	MTR	Title
Home	TRU	DOB
FAX	BC	SSN
Alternate	NFC	Spouse
	WLF	SSOB
	SC	SSSN
	LC	
	OTH	

Event: 2/19/96 ASIAN DINNER - HAYADAWN Source Code: 1ASI

DNC Contact: [illegible] Fundraiser Code: 821

Solicitor: CHARLIE TRIE

Revenue Code (do not complete): FO1 ✓ DIB FO3 ___ PART NO1 ___ CORP NO3 ___ DIB NO5 ___ NOCC
FO2 ___ PAC FO4 ___ TRANS NO2 ___ SEN NO4 ___ MAXPAC

0 0000353
CONFIDENTIAL

GOLDEN OCEAN AMERICA CO. LTD.

DATE [illegible]

PAY TO THE ORDER OF D.N.C. $[illegible]

Twelve thousand five hundred and [illegible] DOLLARS

THE KA WAH BANK LTD.
(CITIC GROUP)
NEW YORK BRANCH
11 EAST BROADWAY, NEW YORK, NY 10038

FOR

⑈001182⑈ [redacted]

Check Tracking Form
(ALL information MUST be provided)

Name/Contact MR. YU LIU Company GOLDEN OCEAN AMERICA CO

Occupation

Home/Company Address (circle one) 14-22 150TH STREET
WHITESTONE, NY 11357

Telephones:	Demographics:	
Home	Title	Event 5/15/96 [illegible]
Work 718-747-1430	D.O.B.	DNC Contact [illegible]
Fax	SSN	
Other	Spouse	Solicitor CHARLIE TRIG
	D.O.B.	
	SSN	

DNC Finance ONLY:

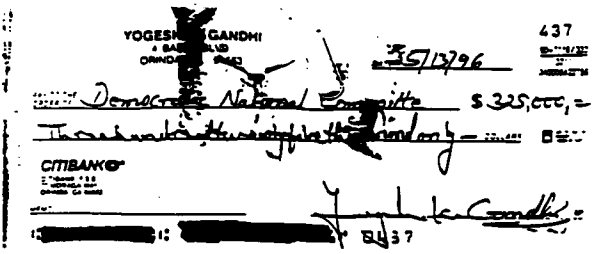
Revenue Code: FO1 ___ FO2 ___ FO3 ___ FO4 ___ FO5 ___
NO1 ___ NO2 ___ NO3 ___ NO4 ___ NO6 ___ NO7 ___ NO8 ___ NO9 ___

Source Code _____ Fundraiser Code _____

Program: MTR ___ TRU ___ BC ___ NFC ✓ WLF ___ SC ___ LC ___ OTH ___

Date received: _____ in AS-400, no changes _____

000874



Check Tracking Form
(ALL information MUST be provided)

Name/Contact MR YOGESH K. GANDHI Company _____

Occupation _____

Home/Company Address (circle one) 4 BATES BLVD
ORINDA, CALIFORNIA

Telephones:
Home _____
Work 510-253-1122
Fax 415-252-8092
Other _____

Demographics:
Title _____
D.O.B. _____
SSN _____
Spouse _____
D.O.B. _____
SSN _____

Event 5/13/96 Dinner / CARLTON
DNC Contact JOHN HUANG
_____
Solicitor CHERYL TRE-

DNC Finance ONLY:

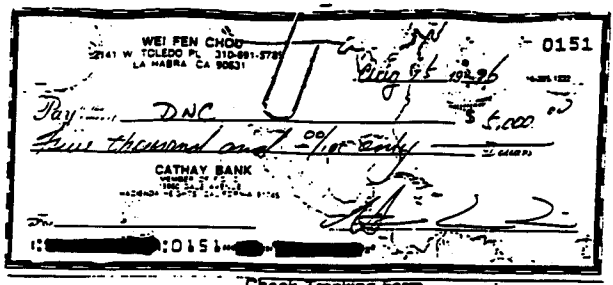
Revenue Code: FO1 __ FO2 __ FO3 __ FO4 ✓ FO5 __
NO1 __ NO2 __ NO3 __ NO4 ✓ NO6 __ NO7 __ NO8 __ NO9 __

Source Code ASIA Fundraiser Code 821

Program: MTR ✓ TRU __ BC __ NFC __ WLF __ SC __ LC __ OTH __

Date received: 5/28/96 in AS-400: no changes ____

D 00003
CONFIDENT


WEI FEN CHOU
2141 W. TOLEDO PL. 310-691-5789
LA HABRA CA 90631

0151

Pay to the order of DNC $ 5,000.00

Five thousand and 00/100 Dollars

CATHAY BANK

:0151:

Check Tracking Form
(ALL information MUST be provided)

2

:act: WEI FEN CHOU

ipany Address (circle one) 2141 W. TOLEDO PL.

nes:
0-691-5789

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event PRES. BIRTHDAY
DNC Contact JOHN HUANG
Solicitor CHARITY TRIC

DNC Finance ONLY:
Date Received: 8-30 Amount: 5,000
Source Code: BDAY In AS-400, no changes
Program: MTR ___ TRU ___ BC ___ NFC X WLF ___ SC ___ LC ___ OTH ___
Revenue Code: F01 Fundraiser Code: 821

D 0000322
CONFIDENTIAL

KUN-CHENG YEH
1641 W MAIN ST #319
ALHAMBRA CA 91801

0198

AUG 15 96

PAY TO THE ORDER OF DNC $ 10000.00

Ten Thousand and 00/100 Only

FIRST CENTRAL BANK, N.A.
720 West Garvey Avenue
Monterey Park, California 91754

FOR Che Chang Tone

[redacted] 0198 [redacted]

Check Tracking Form:
(ALL information MUST be provided)

2

Contact KUN-CHENG YEH

Company Address (circle one) 1641 W. MAIN ST #319
ALHAMBRA, CA 91801

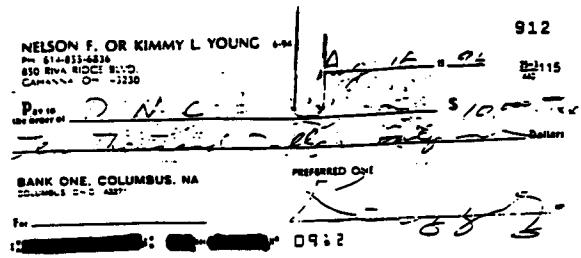
Phones:

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event PRES. BALL NY
DNC Contact: JOHN HUANG
Solicitor CHARLIE TRIE

DNC Finance ONLY:
Date Received: 8-20 Amount: 10,000
Source Code: B-DNY In AS-400, no changes
Program: MTR ___ TRU ___ BC X NFC ___ WLF ___ SC ___ LC ___ OTH ___
Revenue Code: F01 Fundraiser Code: 824

D 0000315
CONFIDENTIA


NELSON F. OR KIMMY L YOUNG
912
BANK ONE, COLUMBUS, NA
PREFERRED ONE
0912

Check Tracking Form
(ALL information MUST be provided)

act: KIMMY L. YOUNG

pany Address (circle one) 830 RIVA RIDGE BLVD
BAHAMA OHIO 43230

ies:
614-855-6836

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event PRES. BIRTH DY
DNC Contact JOHN HUANG
Solicitor CHARLIE TRIE

DNC Finance ONLY:
Date Received: 8-20 Amount: 10,000
Source Code: BDNY In AS-400, no changes
Program: MTR ___ TRU ___ BC X NFC ___ WLF ___ SC ___ LC ___ OTH ___
Revenue Code: F01 Fundraiser Code: 821

D 0000320
CONFIDENTIAL

DANIEL WU
7821 E. GARVEY AVE
ROSEMEAD CA 91770

1001

2-16-96

Pay to the Order of: [illegible] $ 5000.-

Five Thousand and [illegible] DOLLARS

BANK OF CANTON OF CALIFORNIA
MONTEREY PARK BRANCH
532 NORTH ATLANTIC BOULEVARD
MONTEREY PARK, CALIFORNIA 91754

FOR [illegible]

[redacted]: 100 1 [redacted]

Check Tracking Form
(ALL information MUST be provided)

2

:act DANIEL WU

pany Address (circle one) 7821 E. GARVEY AVE
ROSEMEAD CA 91770

nes:

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event PRES. BIRTH NY
DNC Contact JOHN HUANG
Solicitor CHARLIE TRIZ

DNC Finance ONLY:
Date Received: 8-20 Amount: 5000
Source Code: BDNY In AS-400, no changes
Program: MTR ___ TRU ___ BC ___ NFC X WLF ___ SC ___ LC ___ OTH ___
Revenue Code: FUI Fundraiser Code: 821

0 00003
CONFIDENT

DAVID WANG
(818) 571-2288
7825 E GARVEY AVE
ROSEMEAD, CA 91770

178
90-1040/1222

8-16 1996

Pay to order of D.N.C $ 5000-

Five Thousand only Dollars

TRANS NATIONAL BANK
2936 HUNTINGTON DRIVE
SAN MARINO, CA 91108

For

[redacted]: [redacted] 0178

Check Tracking Form
(ALL information MUST be provided)

2

act DAVID WANG

pany Address (circle one) 7825 E. GARVEY AVE
ROSEMEAD CA 91770

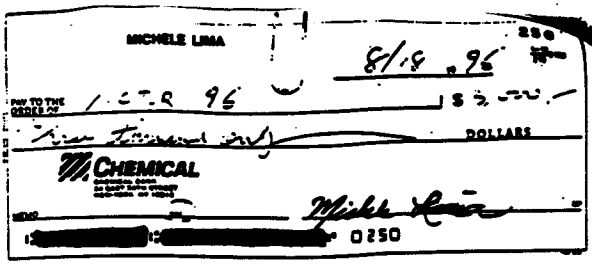
es:
78-571-2288

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event PRES. BIRTH WY
DNC Contact JOHN HUANG
Solicitor CHARLIE TRIE

DNC Finance ONLY:
Date Received: 8-20 Amount: 5000
Source Code: BDNY In AS-400, no changes
Program: MTR ___ TRU ___ BC ___ NFC ✓ WLF ___ SC ___ LC ___ OTH ___
Revenue Code: E01 Fundraiser Code: 821

0 0000323
CONFIDENTIAL



MICHELE LIMA

250

8/18 96

PAY TO THE ORDER OF 1 OCT 96 $ 3,000.-

[illegible] DOLLARS

CHEMICAL

MEMO [illegible]

[redacted] 0250

(ALL information MUST be provided)

tact MICHELE LIMA 8/21/96 (H03)

ıpany Address (circle one)

nes:

Demographics:

Title

D.O.B.

SSN

Spouse

D.O.B.

SSN

Event [illegible] Birth NY

DNC Contact John Hawk

Solicitor Charlie Trig

DNC Finance ONLY

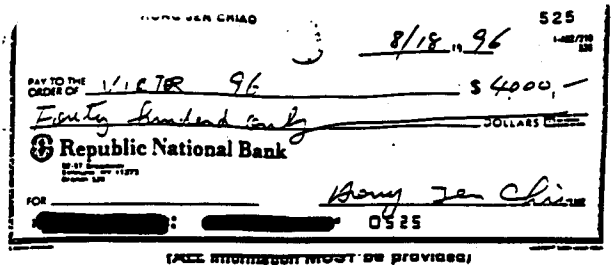
Date Received: 8-28 Amount: 3,000

Source Code: BDNY In AS-400, no changes

Program: MTR ___ TRU ___ BC ___ NFC ___ WLF ___ SC ___ LC ___ OTH ✓

Revenue Code: FBT N03 Fundraiser Code: 821

0 0000423
CONFIDENTIA



HONG JEN CHIAO 525

8/18 19 96

PAY TO THE ORDER OF VICTOR 96 $ 4000.—

Forty Hundred only DOLLARS

Republic National Bank

FOR [redacted] Hong Jen Chiao

[redacted] 0525

8/21/96
FVI

(All information must be provided)

HONG JEN CHIAO

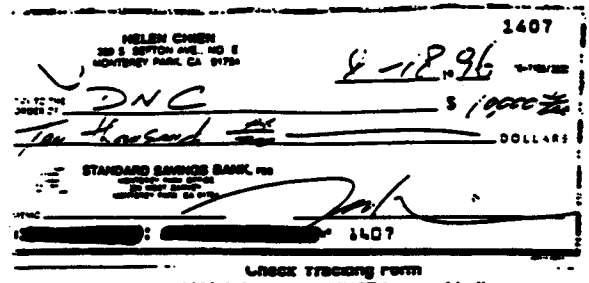
Address (circle one) 8615 Dongan Ave, #1C
Elmhurst NY 11373

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event FREE BIRTH. NY
DNC Contact John Huang
Solicitor CHARLIE TRIE

nance ONLY:
ceived 8-20
Amount 4000
Code: BONY
In AS=400, no changes
: MTR TRU BC NPC WLF SC LC OTH X
Code: F01
Fundraiser Code: 821

0 00003
CONFIDENT



1407

HELEN CHIEN
329 S SEFTON AVE., NO. E
MONTEREY PARK, CA 91754

8-18-96

DNC $ 10,000 00/100

Ten Thousand 00/100 DOLLARS

STANDARD SAVINGS BANK, FSB
MONTEREY PARK OFFICE
320 WEST BARNES
MONTEREY PARK, CA 91754

[redacted]: [redacted] 1407

Check Tracking Form
(ALL information MUST be provided)

2

...ect: HELEN CHIEN

...pany Address (circle one) 329 S SEFTON AVE., NO. E
MONTEREY PARK, CA 91754

...ies:

Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event: PRES BIRTH NY
DNC Contact: JEHN HUANG
Solicitor: CHARLIE TRIE

DNC Finance ONLY:
Date Received: 8-20 Amount: 10,000
Source Code: BDNY In AS-400, no changes
Program: MTR ___ TRU ___ BC X NFC ___ WLF ___ SC ___ LC ___ OTH ___
Revenue Code: F01 Fundraiser Code: 821

0 0000321
CONFIDENTIAL

WAVES Records of Yah Lin Trie

CHARLIE TRIE'S VISITS TO THE WHITE HOUSE

Date	Appt. Time Actual Enter/Exit	Visitee	Requester	Location	Event/ Type of Visit
04/16/93	2:30 PM 1:53 PM TOA No TOD	Hernreich	Crawford	WW	Photo Op
02/16/94					DNC Dinner
05/10/94	8:45 AM 8:43 AM TOA No TOD	Middleton	Middleton	WW	
05/12/94	2:49 PM 2:49 PM TOA No TOD	Crawford	Crawford	WW	Photo Op
06/21/94	8:15 PM	POTUS	Spangler	South Lawn	Business Leadership Reception (no time of arrival)
06/22/94	12:00 PM 12:00 PM TOA No TOD	Middleton	Ewing	WW	
06/27/94	2:00 PM 1:49 PM TOA No TOD	Middleton	Ewing	WW	
08/01/94	11:30 AM 11:33 AM TOA 1:04 PM TOD	Middleton	Ewing	WW	
08/02/94	4:00 PM 4:08 PM TOA No TOD	Middleton	Ewing	OEOB 176	
09/20/94	8:15 AM 8:17 AM TOA No TOD	Middleton	Middleton	WW	
09/21/94	3:00 PM 3:23 PM TOA No TOD	Quinn	Kelly	OEOB 276	Business Leadership Meeting (VPOTUS dropped by)

COMMITTEE WORK PRODUCT

10/04/94	11:00 AM 11:05 AM TOA No TOD	Middleton	Middleton	WW	
10/20/94	1:15 PM 1:24 PM TOA No TOD	Middleton	Middleton	WW	
12/17/94	6:00 PM 7:01 PM TOA No TOD	POTUS	Spangler	Residence	Arkansas Gala Buffet
12/19/94	10:30 AM 10:39 AM TOA No TOD	Middleton	Middleton	WW	
01/05/95	1:33 PM 1:33 PM TOA No TOD	Middleton	Middleton	WW	
01/06/95	1:35 PM No TOA No TOD	Middleton	Middleton	WW	
01/09/95	4:30 PM 4:28 PM TOA No TOD	Middleton	Middleton	WW	
02/16/95	11:45 AM 11:27 AM TOA No TOD	Middleton	Middleton	WW	
02/16/95	7:30 PM 8:10 PM TOA No TOD	POTUS	Widdess	Residence	
05/19/95	1:15 PM 1:09 PM TOA No TOD	Williams	Ryan	2fl WW	
05/19/95	2:00 PM 2:35 PM TOA No TOD	Matsui	Shulman	OEOB 450	
06/21/95	11:30 AM No TOA No TOD	Schiff	Schiff	WW	
09/14/95	10:25 AM 10:32 AM TOA 11:09 AM TOD	Duncan	Duncan	OEOB 139	
09/15/95	6:30 PM 7:24 PM TOA No TOD	POTUS	Widdess	East Room	DNC Trustee Dinner

10/06/95	1:15 PM 1:29 PM TOA 2:51 PM TOD	Khapra	Khapra	WW	
10/06/95	No Appt. Time 1:39 TOA No TOD				
11/13/95	12:15 PM No TOA No TOD	Thomas	Thomas	OEOB 476	
11/13/95					DSCC Photo Op (no arrival time) w/ VPOTUS
11/13/95	4:20 PM 4:22 PM TOA No TOD	FLOTUS	Skinner	EW	No actual visit (FLOTUS departed for out of town travel prior to Mr. Trie's arrival)
01/25/96	8:00 AM 8:57 AM TOA 2:30 PM TOD	Johnson	Wyckoff	OEOB 474	
01/29/96	1:00 PM 12:31 PM TOA No TOD	POTUS	Widdess	State F	DNC Lunch
02/01/96	12:05 PM No TOA No TOD	Nash	Khapra	OEOB 153	
02/06/96	4:45 PM 5:02 PM TOA 6:56 PM TOD	POTUS	Spangler	Residence	DNC Coffee
04/23/96	11:15 AM 11:23 AM TOA No TOD	Duncan	Duncan	OEOB 474	
05/09/96	4:00 PM 4:08 PM TOA 5:03 PM TOD	Johnson	Johnson	OEOB 121	

05/17/96	4:00 PM 4:37 PM TOA 6:00 PM TOD	VPOTUS	Scott	OEOB 450	VPOTUS Asian Pacific Heritage Briefing
08/16/96	6:45 PM 7:00 PM TOA 7:31 PM TOD	Plummer	Plummer	OEOB 139	
09/04/96	3:45 PM No TOA/TOD	Johnson	Johnson	OEOB 122	
09/04/96	4:00 PM 3:37 PM TOA 4:12 PM TOD	Sheorn	Sheorn	OEOB 133	
12/16/96	No Appt. Time 11:36 AM TOA 11:35 AM TOD	POTUS	Spangler	Residence	

Summary of White House Visits using USSS Waves Records
December 18, 1996

Mr. Yah Lin Trie
1/20/93 - 11/30/96

Visitee	Clearance Requests (Waves)	Visits with Arrival Time
POTUS	6	4
VPOTUS	1	1
FLOTUS	1	1
Hemreich^	1	1
Middleton	13	9
Crawford^	1	1
Quinn+	1	1
Williams, M.	1	0
Matsui	1	1
Schiff	1	0
Duncan	2	1
Khapra	1	0
Nash	1	0
Thomas+	1	0
Johnson, B.	3	2
Plummer, D.	1	0
Sheorn	1	0
Total	**37***	**22***

* White House USSS records from December are not yet available but should reflect one additional clearance request and arrival.

^ Included in attached Presidential Visits Summary.

+ Included in attached Vice Presidential Visits Summary.

Presidential Events to which Mr. Trie was Invited
Using White House USSS Waves Records to Identify Visits

Date of Visit	Event/Type of Visit
4/16/93	Photo Op
2/16/94	DNC Dinner
5/12/94	Photo-Op
6/21/94	Business Leadership Reception (no time of arrival)
12/17/94*	Arkansas Gala Buffet
9/15/95	DNC Trustee Dinner
1/29/96	DNC Lunch
2/6/96	DNC Coffee (no time of arrival)
Total	6 Visits**

* Waves records incorrectly reflect 12/16/94 clearance request and arrival
** Mr. Trie also attended a Holiday Dinner on December 13, 1996.

First Lady Visits by Mr. Trie
Using White House USSS Waves Records to Identify Visits

Date of Visit	Event/Type of Visit
11/13/95	No actual visit (The First Lady departed for out of town travel prior to Mr. Trie's arrival)
Total	0 Visits

Vice Presidential Events to which Mr. Trie was Invited
Using White House USSS Waves Records to Identify Visits

Date of Visit	Event/Type of Visit
9/21/94	Business Leadership Meeting (VPOTUS dropped-by)
11/13/95	DSCC Photo Op (no arrival time)
5/17/96	Asian Pacific Heritage Briefing
Total	2 Visits

VISITOR SUMMARY FOR 94/05

VISITOR		VISITEE		VIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
TRIE	WAH	MIDDLETON		V16466	0845	940510	W	WW	MIDDLETON	434434	[illegible]	[illegible]
TRIE	YAHLIN	CRAWFORD		V17969	1449	940512	W	WW	CRAWFORD	876575	1449	A04

REPORT NO: WAV0778S WAVES PAGE NO: 709

RUN DATE : 94/07/01 VISITOR SUMMARY FOR 94/06

VISITOR		VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
TRIE	CHARLES	MIDDLETON	U35727	1200	940622	W	WW	EWING	442543	1200	A04
TRIE	YAHLIN	MIDDLETON	U38077	1400	940627	W	WW	EWING	055510	1349	A04
TRIE	CHARLIE	POTUS	U34233	2019	940621	W	SOUTH LAWN	SPANGLER	******	****	***
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]00	940624	D	422	[illegible]	000000	[illegible]	[illegible]

RUN DATE : 94/09/01

VISITOR SUMMARY FOR 94/08

VISITOR	VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
TRIE	YAHLIN MIDDLETON	U53493	1130	940801	W	WW	EWING	000000	1133	A04
TRIE	YAHLIN MIDDLETON	U54331	1600	940802	O	176	EWING	554559	1608	D01

1003

REPORT NO: WAV0778S — WAVES — PAGE NO: 814

RUN DATE : 94/10/03 VISITOR SUMMARY FOR 94/09

VISITOR	VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
TRIF	NAM MIDDLETON	U71926	0815	940920	H	WH	MIDDLETON	344333	0812	A04
TRIE	CHARLES QUINN	U72389	1500	940921	O	276	KELLY	0000001317923		D01

VISITOR SUMMARY FOR 94/10

VISITOR		VISITEE		UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
TRIE	VASLYN	MIDDLETON		U77991	1100	941004	W	WW	MIDDLETON	366666	1101	A04
TRIE	VASLIN	MIDDLETON		U84777	1319	941080	W	WW	MIDDLETON	948794	1324	A04

VISITOR		VISITEE			UIN	TIME	DATE	LOC	ROOM	REQUESTOR		BADGE	TOA	POA
TRIE		YAHLIN		MIDDLETON	U07291	1030	941219	W	WW	MIDDLETON	M	025558	1039	A04
TRIE		YAH	C	POTUS	U06257	1800	941216	W	RES	SPANGLER		000000	1901	VIS

RUN DATE : 95/02/01 VISITOR SUMMARY FOR 95/01

VISITOR	VISITEE			UIN	TIME	DATE	LOC	ROOM	REQUESTOR		BADGE	TOA	POA
TRIE	MAH	L	MIDDLETON	U12137	1335	950105	W	WW	MIDDLETON	M	******	****	***
TRIE	MAH	L	MIDDLETON	U12658	1335	950106	W	WW	MIDDLETON	M	******	****	***
TRIE	MAH	L	MIDDLETON	U13347	1430	950109	W	WW	MIDDLETON	M	******	****	***

FOR 95/02

		VISITEE		VIN	TIME	DATE	LOC	ROOM	REQUESTOR		BADGE	TOA	POA
TRIE	YAH L	MIDDLETON		U26066	1145	950216	W	WW	MIDDLETON	M	******	****	***
TRIE	CHARLIE	POTUS		U27875	1930	950216	W	RESIDENCE	WIDDESS		000000	2010	A01

REPORT NO: WAV077BS WAVES PAGE NO: 648

RUN DATE : 95/06/01 VISITOR SUMMARY FOR 95/05

VISITOR			VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR		BADGE	TOA	POA
TRIE	YAN	L	WILLIAMS	U66576	1315	950519	W	2FL/WW	RYAN	E	******	****	***
TRIE	YAN	L	MATSUI	U66214	1400	950519	O	450	SHULMAN	J	000000	1435	D01

VISITOR SUMMARY FOR 95/06

VISITOR	VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
TRIE CHARLIE	SCHIFF	U79231	1130	950621	W	WW	SCHIFF	******	****	***

1010

VISITOR SUMMARY FOR 95/09

VISITOR			VISITEE	UIN	TIME	DATE	[illegible]	ROOM	REGISTER		BADGE	[illegible]	POA
TRIE	TAM	L	DUNCAN	U10258	1025	950914	O	139	DUNCAN		******	****	***
TRIE	CHARLIE		POTUS	U10708	1830	950915	W	EAST RO	WIDDESS	K	000000	1924	VIS

[illegible] VISITOR SUMMARY FOR 95/10

VISITOR	VISITEE	JIN	TIME	DATE	ROOM	REQUESTOR	DOH	TOA	SSN
TRIE YAN	L KHAPRA	U18904	1315	951006	WW	KHAPRA	Y	******	**** *********

VISITATION SUMMARY FOR 95/11

VISITOR		VISITEE	VIN	TIME	DATE	ROOM	REQUESTOR	DOB	TOA	SSN
TRIG	YAN	THOMAS	U32890	1218	951113	476	THOMAS	******	****	*********
TRIG	YAN	PLOTUS	U32706	1620	951113	EM	SKINNER		1622	431334994

WHITE HOUSE ACCESS SUMMARY FOR 96/01

VISITOR				VISITEE			UIN	TIME	DATE	ROOM	REQUESTOR	DOB	TOA	SSN
TRIE		YAH	L	JOHNSON			US2863	0800	960128	474	WYCKOFF	D		0857
TRIE		CHARLIE		POTUS			US4052	1300	960129	STATE F	WIDDESS	K		1231

REPORT NO WAV07705 WAVES PAGE NO. 529

RUN DATE 96/03/01 VISITOR SUMMARY FOR 96/02

VISITOR			VISITEE			UIN	TIME	DATE	ROOM	REQUESTOR		DOB	TOA	SCN
TRIE	YAH	L	NASH			U53950	1205	960201	131	KIAPRA	Y	******	****	**********
TRIE	YAH	L	POTUS			U57312	1645	960206	RESIDEN	SPANGLER	J	******	****	**********

1015

RUN DATE 96/05/01

VISITOR SUMMARY FOR 96/04

VISITOR		VISITEE	VIN	TIME	DATE	ROOM	REQUESTOR	DOB	TOA	SSN
TRIE	YAHLIN	DUNCAN	U87631	1115	960423	474	DUNCAN		1123	

RUN DATE 96/06/01

VISITOR SUMMARY FOR 96/05

VISITOR		VISITEE		UIN	TIME	DATE	ROOM	RECEPTION		DOD	TOA	SCN
TRIE	YAH	JOHNSON		U96533	1600	960309	171	JOHNSON			1608	
TRIE	YAHLIN	VPOTUS		U97313	1600	960317	450	SCOTT	R		1637	

				UIN	TIME	DATE	ROOM	REQUESTOR		DOB	TOA	SSN
TRIE	YAH	L	PLUMMER	U34339	1845	960816	139	PLUMMER	D	******	****	*********

WAVES

RUN DATE : 96/10/01

VISITOR SUMMARY FOR 96/09

VISITOR			VISITEE	UIN	TIME	DATE	ROOM	REQUESTOR		DOB	TOA	SSN
TRIE	YAH		JOHNSON	U39092	1545	960904	122	JOHNSON		******	****	*********
TRIE	YAH	L	SHEDRN	U39015	1600	960904	133	SHEDRN	D	******	****	*********

1019

WAVES Records of Ng Lap Seng

WAVES

VISITOR SUMMARY FOR 94/06

VISITOR		VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
NG	LAPSENG	MIDDLETON	U35727	1200	940622	W	WW	EWING	362363	1200	A04

EOP 056850

WAVES

VISITOR SUMMARY FOR 24/08

ISITOR	VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TIM	POA
[illegible] LAPSENG	MIDDLETON	U33493	1130	940801	W	WW	EWING	000000	1133	A04
[illegible] LAPSENG	MIDDLETON	U34331	1600	940802	O	176	EWING	555554	1608	D01

EOP 056851

WAVES

VISITOR SUMMARY FOR 94/10

VISITOR	VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR	BADGE	TOA	POA
APSENG	NO	MIDDLETON	U77991	1100	941004	W	WW	MIDDLETON	466666	1101	A04	

EOP 056852

WAVES

VISITOR SUMMARY FOR 94/10

VISITOR	VISITEE	UIN	TIME DATE	LOC ROOM	REGISTRY	BADGE	TOA	POA
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

EOP 056853

WAVES

VISITOR SUMMARY FOR 95/02

VISITOR			VISITEE	UIN	TIME	DATE	LOC	ROOM	REQUESTOR		BADGE	TOA	POA
G	LAP	S	MIDDLETON	U28060	1145	950216	W	WW	MIDDLETON	M	******	****	***
S	LAPSENG		POTUS	U27875	1930	950216	W	RESIDENCE	WIDDESS		000000	2010	A01
											******	****	

EOP 056854

EOP 056855

WAVES

VISITOR SUMMARY FOR 96/02

VISITOR	VISITEE	UIN	TIME	DATE	ROOM	REQUESTOR	DOB	TOA	BDN
NO	LAPBMENO LAVINE	U57665	1430	960206	EW	LAVINE	082643	1443	

EOP 056856

WAVES

VISITOR SUMMARY FOR 96/02

VISITOR		VISITEE	UIN	TIME	DATE	ROOM	REQUESTOR		DOB	TOA	SHN
LAPSENG	NG	LAVINE	U62223	1445	960220	EW	LAVINE	E	062648	1311	

EOP 056857

WAVES

VISITOR SUMMARY FOR 96/10

VISITOR		VISITEE	UIN	TIME	DATE	ROOM	REQUESTOR		DOB	TOA	SSN
NG	LAPSENG	DUNCAN	U55434	1900	961021	139	PLUMMER	D	062648	1946	

E-Pass Records of Antonio Pan

Entry/Exit Dates: 01/01/95 to 12/31/95

Epass Entry/Exit Report

04/02/97

Date	Time	Name	Badge	Type	Post	Status
`/28/95	19:40:19	PAN, ANTONIO	34DA6F	A	A1	ENTERING
./28/95	19:40:19	PAN, ANTONIO	34DA6F	A	A1	MULT ENT ATMPT

002150

Entry/Exit Dates: 01/01/96 to 12/31/96

Epass Entry/Exit Report

04/02/97

Date	Time	Name	Badge	Type	Post	Status
/23/96	09:58:46	PAN, ANTONIO	34C3D9	A	D2	ENTERING
./20/96	17:17:54	PAN, ANTONIO	34A98E	A	D2	EXITING
05/22/96	17:19:41	PAN, ANTONIO	34D989	A	D2	ENTERING
05/22/96	17:35:49	PAN, ANTONIO	34D989	A	D2	EXITING
09/06/96	10:58:59	PAN, ANTONIO	34DB11	A	D2	ENTERING
09/06/96	11:25:51	PAN, ANTONIO	34DB11	A	D2	EXITING
09/30/96	13:09:26	PAN, ANTONIO	34F126	A	D2	ENTERING
09/30/96	14:33:39	PAN, ANTONIO	34F126	A	D2	EXITING
09/30/96	19:45:46	PAN, ANTONIO	34E3EC	A	D2	ENTERING
09/30/96	20:34:38	PAN, ANTONIO	34E3EC	A	D2	EXITING
10/02/96	12:10:46	PAN, ANTONIO	34E310	A	D2	ENTERING
10/02/96	12:36:01	PAN, ANTONIO	34E310	A	D2	EXITING

002151

All Entry Exits for 05/01/96 - 05/31/96; L_NAME - PAN; F_NAME - ANTONIO;
BETWEEN 12:00:00AM AND 11:59:59PM - Page 1

DATE	TIME.....	L NAME.....	F NAME....	M	BADGE.	TYP	POS	L	STATUS.....
22	05:35:49PM	PAN	ANTONIO		34D989	A	D2	3	EXITING
22	05:19:41PM	PAN	ANTONIO		34D989	A	D2	2	ENTERING
20	05:17:54PM	PAN	ANTONIO		34A98E	A	D2	3	EXITING

004681

All Entry Exits for 10/01/96 - 10/31/96; L_NAME - PAN; F_NAME - ANTONIO;
BETWEEN 12:00:00AM AND 11:59:59PM - Page 1

DATE	TIME	L NAME	F NAME	M	BADGE.	TYP	POS	L	STATUS
02	12:36:01PM	PAN	ANTONIO		34E310	A	D2	3	EXITING
02	12:10:46PM	PAN	ANTONIO		34E310	A	D2	2	ENTERING

00685

All Entry Exits for 04/01/96 - 04/30/96; L_NAME - PAN; F_NAME - ANTONIO;
BETWEEN 12:00:00AM AND 11:59:59PM - Page 1

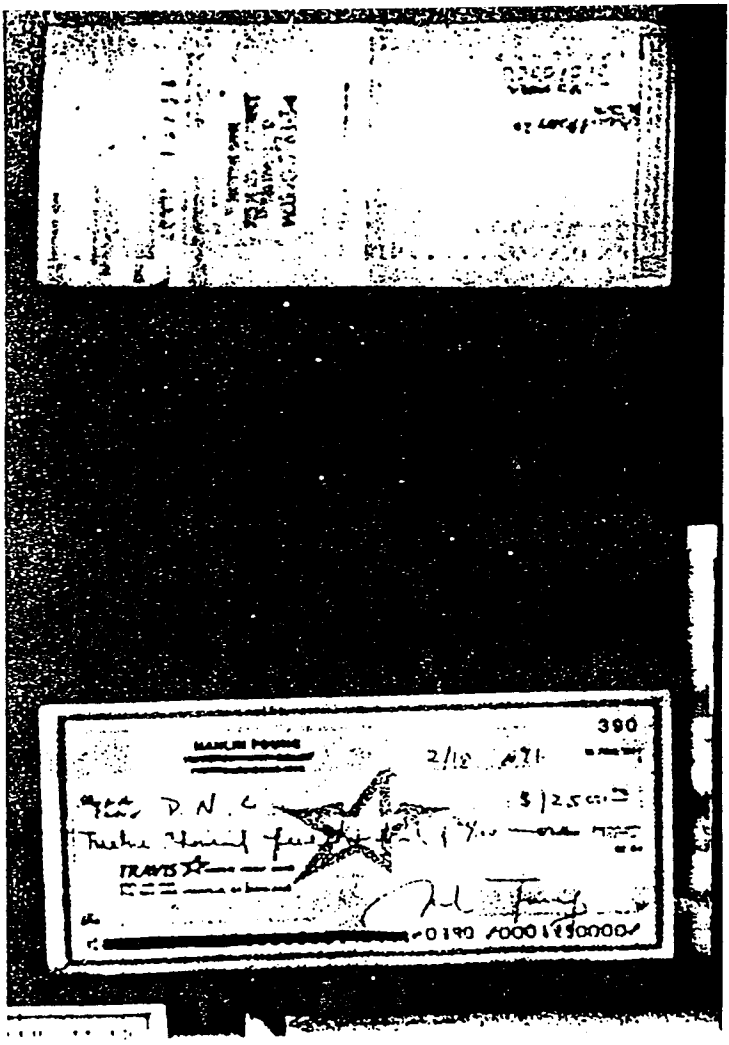
DATE	TIME	L NAME	F NAME	M	BADGE	TYP	POS	L	STATUS
23	09:58:46AM	PAN	ANTONIO		34C3D9	A	D2	2	ENTERING

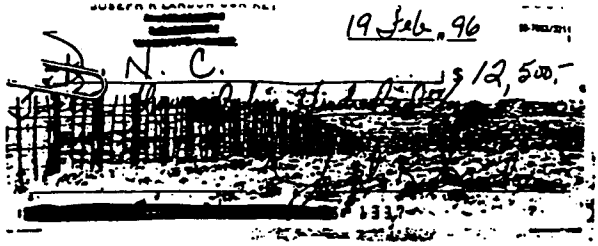
00488

All Entry Exits for 08/01/95 - 08/31/95; L_NAME - PAN; F_NAME - ANTONIO;
BETWEEN 12:00:00AM AND 11:59:59PM - Page 1

DATE	TIME	L NAME	F NAME	M	BADGE.	TYP	POS	L	STATUS
28	07:40:19PM	PAN	ANTONIO		34DA6F	A	A1	1	MULT ENT ATMPT
28	07:40:19PM	PAN	ANTONIO		34DA6F	A	A1	1	ENTERING

004689


390
D.N.C.
TRAVIS

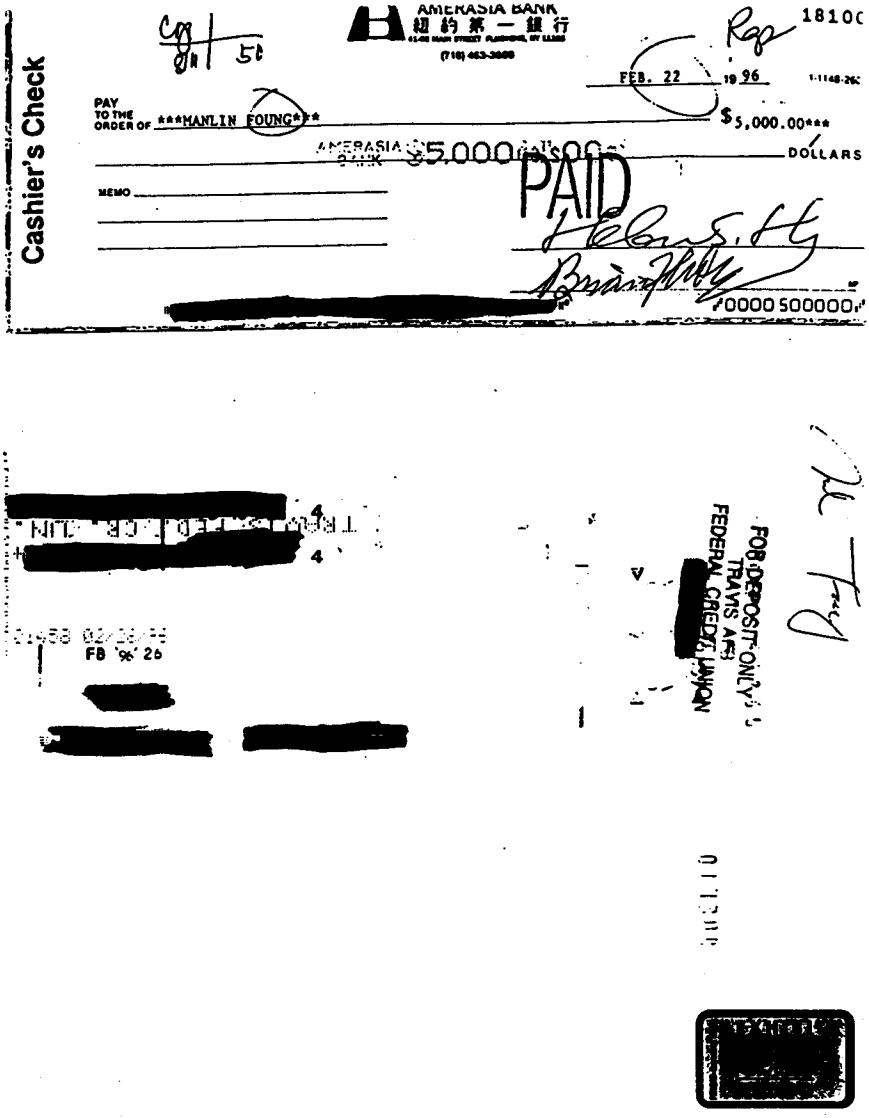


Check Tracking Form
(All information must be provided before entry)

JOSEPH R. LANDON

1/9/96
ASIA DINNER - HAY ADAMS
JOHN HUANG

0 0000350
CONFIDENTIAL



Cashier's Check

AMERASIA BANK
紐約第一銀行
(718) 463-3600

18100

FEB. 22 19 96

PAY TO THE ORDER OF ***MANLIN FOUNG*** $5,000.00***

AMERASIA BANK $5,000.00 DOLLARS

MEMO

PAID

[redacted] 0000 500000

[redacted]

FB '96 26

[redacted]

FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION
[redacted]

Cashier's Check

AMERASIA BANK
紐約第一銀行
(718) 463-3600

CGP
8111 / 50

181(

FEB. 22 19 96

PAY TO THE ORDER OF ***MANLIN FOUNG*** $5,000.00***

$5,000.00 DOLLAR

MEMO

PAID

[redacted]

0000500000

[redacted] FB '96 26 4

[redacted] 4

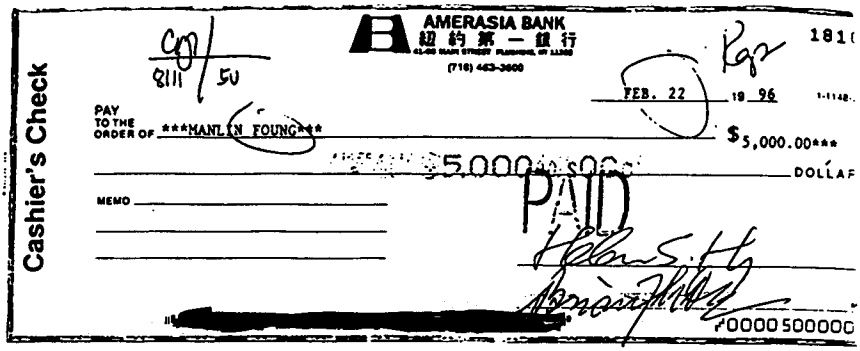
FB '96 26

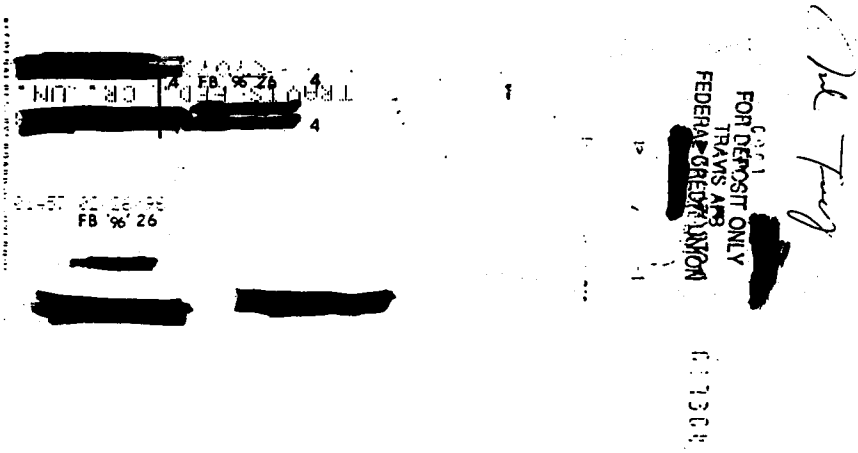
[redacted]

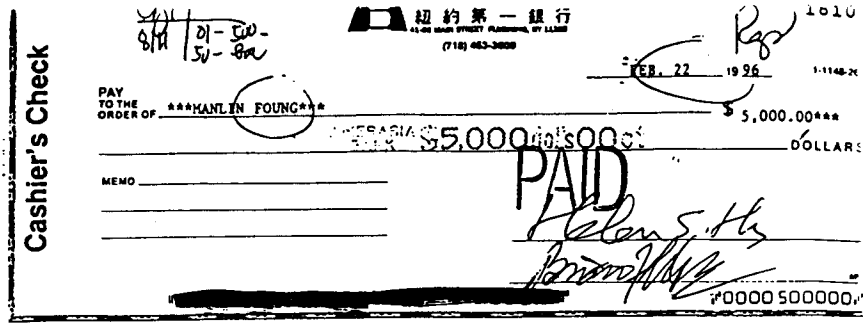
FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION

[redacted]

EXHIBIT







Cashier's Check

紐約第一銀行

(718) 463-3000

1010

FEB. 22 1996

PAY TO THE ORDER OF ***HANLIN FOUNG***

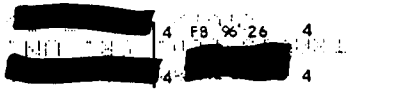
$ 5,000.00***

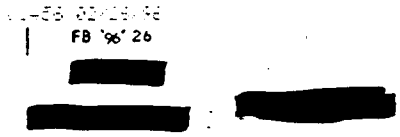
DOLLARS

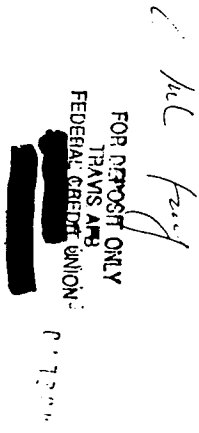
MEMO

PAID

#0000500000#







FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION

EXHIBIT

STATEMENT F 1 4 | ACCOUNT NUMBER [redacted] | SOCIAL SECURITY NO. | FROM 02-01-96 | THROUGH 02-29-96 | PAGE 1 OF 2

TRAVIS FEDERAL CREDIT UNION

TRAVIS AFB BRANCH
[illegible] STREET
TRAVIS AFB, CA [illegible]
PHONE (707)[illegible]

FAIRFIELD BRANCH
[illegible] STREET
FAIRFIELD, CA [illegible]
PHONE (707)[illegible]

VACAVILLE BRANCH
[illegible] STREET
VACAVILLE, CA [illegible]
PHONE (707)[illegible]

CASTLE AFB BRANCH
[illegible] STREET
CASTLE AFB, CA [illegible]
PHONE [illegible]

MERCED BRANCH
[illegible] STREET
MERCED, CA [illegible]
PHONE [illegible]

ALL CORRESPONDENCE
P.O. BOX [illegible]
VACAVILLE, CA [illegible]

THE FINANCE CHARGE FOR AN OPEN-END LOAN IS COMPUTED BY APPLYING THE PERIODIC RATE TO EACH UNPAID BALANCE FOR THE EXACT NO. OF DAYS EACH BALANCE WAS OUTSTANDING. THE BALANCE USED TO COMPUTE THE FINANCE CHARGE IS THAT BALANCE EACH DAY AFTER CREDITS ARE SUBTRACTED AND NEW ADVANCES OR OTHER CHARGES ARE ADDED.

DIVIDENDS AND/OR INTEREST OF $10.00 OR MORE WILL BE REPORTED TO THE INTERNAL REVENUE SERVICE AND APPLICABLE STATE AGENCY THROUGH PERIOD ENDING DEC. 31ST AS INTEREST INCOME FOR THE CALENDAR YEAR.

YOU CAN SAVE AT LEAST $375!
TRAVIS FEDERAL IS WAIVING ALL FEES ON ALL HOME EQUITY LOANS AND LINES OF CREDIT, NOW THROUGH MARCH 31, 1996. AVAILABLE FOR PROPERTIES LOCATED IN CALIFORNIA ONLY. CALL PHONELOAN SEVEN DAYS A WEEK TO APPLY AT (707) 451-5350 OR 1-800-449-4110.

MARLIN FOUNS
[redacted]

SHARE ACCOUNTS ARE NON-TRANSFERABLE EXCEPT ON THE BOOKS OF THIS CREDIT UNION TO VERIFY YOUR DIRECT DEPOSIT, CALL US AT (707) 449-4000 EX. 726

TRAN. MO DAY	EFFECT MO DAY YR	TRANSACTION DESCRIPTION	AMOUNT	BALANCE
		SUFFIX:00 PRIME SHARE ACCT		5408.45
	02 01 96	DIVIDEND	37.35	5445.80
02 14	02 15 96	EXXON	1336.97	6782.77
02 14	02 15 96	EXXON	-1336.97	5445.80
	02 23 96	SHARE WITHDRAWAL	-2500.00	2945.80
02 20	02 29 96	EXXON	1518.89	4464.69
02 20	02 29 96	EXXON	-1518.89	2945.80
		Y-T-D DIVIDENDS: 42.84		
		(A 3.5000 DIVIDEND OF 13.47 WILL BE POSTED TO YOUR ACCOUNT ON [redacted]		
		TRUTH IN SAVINGS INFORMATION		
		BALANCE RANGE RATE ANNUAL PERCENTAGE YIELD		3.56%
		.00 - 9,999,999.99 3.50% ANNUAL PERCENTAGE YIELD EARNED		3.56%
		SUFFIX:10 365 - 449 DAY CERT		1500.00
	02 01 96	DIVIDEND	3.43	1503.43
		Y-T-D DIVIDENDS: 3.43 FORFEITURES: .00		
		MATURITY DATE:011597 DIV RATE: 5.2200		
		(A 5.2200 DIVIDEND OF 6.24 WILL BE POSTED TO YOUR ACCOUNT ON 030196)		
		TRUTH IN SAVINGS INFORMATION		
		BALANCE RANGE RATE ANNUAL PERCENTAGE YIELD		5.35%
		.00 - 9,999,999.99 5.22% ANNUAL PERCENTAGE YIELD EARNED		5.35%
		SUFFIX:50 SHARE DRAFT ACCOUNT		
		BEGINNING BALANCE 2532.26 MAINT/SERVICE CHGS .00		
		DEPOSITS 17434.87 ENDING BALANCE 3545.11		
		DRAFTS 16272.02		
		MISC DEBITS 150.00 TOTAL NUMBER DRAFTS CLEARD 13		
	02 01 96	DIVIDEND	1.95	2534.21
	02 01 96	SHARE DRAFT # 384 [redacted]	-17.56	2516.65
	02 01 96	SHARE DRAFT # 381	-92.99	2423.66
	02 02 96	SHARE DRAFT # 379	-1285.58	1138.08
	02 05 96	SHARE DRAFT # 380	-121.25	1016.83
	02 06 96	SHARE DRAFT # 382	-80.00	936.83
	02 13 96	SHARE DEPOSIT	77.06	1013.89
	02 14 96	SHARE DRAFT # 389	-120.00	893.89
02 14	02 15 96	PAYROLL ALLOCATION FROM [redacted]	1336.97	2230.86
	02 16 96	SHARE WITHDRAWAL	-150.00	2080.86
	02 16 96	SHARE DRAFT # 387 [redacted]	-1595.94	484.92
	02 20 96	SHARE DRAFT # 388	-18.41	466.51
	02 21 96	SHARE DRAFT # 386	-171.15	295.36
	02 23 96	SHARE DEPOSIT	14500.00	14795.36
	02 23 96	SHARE DRAFT # 391	-84.19	14711.17
	02 26 96	SHARE DRAFT # 390	-12500.00	2211.17
02 20	02 29 96	PAYROLL ALLOCATION FROM [redacted]	1518.89	3730.06
	02 28 96	SHARE DRAFT # 393	-163.07	3566.99
	02 29 96	SHARE DRAFT # 392	-21.88	3545.11

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING

1042

STATEMENT G14 | ACCOUNT NUMBER [redacted] | SOCIAL SECURITY NO. | FROM 02-01-96 | THROUGH 02-29-96 | PAGE 2 OF 2

TRAVIS FEDERAL CREDIT UNION

TRAVIS AFB BRANCH
[illegible]
PHONE (707)[illegible]

FAIRFIELD BRANCH
[illegible]
PHONE (707)[illegible]

VACAVILLE BRANCH
[illegible]
VACAVILLE, CA [illegible]
PHONE (707)[illegible]

CASTLE AFB BRANCH
[illegible]
CASTLE AFB, CA [illegible]
PHONE (209)[illegible]

MERCED BRANCH
[illegible]
MERCED, CA [illegible]
PHONE (209)[illegible]

ALL CORRESPONDENCE
P.O. BOX [illegible]
VACAVILLE, CA [illegible]

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CALL PHONELOAN SEVEN DAYS A WEEK TO APPLY AT (707) 451-5350 OR 1-800-449-4110.

MARLIN YOUNG
[redacted]

SHARE ACCOUNTS ARE NON-TRANSFERABLE EXCEPT ON THE BOOKS OF THIS CREDIT UNION. TO VERIFY YOUR DIRECT DEPOSIT, CALL US AT (707) 449-[illegible] EX. 720

TRAN. NO.	EFFECT DAY	MO	DAY	YR	TRANSACTION DESCRIPTION	AMOUNT	BALANCE
					NO. AMOUNT NO. AMOUNT NO. AMOUNT	NO.	AMOUNT
		379			1285.58 *384 17.56 388 18.41	391	84.19
		388			121.25 *386 171.15 389 120.00	392	21.88
		391			92.99 387 1595.94 390 12500.00	*395	163.07
		392			80.00	TOTAL:	16272.02

Y-T-D DIVIDENDS: 5.02
IA 1.5000 DIVIDEND OF 3.07 WILL BE POSTED TO YOUR ACCOUNT ON [redacted]

TRUTH IN SAVINGS INFORMATION

BALANCE RANGE	RATE	ANNUAL PERCENTAGE YIELD		
.00 - 9,999,999.99	1.50%	ANNUAL PERCENTAGE YIELD	EARNED	1.51%

SUFFIX:01 VEHICLE LOAN
ANNUAL PERCENTAGE RATE 8.2500% DAILY PERIODIC RATE .0226027%

	PREVIOUS LOAN BALANCE			11193.29
	FINANCE CHARGE PRINCIPAL			
022396	LOAN PAYMENT CREDIT	91.08	408.92	500.00	10784.37

YTD FINANCE CHARGE PAID: 91.08 NEW LOAN BALANCE 10784.37
PERIOD TOTALS-PAYMENTS & CREDITS: 408.92 DEBITS: .00 *FINANCE CHARGE*: 91.08

SUMMARY OF PAYROLL DEDUCTIONS AND DIRECT DEPOSITS

DATE	TOTAL	$ 0	$ 5				
02-15	1,336.97	.00	1,336.97	.00	.00	.00	.00
02-29	1,518.89	.00	1,518.89	.00	.00	.00	.00

FOR 1996
REPORTING SSN

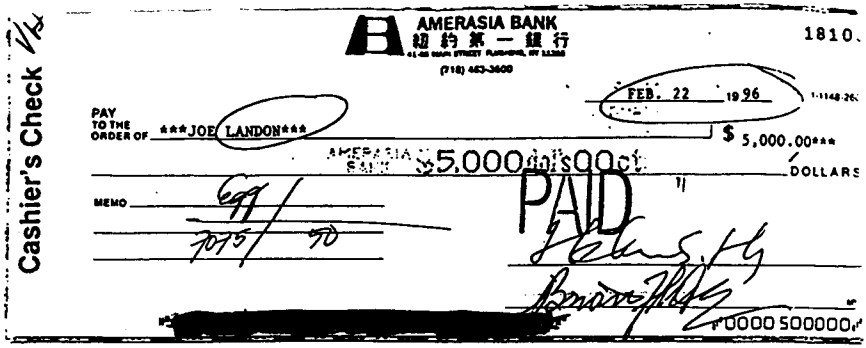
* IRA YTD DIVIDENDS	* OTHER YTD DIVIDENDS	* TOTAL YTD DIVIDENDS	* TOTAL YTD FED WHN	* TOTAL YTD STATE WHN	* TOTAL YTD FORFEITURES
.00	51.29	51.29	.00	.00	.0

TOTAL **FINANCE CHARGE** PAID 91.08

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING

1043



Cashier's Check

AMERASIA BANK
紐約第一銀行
41-60 MAIN STREET FLUSHING, NY 11355
(718) 463-3600

1810.

FEB. 22 1996

PAY TO THE ORDER OF ***JOE LANDON***

$ 5,000.00***

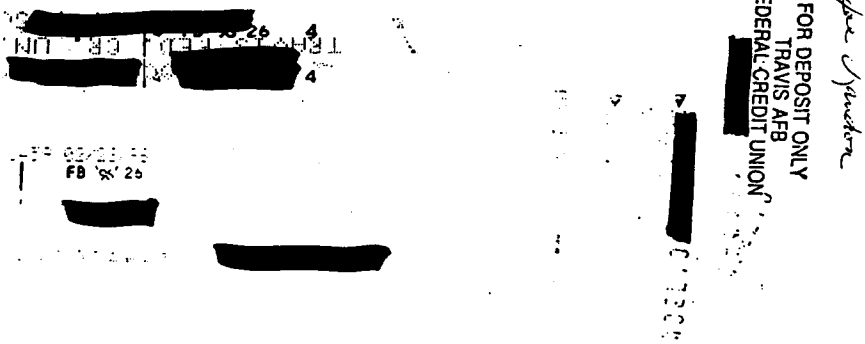
AMERASIA BANK $5,000 dollars 00 ct DOLLARS

MEMO Egg / 7075 / 50

PAID

[redacted]

0000 500000



[redacted]

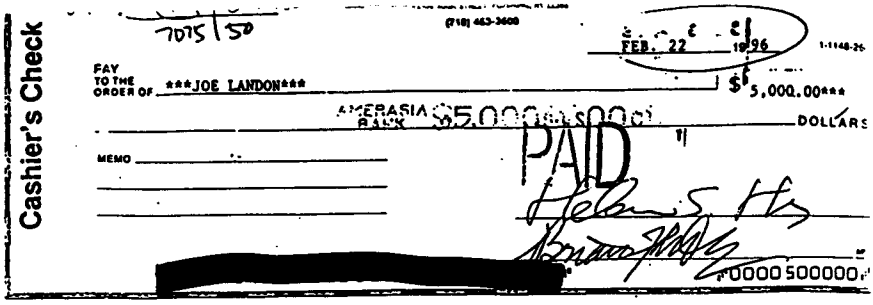
FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION
[redacted]

FB '96 25

[redacted]

[redacted]

EXHIBIT


Cashier's Check

7075 | 50

(718) 463-3600

FEB. 22 1996

1-1148-26

PAY TO THE ORDER OF ***JOE LANDON***

$ 5,000.00***

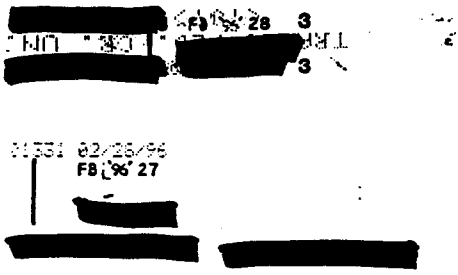
AMERASIA BANK $5,000.00

DOLLARS

MEMO

PAID

0000500000


FEB 28 3

3

02/26/96

FEB 96 27

FOR DEPOSIT ONLY

TRANS APB

FEDERAL CREDIT UNION

☑ SAVINGS ACCOUNT (PERSONAL)
☐ CERTIFICATE OF DEPOSIT (PERSONAL)

AMERASIA BANK
41-60 MAIN ST
FLUSHING, N Y 11355

☐ INDIVIDUAL
☐ JOINT
☐ TRUST

ACCOUNT TITLE	SEX		ACCOUNT NUMBER
YUAN PEI PAN (ANTONIO)	M ☒ F ☐	[redacted]	[redacted]

ADDRESS: 2912 NO 200 CONNAUGHT ROAD CENTRAL HK — TELEPHONE NO: [redacted]

SOCIAL SECURITY NO	ID NO	NATIONALITY	DATE OF BIRTH
N/A	TAIWAN P.P. [redacted]	TAIWAN	02/25/47

NAME AND ADDRESS OF EMPLOYER: [redacted] — TELEPHONE NO:

I/We hereby agree that this account when accepted shall be governed by the rules and regulations of the AMERASIA BANK, relative to Savings Accounts and Time Deposits, which are available on request. If there be more than one undersigned, each of us declare this account to be a joint account payable to either of us or to the survivor, also applicable to joint account in trust, designating a beneficiary. Each of the undersigned does hereby authorize the other to endorse for deposit and to deposit in the said account checks and other instruments for the payment of money belonging to either or both of us. If account is other than individual or joint tenants, signature(s) required must be in accordance with terms of resolution or agreement.

NOT TRANSFERABLE

1 SIGNATURE: [signature]

2 SIGNATURE:

NO SIGS REQUIRED: ONE

INSTRUCTIONS

JOINT ACCOUNT ..... COMPLETE "A"
INDIVIDUAL TRUST ..... COMPLETE "B"
JOINT ACCOUNT,TRUST ..... COMPLETE "A" & "B"

SECTION "A" DEPOSITOR	NAME		SEX M ☐ F ☐	DATE OF BIRTH
	ADDRESS			HOME TEL.
	SOCIAL SECURITY NO.	ID NO.		NATIONALITY
"B" BENEFICIARY	RELATIONSHIP TO TRUSTEE(S)/CUSTODIAN		SEX M ☐ F ☐	DATE OF BIRTH
	ADDRESS			HOME TEL.
	SOCIAL SECURITY NO.	ID NO.		NATIONALITY

DATE OPENED	AMOUNT	BY	OFFICE	APPROVED
02/22/96	CA$25,200.00	ERIC		MY

01304

[redacted]

YUAN PEI PAN (ANTONIO)
2912 NO. 200 CONNAUGHT ROAD
CENTRAL HONG KONG, HK
Hong Kong

Statement Date
MAR 31, 1996
Account Number
[redacted] 01 01 Y

****

Statement Summary

Last Stmt Date	Beginning Balance	Deposits	Withdrawals	Ending Balance
2/22/96	.00	25,200.54	25,000.00	200.5

Number of Days in Statement Period- 39 Interest Earned- .5
Average Daily Balance- 200.00 Annual Percentage Yield Earned- 2.5

****

Statement Activity

Post Date	Eff Date	Description	Activity	Balanc
2/22/96		Beginning Balance		.0
2/22/96	2/22/96	Deposit	25,200.00	25,200.0
2/22/96	2/22/96	Withdrawal	25,000.00-	200.0
3/29/96	3/31/96	Interest Posting	.54	200.5
3/31/96		Ending Balance		200.5
		Interest Year to Date		.5
		Last Year Interest		.0

0:130

PERSONAL NEW ACCOUNT APPLICATION
私人新帳戶申請表

AMERASIA BANK
41-06 Main Street
Flushing, NY 11355

A/C NO. [redacted]

CIF No. [redacted]

( ) Checking A/C 支票帳戶
( ) Money Market A/C 貨幣市場帳戶
( ) N.O.W. A/C 支息支票帳戶
(X) Savings A/C 儲蓄存摺帳戶

(X) Individual 個人
( ) Joint 共有
( ) Trust/Custodian 信託監護人

( ) With Power of Attorney 授權

Name 姓名 YUAN PEI PAN A.K.A. ANTONIO PAN	中文
ID. # 有相片證件號碼 TAIWAN P.P.#: [redacted]	Nationality 國籍 TAIWAN
S.S.# 社會安全卡號碼 N/A	Date of Birth 生日 02/05/47
Residential Address 住址 2912 NO 200 CONNAUGHT ROAD CENTRAL HK	Telephone # 電話號碼 [redacted]
Mailing Address 通信地址 1912 NO 200 CONNAUGHT ROAD CENTRAL HK	
Name & Address of Employer 雇主姓名及地址	Business Telephone # 電話號碼
Type of Business 營業類別	Occupation 職業
Name of Joint A/C Holder 共同持有者姓名	中文
Name & Address of Employer 雇主姓名及地址	Telephone # 電話號碼
Remarks 備註	

Declaratoin:

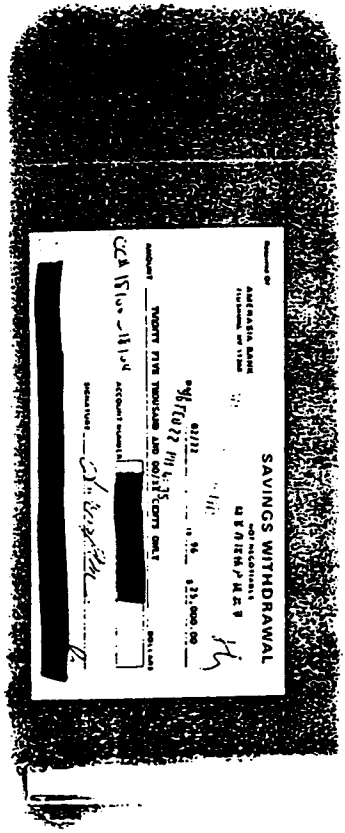
I/We agree that the bank may with proper notice combine or consolidate my/our account(s) with and liabilities to the Bank and set-off or transfer any sum(s) standing to the credit of any such accounts or any other sum(s) owing to me/us from the Bank in or towards satisfaction of my/our liabilities to the Bank on any other account or in any other respect whether such liabilities be actual or contingent primary or collateral and several or joint and that the rights of the Bank hereunder shall not be affected by my/our death or the death of any one or more of us.

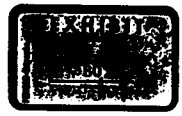
Date 02 / 22 / 1996

Signature(s) Antonio Pan

[redacted]

(5) 1 OF 1


SAVINGS WITHDRAWAL
AMERASIA BANK
TWENTY FIVE THOUSAND AND 00/XX CENTS ONLY
ACCOUNT NUMBER
SIGNATURE



(8) 1 OF 1

Form **4789** (Rev. October 1995) Department of the Treasury Internal Revenue Service

Currency Transaction Report

▶ Use this 1995 revision effective October 1, 1995.
▶ For Paperwork Reduction Act Notice, see page 3. ▶ Please type or print.
(Complete all parts that apply—See instructions)

OMB No. 1545-0183

1 Check all box(es) that apply
a ☐ Amends prior report b ☐ Multiple persons c ☐ Multiple transactions

Part I Person(s) Involved in Transaction(s)

Section A—Person(s) on Whose Behalf Transaction(s) Is Conducted

2 Individual's last name or Organization's name: PAN
3 First name: YUAN PEI
4 M.I.:
5 Doing business as (DBA): ANTONIO PAN
6 SSN or EIN:
7 Address (number, street, and apt. or suite no.): 2912 NO. 200 CONAUGHT RD.
8 Date of birth: M M D D Y Y [redacted]
9 City: CENTRAL
10 State:
11 ZIP code:
12 Country (if not U.S.): HONG KONG
13 Occupation, profession, or business: PRESIDENT
14 If an individual, describe method used to verify identity
a ☐ Driver's license/State I.D. b ☒ Passport c ☐ Alien registration d ☐ Other
e Issued by: R. O. C. f Number: [redacted]

Section B—Individual(s) Conducting Transaction(s) (if other than above).
If Section B is left blank or incomplete, check the boxes below to indicate the reason(s)
a ☐ Armored Car Service b ☐ Mail Deposit or Shipment c ☐ Night Deposit or Automated Teller Machine
d ☐ Multiple Transactions e ☒ Conducted On Own Behalf
15 Individual's last name:
16 First name:
17 M.I.:
18 Address (number, street, and apt. or suite no.):
19 SSN:
20 City:
21 State:
22 ZIP code:
23 Country (if not U.S.):
24 Date of birth: M M D D Y Y
25 If an individual, describe method used to verify identity
a ☐ Driver's license/State I.D. b ☐ Passport c ☐ Alien registration d ☐ Other
e Issued by: f Number:

Part II Amount and Type of Transaction(s). Check all boxes that apply.

26 Cash In $ _____ .00
27 Cash Out $ _____ .00
28 Date of Transaction: M M D D Y Y 0 2 [illegible]
29 ☐ Foreign Currency _____ (Country)
30 ☐ Wire Transfer(s)
31 ☐ Negotiable Instrument(s) Purchased
32 ☐ Negotiable Instrument(s) Cashed
33 ☐ Currency Exchange(s)
34 ☒ Deposit(s)/Withdrawal(s)
35 ☒ Account Number(s) Affected (if any): [redacted]
36 ☐ Other (specify)

EXHIBIT [illegible] 81

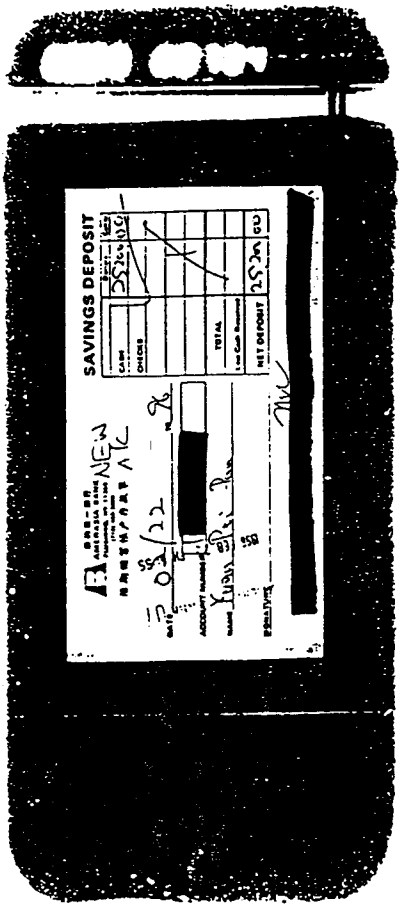
Part III Financial Institution Where Transaction(s) Takes Place

37 Name of financial institution: AMERASIA BANK
Enter Federal Regulator or BSA Examiner code number from the instructions here ▶ [2]
38 Address (number, street, and apt. or suite no.): 41-06 MAIN STREET
39 SSN or EIN: 1 1 2 8 8 9 5 9 4
40 City: FLUSHING
41 State: N Y
42 ZIP code: 11355
43 MICR No.: 0260 11484

Sign Here ▶
44 Title of approving official: MANAGER
45 Signature of approving official:
46 Date of signature: M M D D Y Y 0 3 [illegible] 8 9 6
47 Type or print preparer's name: MA[illegible]E CHU
48 Type or print name of person to contact: GODFREY CHU
49 Telephone number: [redacted]

Cat. No. 42000W

636


SAVINGS DEPOSIT
NEW
TOTAL
NET DEPOSIT

(6) 1 OF 5 purchase of Cashier's Check

APPLICATION FOR CASHIERS/MONEY ORDER

Amerasia Bank
41-06 Main Street
Flushing, NY 11355

Date: Feb. 22 96

Please issue a Cashiers Check/Money Order as follows:

Name of Payee: ManLin Foung

Check Amount
$ 5000.00

By order of
Antonio Pan

ATTENTION
For your protection and to enable us to identify the Applicant in the event that the Cashiers Check/ Money Order is lost, stolen or mislaid, the following information must be given before a Cashiers Check/Money Order can be issued.

For Bank Customer:
Account no. [redacted]

For non-bank customer:
ID no.:

Name of Applicant
(If different from above)

SIGNATURE VERIFIED
AMERASIA BANK
FLUSHING
N.Y.

Address of Applicant

Antonio Pan
Applicant's Signature

FOR BANK USE ONLY Debit AC

Cashiers Check/ ~~Money Order~~ No.
18700

Check Amount $ 5000-

Commission CBSM 5-

Total Recieved$ 5005-

Tellers initial
HY

Prepared by:
HY

Checked/ Approved

Date: 2-22-96

EXHIBIT

658

(6) 2 OF 5

Purchase of Cashier's Check

APPLICATION FOR CASHIERS/MONEY ORDER

Amerasia Bank
41-06 Main Street
Flushing, NY 11355

Date: Feb. 22. 96

Please issue a Cashiers Check/Money Order as follows:

Name of Payee: ManLin Foung

Check Amount
$ 5000.00

By order of
Antonio Pan

ATTENTION
For your protection and to enable us to identify the Applicant in the event that the Cashiers Check/ Money Order is lost, stolen or mislaid, the following information must be given before a Cashiers Check/Money Order can be issued.

For Bank Customer:
Account no. [redacted]

For non-bank customer:
ID no.:

Name of Applicant
(If different from above)

SIGNATURE VERIFIED
AMERASIA BANK
FLUSHING
N.Y.

Address of Applicant

Antonio Pan
Applicant's Signature

FOR BANK USE ONLY Deliver

Cashiers Check/ ~~Money Order~~ No. 18101

Prepared by:

Check Amount $ 5000

Commission CASH 5

Total Recieved$ 5005

Tellers initial

Checked/ Approved

Date: 2.22.96

EXHIBIT

(6) 3 OF 5

PURCHASE of Cashier's CHECK

APPLICATION FOR CASHIERS/MONEY ORDER

Amerasia Bank
41-06 Main Street
Flushing, NY 11355

Date: Feb. 22 96.

Please issue a Cashiers Check/Money Order as follows:

Name of Payee: Manlin Foung

Check Amount
$ 5000.00

By order of
Antonio Pan

ATTENTION
For your protection and to enable us to identify the Applicant in the event that the Cashiers Check/ Money Order is lost, stolen or mislaid, the following information must be given before a Cashiers Check/Money Order can be issued.

For Bank Customer:
Account no. [redacted]

For non-bank customer:
ID no.:

Name of Applicant
(If different from above)

SIGNATURE VERIFIED
AMERASIA BANK
FLUSHING
N.Y.

Address of Applicant

Antonio Pan
Applicant's Signature

FOR BANK USE ONLY

Debit A/c

Cashiers Check/ ~~Money Order No.~~ 18102

Prepared by:

Check Amount $ 5000-

Commission CASH 5-

Total Recieved $ 5005-

Tellers initial

Checked/ Approved

Date: 2.22.96

(6) 4 OF 5 Purchase of Cashier's Check

APPLICATION FOR CASHIERS/MONEY ORDER

Amerasia Bank
41-06 Main Street
Flushing, NY 11355

Date: Feb 22 96

Please issue a Cashiers Check/Money Order as follows:

Name of Payee: Joe Landon

Check Amount
$ 5000.00

By order of
Antonio Pan

ATTENTION
For your protection and to enable us to identify the Applicant in the event that the Cashiers Check/ Money Order is lost, stolen or mislaid, the following information must be given before a Cashiers Check/Money Order can be issued.

For Bank Customer:
Account no. [redacted]

For non-bank customer:
ID no.:

Name of Applicant
(If different from above)

SIGNATURE VERIFIED
AMERASIA BANK
FLUSHING
N.Y.

Address of Applicant

Antonio Pan
Applicant's Signature

FOR BANK USE ONLY Delivered

Cashiers Check/ Money Order No. 18103

Check Amount $ 5000-

Commission CPSH 4-

Total Recieved$ 5005-

Tellers initial

Checked/ Approved

Prepared by:

Date: 2.22.96

EXHIBIT 86

(6) 5 OF 5

Purchase of Cashier's Check

APPLICATION FOR CASHIERS/MONEY ORDER

Amerasia Bank
41-06 Main Street
Flushing, NY 11355

Date: Feb. 22. 96

Please issue a Cashiers Check/Money Order as follows:

Name of Payee: Joe Landon

Check Amount
$ 5000.00

By order of
Antonio Pan

ATTENTION
For your protection and to enable us to identify the Applicant in the event that the Cashiers Check/ Money Order is lost, stolen or mislaid, the following information must be given before a Cashiers Check/Money Order can be issued.

For Bank Customer:

Account no. [redacted]

For non-bank customer:

ID no.:

Name of Applicant
(If different from above)

SIGNATURE VERIFIED
AMERASIA BANK
FLUSHING
NY

Address of Applicant

Antonio Pan
Applicant's Signature

FOR BANK USE ONLY

Debit

Cashiers Check/ ~~Money Order No.~~
18704

Prepared by:

Check Amount $ 5000 -

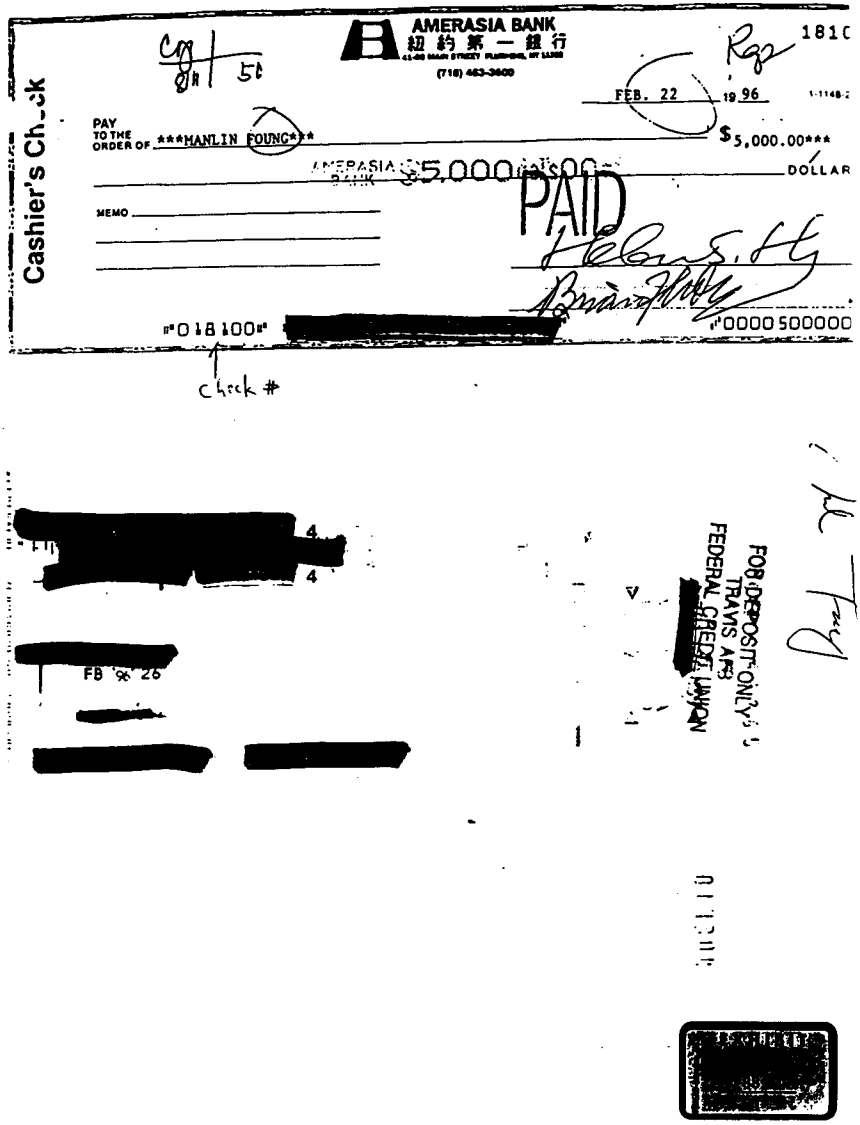
Commission CASH 5 -

Total Recieved$ 5005 -

Tellers initial

Checked/ Approved

Date: 2.22.96



AMERASIA BANK
紐約第一銀行
(718) 463-3600

1810

FEB. 22 19 96

PAY TO THE ORDER OF ***MANLIN FOUNG***

$5,000.00***

DOLLAR

AMERASIA BANK $5,000.00

MEMO

PAID

Cashier's Check

"018100" [redacted] "0000500000

Check #

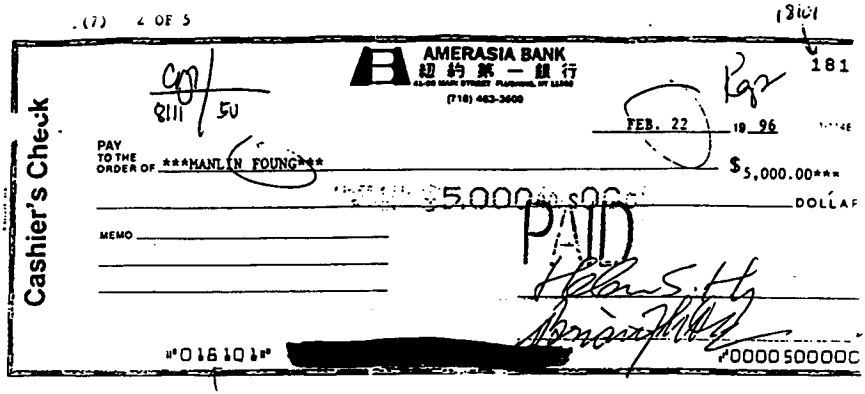
[redacted]

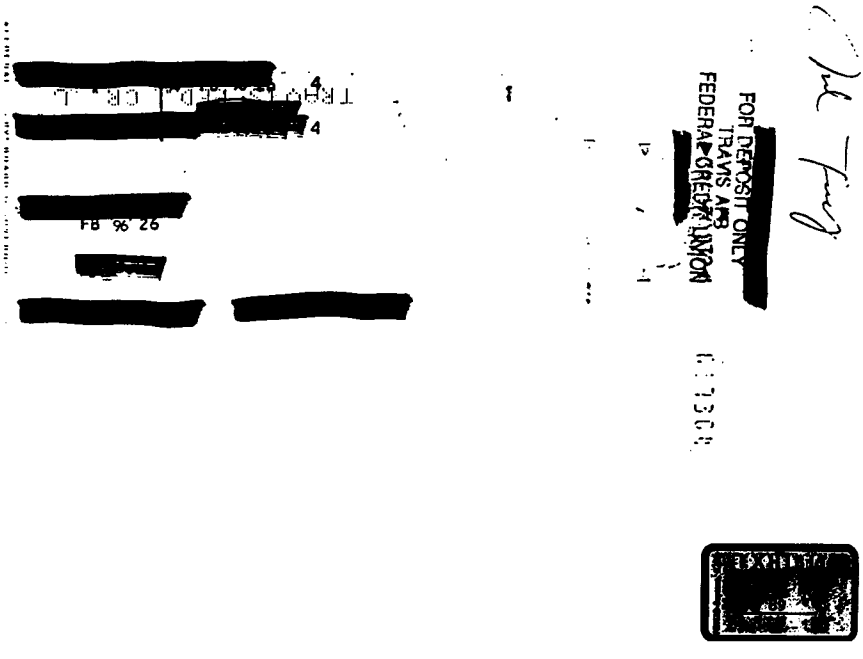
FB * 26

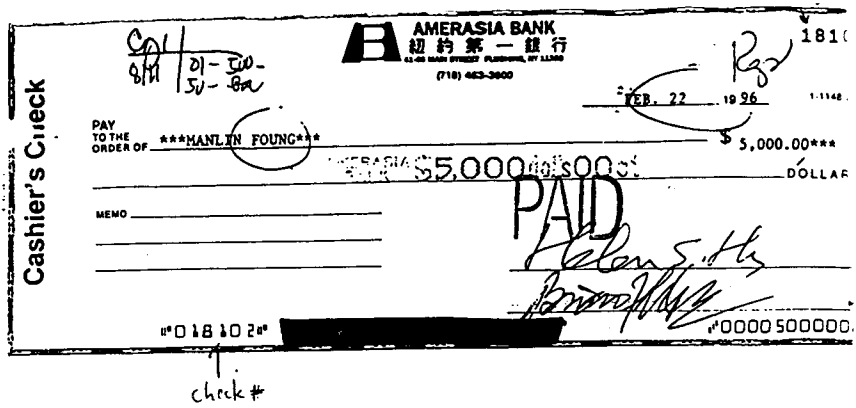
[redacted]

FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION

[redacted]


(7) 2 OF 5
AMERASIA BANK
紐約第一銀行
(718) 463-3600
FEB. 22 19 96
PAY TO THE ORDER OF ***MANLIN FOUNG***
$5,000.00***
DOLLAR
MEMO
PAID
Cashier's Check
181
check #


FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION



Cashier's Check

AMERASIA BANK
紐約第一銀行
(718) 463-3600

1810

FEB. 22 1996

PAY TO THE ORDER OF ***MANLIN FOUNG***

$ 5,000.00***

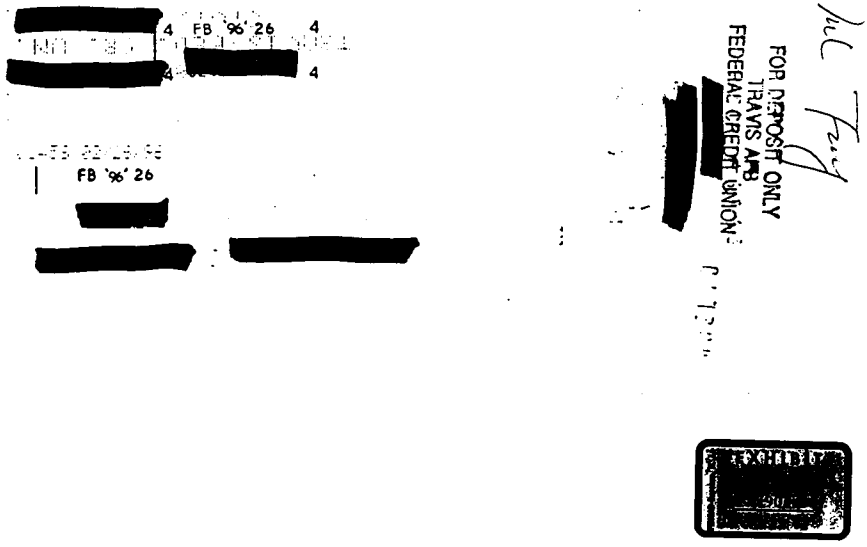
DOLLAR

MEMO

PAID

⑈018102⑈ [redacted] ⑈0000500000⑈

check #



4 FB '96 26 4

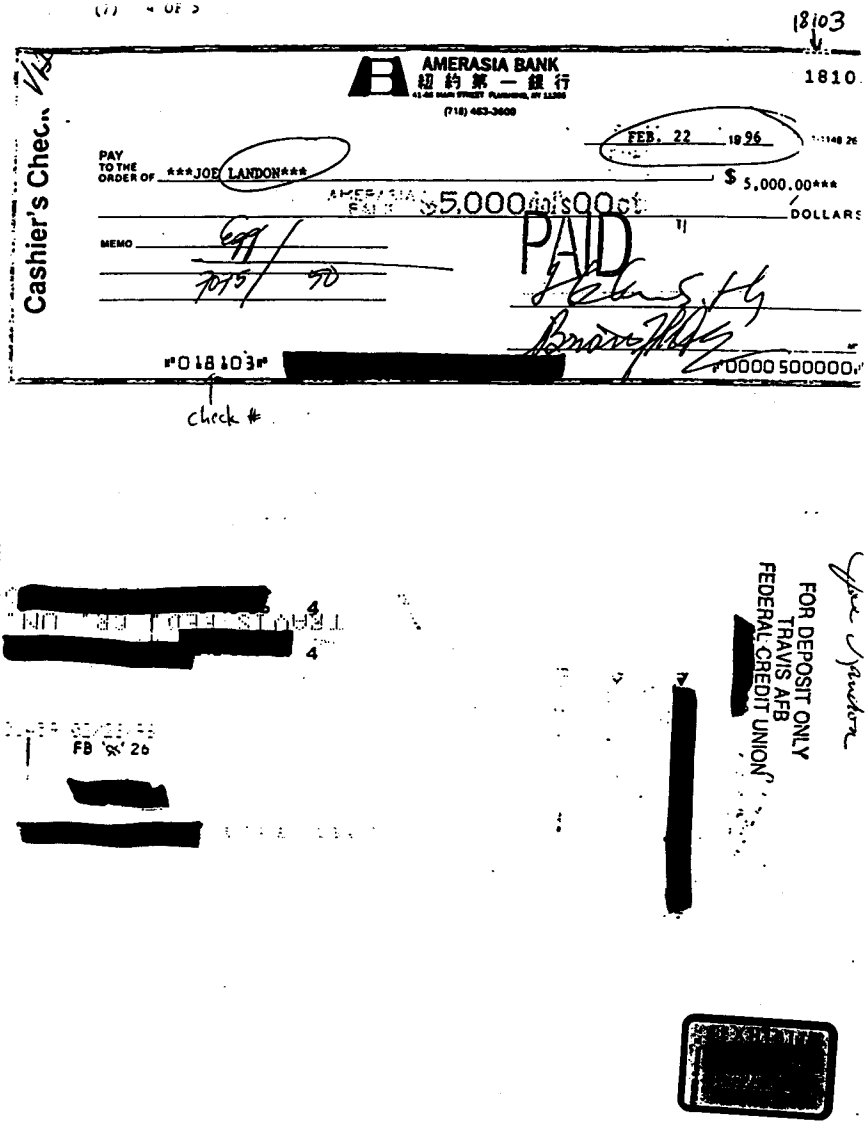
4

FB '96 26

[redacted]

FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION

[redacted]



(7) 4 OF 5

18103

Cashier's Check

AMERASIA BANK
紐約第一銀行
41-65 MAIN STREET FLAMINGO, NY 11355
(718) 463-3600

1810

FEB. 22 1996

PAY TO THE ORDER OF ***JOE LANDON*** $ 5,000.00***

AMERASIA BANK $5,000 00 DOLLARS

MEMO Egg / 7075 / 50

PAID

⑈018103⑈ [redacted] ⑈0000500000⑈

check #

[redacted] 4

[redacted] 4

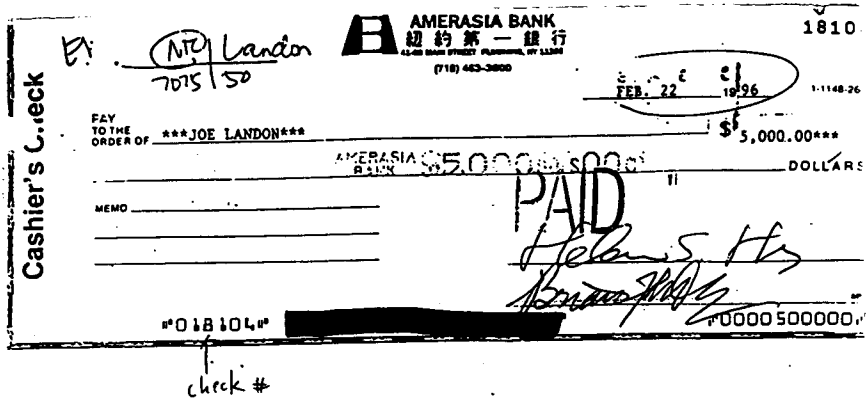
FB '96 26

[redacted]

[redacted]

FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION
[redacted]

[redacted]



Cashier's Check

AMERASIA BANK
紐約第一銀行
(718) 463-3000

1810

FEB. 22 1996

1-1148-26

PAY TO THE ORDER OF ***JOE LANDON***

$ 5,000.00***

AMERASIA BANK

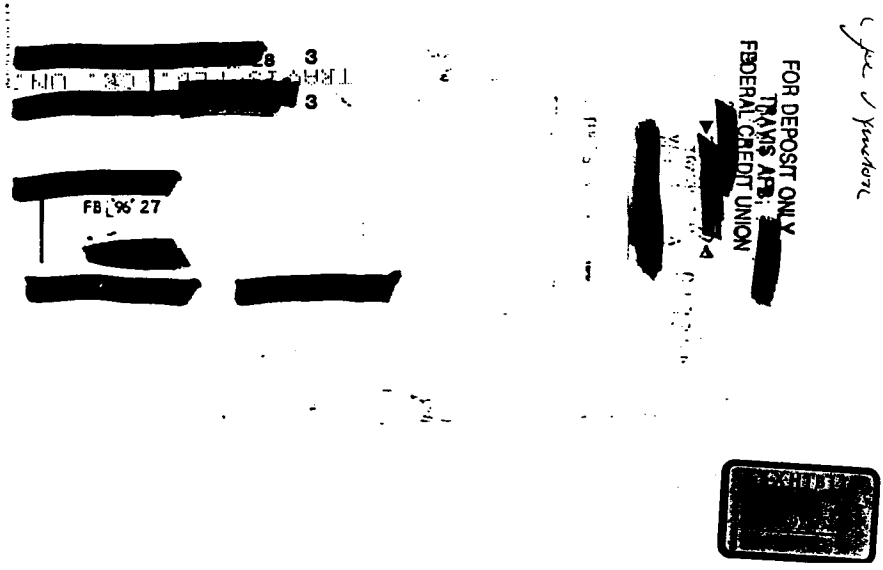
DOLLARS

MEMO

PAID

⑈018104⑈ [redacted] ⑆0000500000⑈

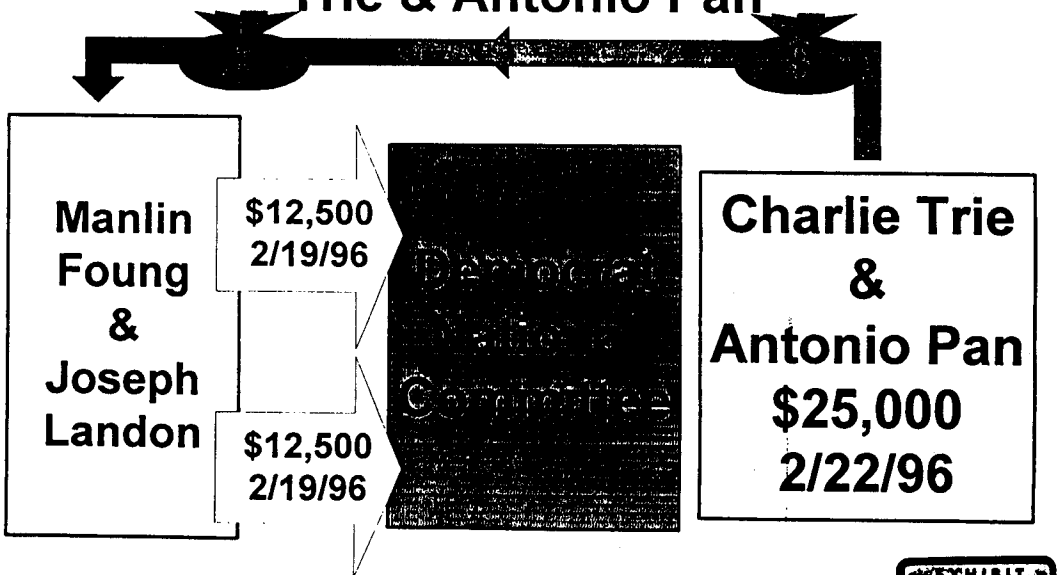
check #

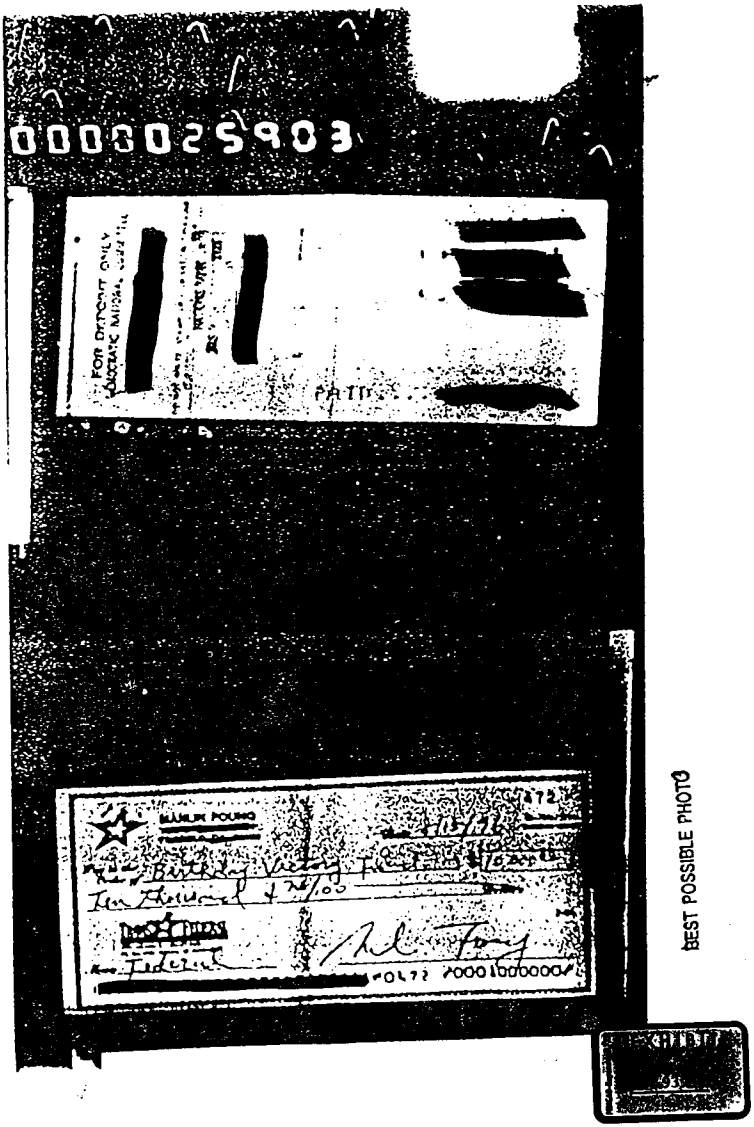


FOR DEPOSIT ONLY
TRAVIS AFB
FEDERAL CREDIT UNION

FEB 96 27

Conduit Payments by Manlin Foung & Joseph Landon, Reimbursed by Charlie Trie & Antonio Pan





BEST POSSIBLE PHOTO

BANK: 001
R100S WASH

MONEY TRANSFER SYSTEM
TRANSACTION JOURNAL-AMOUNT ORDER
FOR PERIOD 08/15/96-08/15/96

R 5010

DATE 08/15/96
PAGE 1213 1A

DATE: 08/15/96 AMOUNT: 10,000.00 ACCT NO: [redacted] SEQ NO: 6635
STATUS: COMPLETE TRANSACTION TYPE: OUT WIRE SERVICE: FEDWIRE

USD AMOUNT: 10,000.00 REPETITIVE CODE: ORIG REF NO:

FOR AMOUNT: CURRCODE: VAL DATE: RATE:

DEBIT AC: [redacted] D-CLLBCK: N SAN.KIVI7080 71A: PR:

ORD: LAP SEND NO

CREDIT AC: C-CLLBCK: CONTROL NO:

DEST
BK: DESTBIC: MSG TYPE:

BNF BANK: 57(A,B,D)
ADD:
TRAVS FED CR UNION

BENEFICIARY BANK INFO:
BOX 2069 VACAVILLE CA

RCVR CORR: 56(A,B,D)
ADD:

IBK: 56(A,D)
ADD:

CHG CODE: 14

BENEFICIARY:
AC: [redacted]
MAN LIN FOUNG

ORIGINATOR TO BENEFICIARY INFORMATION:

REFERENCE FOR BENEFICIARY:

ORG BANK: 52(A,D)
ADD:

DEBIT DETAIL:
17 25

CREDIT DETAIL:

BANK: 001
RIGGS WASH

MONEY TRANSFER SYSTEM R 5010
TRANSACTION JOURNAL-AMOUNT ORDER
FOR PERIOD 08/07/96-08/07/96

DATE 08/07/96
PAGE 1784 1B

DATE: 08/07/96 AMOUNT: 199,985.00 ACCT NO: [redacted] SEQ NO: [redacted]
STATUS: COMPLETE TRANSACTION TYPE: INC WIRE SERVICE: FEDWIRE

INITIATION INFO: ORP CODE: 02
OPER NAME: 8027177/JEANETTE MCCLARY
PIN NAME: 8027177/JEANETTE MCCLARY
USER NAME:
TIME INIT: [redacted] CUST NO:
TERMINAL:
CANCELLED BY:

ROUTING INFO:
ROUTED BY:
TIME ROUTED:
TERMINAL:
CANCELLED BY:

CALLBACK INFO: CALLBACK INSTR:
APPROVED BY:
TIME APPROVED:
TERMINAL:
CONTACT NAME:

FED CONFIRMATION INFO:
INPUT DATE/TIME: 08/07 11:52:25
INPUT STATION: [redacted]
WIRE REF NO: 000016
SENDER REF NO: 0021
OMAD SEQ/REF NO: 000215
FED TYPE: 10 FED SUBTYPE: 00

FOR BK: [redacted] BK OF CHINA NYC
TO BK: [redacted] RIGGS WASH
THRUBK:
CUC:

CUSTOMER APPROVAL INFO:
APPROVED BY:
TIME APPROVED:
TERMINAL:
CANCELLED BY:

HOLD INFO:
APPROVED BY:
RELEASED BY:
TIME RELEASED:
TERMINAL:
CANCELLED BY:

DEBIT APPROVAL INFO: TYPE:
APPROVED BY:
TIME APPROVED:
TERMINAL:
CANCELLED BY:

CUSTOMER DATA:
EMBASSY FLAG: PRIMARY OFFICE: 017
NAME & ADDRESS: BUSINESS PHONE:
MR LAP SENG HO
MR YAH LIN TRIE
WATERGATE SOUTH
700 NEW HAMPSHIRE AVE NW #121
WASHINGTON DC 20037

FUTURE INFO:
FUTURE REF NO:
FUTURE INIT DATE:

DESCRIPTION

BK OF CHINA NYC /ORO=CIA DE INVESTIMENTO E FOMENTO PREDIAL GOODWILL LDA OGB=BA
RIGGS WASH /CTR/BBK=YR WATERGATE OFFICE 2600 VIRGINIA AVE N.W. WASHINGTO
N D.C. 20037 USA BNF=MR LAP SENG YAH LIN TRIE SUITE 121 700 NEW HAMPSHIRE AVE. W
ATERGATE SOUTH WASHINGTON D.C. 20037 USA/AC-[redacted] BBI=LS FEE USD15.

1065

ntermediary Bank:
D:
pt: UID DDA/BIC:
ID: SWIFT:
rt: PAY FOR FREIGHT

and -
o Bank
nfo -
eceive Bank Information
ntermediary Bank Information Advice code & description
eneficiary's Bank Information Advice code & description
eneficiary Information

:LN A:ME -Complete/Released

String Alert: YAH LIN TRIS. NG LAP SENG
: INV [redacted] * MONEY TRANSfer System * 14-MAY-1997 12:46:31
e: 0[redacted]

pe: FEDWIRE DEBIT Value: 08/07/96 Amount USD: 200,000.00
eceiving Bank RIGGS NATIONAL BANK Tran Nr: Unit:
[redacted] WASHINGTON,DI
Debit Party Credit Party
[redacted]
pe: AC
ID: 100333 SWIFT: BKCHMOMX Type:
UID: SWIFT:
ANK OF CHINA, MACAU BRANCH
ANK OF CHINA BUILDING
VENIDA DOUTOR MARIO SOARES
ACAU
ource: SWI Date: 08/07/96 Nr: 416335 Credit Adv: MT
eference: Sender: [redacted] Customer:
TR/ORG=CIA DE INVESTIMENTO E FOMENTO PREDIAL GOODWILL LDA OGB=BA BBK=YR
ATERGATE OFFICE 2600 VIRGINIA AVE N.W. WASHINGTON D.C. 20037 USA BNF=NG LAP
ENG YAH LIN TRIS SUITE 121 700 NEW HAMPSHRE AVE. WATERGATE SOUTH WASHINGTON
.C. 20037 USA/[redacted] BBI=LS FEE USD15.
ebit Adv: Charges: By: Commission: 15.00 By: C
hips Cable Charge: By:
harge/Comm Account:
e: No (optional):
bank sub-acct: Recv Bank sub-acct:
Send bank Info:
Recv bank info:
ecurity Desc : CUSIP # : Par Value:
ecurity Reference info:

TRAVIS FEDERAL CREDIT UNION

TRAVIS AFB BRANCH
[redacted]

FAIRFIELD BRANCH
[redacted]

VACAVILLE BRANCH
[redacted]

CASTLE AFB BRANCH
[redacted]

SOLANO BRANCH
[redacted]

ALL CORRESPONDENCE
[redacted]

MEMBER APPRECIATION DAYS
ARE COMING TO A
BRANCH NEAR YOU!
TO THANK YOU FOR YOUR
MEMBERSHIP AND FOR
REFERRING YOUR FAMILY,
WE'RE HAVING A PARTY.

STOP BY OUR BRANCHES
SEPTEMBER 23RD - 29TH
AND MEET OUR FRIENDLY
STAFF. WE'LL HAVE
REFRESHMENTS AND
BALLOONS FOR EVERYONE.

WE LOOK FORWARD TO
SEEING YOU!

MARLIN YOUNG
[redacted]

TRANS	EFFECT	TRANSACTION DESCRIPTION	AMOUNT	BALANCE
		SUFFIX:00 PRIME SHARE ACCT		5816.07
	080194	DIVIDEND	16.38	5832.45
	080194	TFR TO LOAN [redacted] 2	-207.00	5625.45
	081396		-336.00	5289.45
	081396		103.50	5378.95
081408	081396	PAYROLL ALLOCATION FROM [redacted]	1603.23	6982.18
081408	081596	REVERSION	-1603.23	5378.95
081408	081596	REVERSION	10000.00	15378.95
	081596	FED WIRE [redacted]	-10000.00	5378.95
	082796	TFR TO SHARE [redacted]	-2000.00	3378.95
	082796	TFR TO SHARE [redacted]	2000.00	5378.95
	082996	FED WIRE [redacted]	103.50	5482.45
082908	083096	PAYROLL ALLOCATION FROM [redacted]	1942.76	7423.21
082908	083096	REVERSION	-1942.76	5482.45
082908	083096	REVERSION		

Y-T-D DIVIDENDS: 181.09

TRUTH IN SAVINGS INFORMATION

BALANCE RANGE	RATE	ANNUAL PERCENTAGE YIELD	ANNUAL PERCENTAGE YIELD EARNED	
.00 - 9,999,999.99	3.50%	ANNUAL PERCENTAGE YIELD		3.56%

		SUFFIX:10 365 - 449 DAY CERT		1336.18
	080194	DIVIDEND	6.81	1342.99

Y-T-D DIVIDENDS: 42.99 FORFEITURES: .00
MATURITY DATE:011397 DIV RATE: 5.2200

TRUTH IN SAVINGS INFORMATION

BALANCE RANGE	RATE	ANNUAL PERCENTAGE YIELD	ANNUAL PERCENTAGE YIELD EARNED	
.00 - 9,999,999.99	5.22%	ANNUAL PERCENTAGE YIELD		5.33%

		SUFFIX:11 182 - 209 DAY CERT		5002.05
	080194	DIVIDEND	21.16	5023.21

Y-T-D DIVIDENDS: 23.21 FORFEITURES: .00
MATURITY DATE:122796 DIV RATE: 4.9800

TRUTH IN SAVINGS INFORMATION

BALANCE RANGE	RATE	ANNUAL PERCENTAGE YIELD	ANNUAL PERCENTAGE YIELD EARNED	
.00 - 9,999,999.99	4.98%	ANNUAL PERCENTAGE YIELD		5.10%

SUFFIX:50 SHARE DRAFT ACCOUNT

BEGINNING BALANCE	2509.83	MAINT/SERVICE CHGS	.00
DEPOSITS	15347.29	ENDING BALANCE	2699.14
DRAFTS	14807.98		
MISC DEBITS	550.00	TOTAL NUMBER DRAFTS CLEARD	12

DEPOSITS

	080194	DIVIDEND	1.30	2511.13
081408	081596	PAYROLL ALLOCATION FR[redacted]	1603.23	2308.49

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

STATEMENT C02 ACCOUNT NUMBER [redacted] SOCIAL SECURITY NO. FROM 08-01-96 THROUGH 08-31-96 PAGE 2 OF 3

TRAVIS FEDERAL CREDIT UNION

TRAVIS AFB BRANCH [redacted] FAIRFIELD BRANCH [redacted] VACAVILLE BRANCH [redacted]
CARLILE AFB BRANCH [redacted] MERCED BRANCH [redacted] ALL CHANNEL/REFERENCE [redacted]

MEMBER APPRECIATION DAYS ARE COMING TO A BRANCH NEAR YOU! TO THANK YOU FOR YOUR MEMBERSHIP AND FOR REFERRING YOUR FAMILY, WE'RE HAVING A PARTY.

STOP BY OUR BRANCHES SEPTEMBER 23RD - 27TH AND MEET OUR FRIENDLY STAFF. WE'LL HAVE REFRESHMENTS AND BALLOONS FOR EVERYONE.

WE LOOK FORWARD TO SEEING YOU!

THE FINANCE CHARGE FOR AN OPEN-END LOAN IS COMPUTED BY APPLYING THE PERIODIC RATE TO EACH UNPAID BALANCE FOR THE ISSUE NO. OF DAYS EACH BALANCE WAS OUTSTANDING. THE BALANCE UPON TO DISPUTE THE FINANCE CHARGE IS THAT BALANCE EACH DAY AFTER CREDITS ARE DISTRIBUTED AND NEW ADVANCES OR OTHER CHARGES ARE ADDED.

DIVIDENDS AND/OR INTEREST OF [illegible] WERE PAID TO YOU IN 1996. ONLY DIVIDENDS REPORTED TO THE INTERNAL REVENUE SERVICE AND APPLICABLE STATE AGENCY THROUGH FORMS 1099-INT ARE REPORTED ANNUALLY FOR THE CALENDAR YEAR.

MARLIN FOUNG
[redacted]

SHARE ACCOUNTS ARE NON-TRANSFERABLE EXCEPT BY THE OWNER OF THIS CREDIT UNION. TO VERIFY YOUR DIRECT DEPOSIT, CALL US AT (707) 540-6000 EXT. 700

TRANS. NO.	EFFECT DATE	TRANSACTION DESCRIPTION	AMOUNT	BALANCE
		DEPOSITS		-
0821	08-27	TFR FROM SHARES [redacted]	10000.00	13646.63
0827	08-27	TFR FROM SHARES [redacted]	2000.00	3241.63
0829	08-30	PAYROLL ALLOCATION FROM [redacted]	1942.76	3699.14
		TOTAL:	13547.29	

DRAFTS

NO.	EFF DATE	AMOUNT	NO.	EFF DATE	AMOUNT	NO.	EFF DATE	AMOUNT
460	08-13	7.00	4464	08-13	137.74	470	08-21	300.00
462	08-07	30.00	467	08-08	100.00	471	08-19	105.00
463	08-05	17.87	468	08-09	200.00	472	08-26	10000.00
464	08-09	1401.00	469	08-14	24.12	473	08-28	2483.23
						TOTAL:		14607.98

MISCELLANEOUS DEBITS

0801	08			
0822	08	TFR TO LOAN [redacted]1	-50.00	2661.13
			-300.00	11341.63
		TOTAL:	350.00	

Y-T-D DIVIDENDS: 16.27

TRUTH IN SAVINGS INFORMATION

BALANCE RANGE	RATE	ANNUAL PERCENTAGE YIELD	ANNUAL PERCENTAGE YIELD EARNED	
.00 - 9,999,999.99	1.30%	ANNUAL PERCENTAGE YIELD		1.31%
				1.31%

SUFFIX:01 VEHICLE LOAN
ANNUAL PERCENTAGE RATE 8.2500% DAILY PERIODIC RATE .02260274%
PREVIOUS LOAN BALANCE 8611.07

0822	08	TFR FROM SHARES [redacted]	**FINANCE CHARGE** 64.23	PRINCIPAL 435.77	500.00	8175.30
		YTD FINANCE CHARGE PAID: 482.01		NEW LOAN BALANCE		8175.30
PRIOR TOTALS-PAYMENTS & CREDITS:		435.77 DEBITS:	.00	*FINANCE CHARGE*:		64.23

SUFFIX:02 VEHICLE LOAN
ANNUAL PERCENTAGE RATE 8.9900% DAILY PERIODIC RATE .02463013%
PREVIOUS LOAN BALANCE 9937.00

0807	08	TFR FROM SHARES [redacted]	**FINANCE CHARGE** 66.22	PRINCIPAL 140.78	207.00	9816.22
		YTD FINANCE CHARGE PAID: 66.22		NEW LOAN BALANCE		9816.22
PRIOR TOTALS-PAYMENTS & CREDITS:		140.78 DEBITS:	.00	*FINANCE CHARGE*:		66.22

SUMMARY OF PAYROLL DEDUCTIONS AND DIRECT DEPOSITS

DATE	TOTAL	S O	S S				
08-15	1,796.73	103.50	1,403.23	.00	.00	.00	.00
08-30	2,046.26	103.50	1,942.76	.00	.00	.00	.00

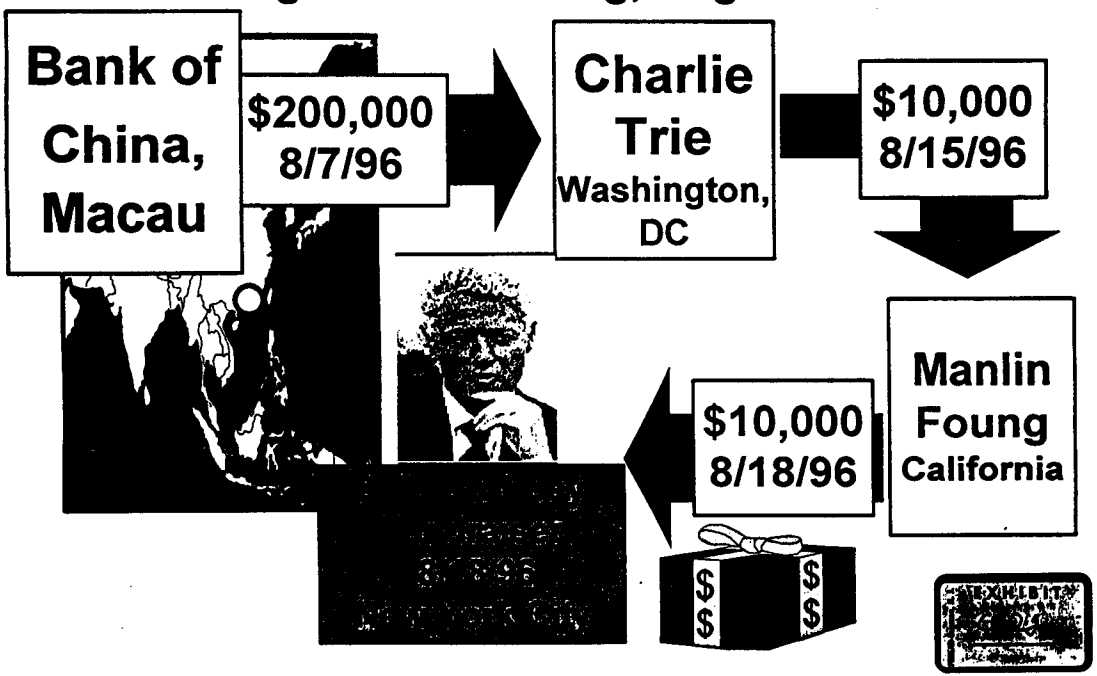
NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION REGARDING

1068

EXHIBIT

Foreign Money Contribution by Charlie Trie through Manlin Foung, August 1996



W [redacted]

8-16 1996

Pay to order of D.N.C $ 5000.-

Five Thousand only Dollars

TRANS NATIONAL BANK
[illegible] HUNTINGTON DRIVE
SAN MARINO, CA 91108

For [redacted]

Check Tracking Form
(ALL information MUST be provided)

act DAVID WANG

pany Address (circle one) [redacted]

ies:
[redacted]

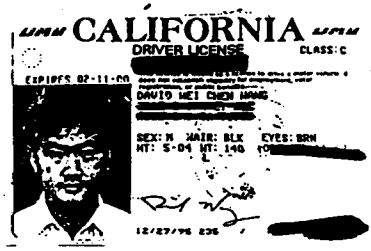
Demographics:
Title
D.O.B.
SSN
Spouse
D.O.B.
SSN

Event PRES. BIRTH NY
DNC Contact JOHN HUANG
Solicitor CHARLIE TRIE

DNC Finance ONLY:
Date Received: 8-28 Amount: 5000
Source Code: BDNY In AS-400, no changes
Program: MTR ___ TRU ___ BC ___ NFC ✓ WLF ___ SC ___ LC ___ O
Revenue Code: E01 Fundraiser Code: 821

[redacted]

1



AUTHORIZED SIGNATURES OF [redacted] POWER OF ATTORNEY
DANIEL WU DAVID WEI CHEN WANG

FOR **Bank of Canton of California**

BANK OF CANTON OF CALIFORNIA

I hereby authorize and empower DAVID WEI CHEN WANG whose signature is given below to sign for me and as my agent, and in my name and on my behalf, checks against any deposit or deposits I now have, or may hereafter have in the COMMERCIAL DEPARTMENT of your Bank, and for me and on my behalf to endorse and cash or deposit checks and drafts payable to me or to my order, and to receive and receipt for statements of my account and cancelled checks, and make settlement in connection therewith and to acknowledge and accept for me and on my behalf the correctness of the balances of my said account.

You are hereby directed to honor the above authority, which shall continue in force until revocation thereof in writing signed by me is delivered to and accepted by an officer of your Bank of the office in which my account is kept.

Daniel Wu

AUTHORIZED SIGNATURE

POWER OF ATTORNEY AUTHORIZED SIGNATURE

BY _____

0151

(2)

1072

[redacted] BANK OF CANTON OF CALIFORNIA — DDA STATEMENT HISTORY AS OF 2/12/97 — PAGE: 8797
TIME 8:48:46 DATE 2/12/97

Stmt Drop Date. . .: 10/23/96

A C C O U N T I N F O

Account .:	[redacted]		Int Pd YTD :	$.00		Annual % rate:	
CIF Key .:	WU DANI 0		Svc Chg amt :	$.00		NE fees due :	$.00
Status. .:			Curr month			Daily % rate :	
Stmt Code:	R		agg bal :	$59,077.68		Late chg due :	$.00
Hold Code:			Agg bal for			Amount due :	$.00
Reserve			Cash W/D :	$57,844.76		Other debts :	$.00
Act. Codes:			Curr Month			Stmt princ :	$.00
Previous			agg days :	30		Stmt interest:	$.00
Stmt Date:	9/23/96		Lst Stmt Bal :	$.00		Stmt C/L :	$.00
Previous			Line of Crdt :	$.00		Stmt A&H :	$.00
Stmt Bal :	$6,333.41		Stmt Advances:	$.00		NE Stmt to	
Curr Bal :	$693.62		Avail Credit :	$.00		date fees pd :	$.00
Debt Amt :	$10,279.58		Total Pymts :	$.00		Stmt late chg:	$.00
Cred Amt :	$4,639.79		Prin Amt Due :	$.00		Other credits:	$.00
# of Debts:	3		Curr Loan Bal:	$.00		# days since	
# of Creds:	2		Finance Chg :	$.00		lst pay cycle:	
SAV Acct#:			Avg. Balance :	$.00		Int curr due :	$.00
Int. Paid			Tot Past Due :	$.00		C/L curr due :	$.00
Stmt-to-Date:	$.00		Bal @ lst Adv:	$.00		A&H curr due :	$.00
Int bearing			Finance chg				
Plan Code:	004		Past Due :	$.00			

T R A N S A C T I O N I N F O

Seq	Tran Date	DDA brk #	DDA brn #	User code	Post Code	Addenda Code	Tran amount	Batch/Seq	Check #	Trans Entry Date	Individual Name
1	09/25/96		30	811	9		$5,000.00	[redacted]	1001	09/25/96	
2	09/30/96		30	701	1		$639.79		9953	09/30/96	
3	10/16/96		30	701	1		$4,000.00		9952	10/16/96	
4	10/16/96		30	811	9		$4,000.00		1002	10/16/96	
5	10/23/96	R	30	811	9		$1,279.58		1003	10/23/96	

018829

[redacted]

DAVID WANG [redacted]

NOW ACCOUNTS

8/15/96 C.

[redacted] 1 [redacted] BRANCH=001

[redacted] SUMMARY FOR NOW ACCOUNTS

BEGINNING BALANCE	7/17/96		1,639.26
DEPOSITS / MISC CREDITS		2	3,002.43
WITHDRAWALS / MISC DEBITS		0	.00
** ENDING BALANCE			4,641.69 **
SERVICE CHARGE			.00
INTEREST PAID			2.43
INTEREST PAID YEAR TO DATE			16.08
ANNUAL PERCENTAGE YIELD EARNED			1.46
NUMBER OF DAYS FOR A.P.Y.E.			32
AVERAGE BALANCE FOR A.P.Y.E.			1,921
MINIMUM BALANCE			1,639

- - - - - - - - - - MISCELLANEOUS DEBITS AND CREDITS - - - - - - - - - -

DATE	AMOUNT	DESCRIPTION
8/16/96	3,000.00 CR	DEPOSIT
8/16/96	2.43 CR	INTEREST EARNED

- - - - - - - - - - - - DAILY BALANCE SUMMARY - - - - - - - - - - - -

DATE	BALANCE	DATE	BALANCE
8/16/96	4,641.69		

[redacted] (4)

DAVID WANG
[redacted]

NOW ACCOUNTS
9/17/96 0

[redacted] 1 BRANCH-001

[redacted] SUMMARY FOR NOW ACCOUNTS

	BEGINNING BALANCE	8/17/96	4,641.69	
	DEPOSITS / MISC CREDITS	2	2,007.81	
	WITHDRAWALS / MISC DEBITS	0	.00	
**	ENDING BALANCE	9/17/96	6,649.50	**
	SERVICE CHARGE		.00	
	INTEREST PAID		7.81	
	INTEREST PAID YEAR TO DATE		27.39	
	ANNUAL PERCENTAGE YIELD EARNED		1.46	
	NUMBER OF DAYS FOR A.P.Y.E.		30	
	AVERAGE BALANCE FOR A.P.Y.E.		6,575	
	MINIMUM BALANCE		4,641	

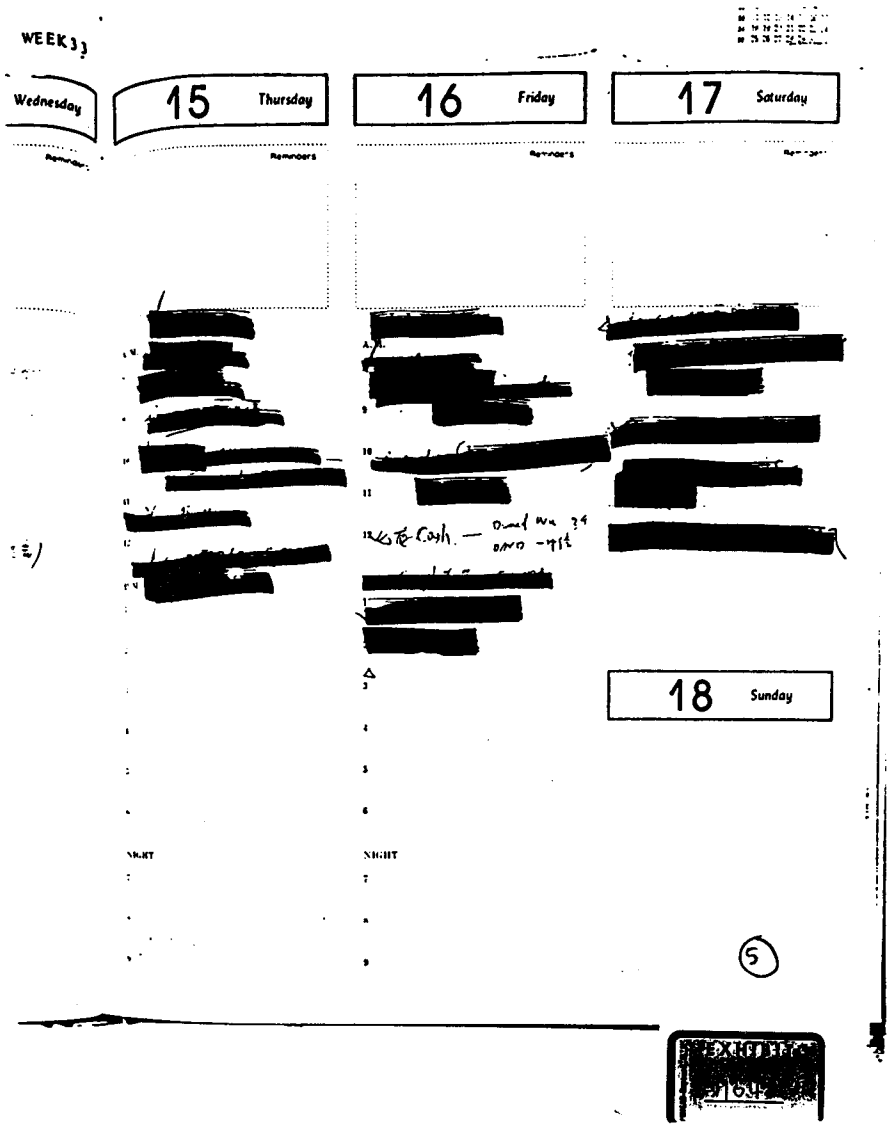
MISCELLANEOUS DEBITS AND CREDITS

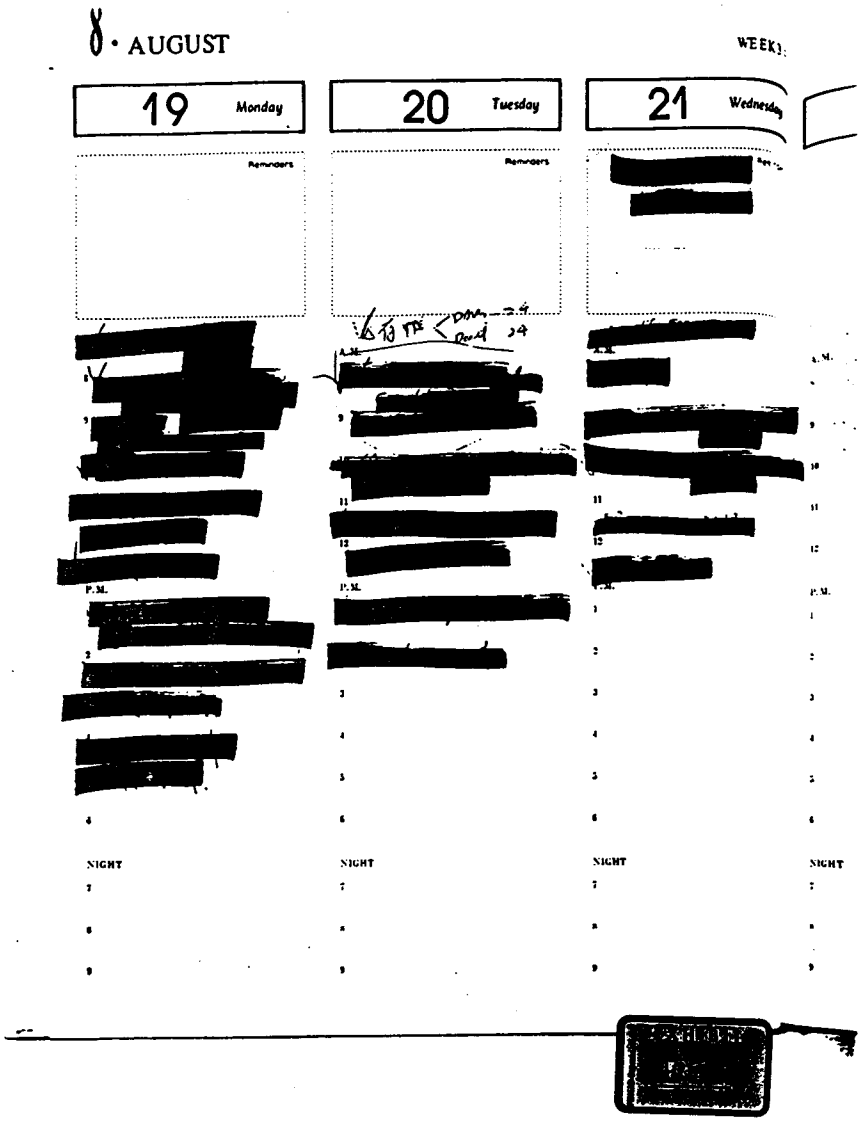
DATE	AMOUNT	DESCRIPTION
8/20/96	2,000.00 CR	DEPOSIT
9/17/96	7.81 CR	INTEREST EARNED

DAILY BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE
8/20/96	6,641.69	9/17/96	6,649.50

[redacted] 103


WEEK 33
Wednesday
15 Thursday
16 Friday
17 Saturday
18 Sunday
Reminders
NIGHT
5


8 · AUGUST
WEEK
19 Monday
20 Tuesday
21 Wednesday
Reminders
Reminders
A.M.
P.M.
NIGHT

BANK OF CANTON OF CALIFORNIA
EDS-RPD0010A

DDA STATEMENT HISTORY AS OF 4/14/97

PAGE: 0032
TIME 8:44:25 DATE 4/14/97

Stmt Drop Date. . .: 08/22/96

A C C O U N T I N F O

Account .:	[redacted]	Int Pd YTD :	$.00	Annual % rate:	
CIF Key .:	WU DANI 0	Svc Chg amt :	$.00	NE Fees due :	$.00
Status. .:		Curr month		Daily % rate :	
Stmt Code:	R	agg bal :	$46,999.44	Late chg due :	$.00
Hold Code:		Agg bal for		Amount due :	$.00
Reserve		Cash W/D :	$40,105.11	Other debts :	$.00
Act. Code:		Curr Month		Stmt princ :	$.00
Previous		agg days : 30		Stmt interest:	$.00
Stmt Date:	7/23/96	Lst Stmt Bal :	$.00	Stmt C/L :	$.00
Previous		Line of Crdt :	$.00	Stmt A&H :	$.00
Stmt Bal :	$430.00	Stmt Advances:	$.00	NE Stmt to	
Curr Bal :	$5,693.62	Avail Credit :	$.00	date fees pd :	$.00
Debt Amt :	$646.17	Total Pymts :	$.00	Stmt late chg:	$.00
Crad Amt :	$5,909.79	Prin Amt Due :	$.00	Other credits:	$.00
# of Debt:	2	Curr Loan Bal:	$.00	# days since	
# of Crad:	4	Finance Chg :	$.00	lst pay cycle:	
SAV Acct#:		Avg. Balance :	$.00	Int curr due :	$.00
Int. Paid		Tot Past Due :	$.00	C/L curr due :	$.00
Stmt-to-Date:	$.00	Bal @ lst Adv:	$.00	A&H curr due :	$.00
Int bearing		Finance chg			
Plan Code:	004	Past Due :	$.00		

T R A N S A C T I O N I N F O

Seq	Tran Date	DDA bnk #	DDA brn #	User code	Post Code	Addenda Code	Tran amount	Batch/Seq	Check #	Trans Entry Date	Individual Name
1	07/29/96		30	701	1		$639.79	[redacted]		07/29/96	
2	08/06/96		30	811	9		$6.38			08/06/96	
3	08/08/96		30	811	9		$639.79			08/08/96	
4	08/16/96		30	701	1		$3,000.00		9956	08/18/96	
5	08/20/96		30	705	0		$270.00			08/20/96	
6	08/20/96		30	701	1		$2,000.00		9955	08/20/96	

018831

1077

EXHIBIT 6

AT&T True Savings® calls

When you call between 11pm and 8am on weeknights and all day Saturday and Sunday until 5pm, you're getting AT&T's lowest rates

Description		Amount
Calls eligible for discount at 30% on	$50.91	35.64

Total AT&T True Savings® calls after savings.....$35.64

This month you saved $15.27 with AT&T True Savings®.

Calls eligible for discount

Direct dialed calls

	Date	Number called	Where	Time	Rate	Type	Min	Amount before savings
1	Aug 17	212 681-6424	New York,NY	8 31am	night	direct	2	32
2	Aug 20	[redacted]	Silver Spg,MD	5 48pm	eve	direct	2	36
3	Aug 31	[redacted]	Washington,DC	3 01pm	night	direct	18	2 88
4	Sep 1	[redacted]	Alexandria,VA	8 30pm	eve	direct	2	36
5	Sep 2	[redacted]	Silver Spg,MD	9 00am	eve	direct	4	72
6	Sep 4	[redacted]	Washington,DC	6 47am	night	direct	1	16
7	Sep 7	[redacted]	Silver Spg,MD	9 38am	night	direct	1	16
8	Sep 7	[redacted]	Silver Spg,MD	10 00am	night	direct	1	16
9	Sep 8	[redacted]	Silver Spg,MD	6 24am	night	direct	14	2 24
10	Sep 10	[redacted]	Washington,DC	7 10am	night	direct	1	16
11	Sep 10	[redacted]	Sacramento,CA	7 50am	night	direct	10	1 05
	Call continu							
12	Sep 10	[redacted]	Sacramento,CA	8 00am	day	direct	9	1 26
	Call continu		s rate					
13	Sep 10	[redacted]	Sacramento,CA	8 35am	day	direct	1	15
14	Sep 10	[redacted]	Sacramento,CA	8 47am	day	direct	2	29
15	Sep 10	[redacted]	Washington,DC	8 57am	day	direct	1	30
16	Sep 10	[redacted]	Sacramento,CA	9 15am	day	direct	5	71
17	Sep 10	[redacted]	Washington,DC	10 41am	day	direct	6	1 80
18	Sep 10	[redacted]	Washington,DC	10 54am	day	direct	5	1 50
19	Sep 10	[redacted]	Washington,DC	11 15am	day	direct	3	90
20	Sep 10	[redacted]	San Fran,CA	11 26am	day	direct	8	1 13
21	Sep 10	[redacted]	Washington,DC	12 24pm	day	direct	1	30
22	Sep 10	[redacted]	Washington,DC	1 14pm	day	direct	1	30
23	Sep 10	[redacted]	Washington,DC	1 23pm	day	direct	9	2 70
24	Sep 10	[redacted]	Washington,DC	1 32pm	day	direct	2	60
25	Sep 10	[redacted]	LittleRock,AR	1 34pm	day	direct	2	56
26	Sep 10	[redacted]	Babylon,NY	1 56pm	day	direct	3	90
27	Sep 10	[redacted]	Washington,DC	2 19pm	day	direct	6	1 80
28	Sep 10	[redacted]	Rockville,MD	4 44pm	day	direct	11	3 30
29	Sep 11	[redacted]	Fremntnwrk,CA	9 07am	day	direct	2	29
30	Sep 11	[redacted]	Washington,DC	12 27pm	day	direct	1	30
31	Sep 11	[redacted]	Washington,DC	12 41pm	day	direct	1	30
32	Sep 11	[redacted]	Washington,DC	12 42pm	day	direct	8	2 40
33	Sep 11	[redacted]	Washington,DC	12 54pm	day	direct	3	90
34	Sep 11	[redacted]	Washington,DC	4 11pm	day	direct	2	60
35	Sep 11	[redacted]	Washington,DC	4 14pm	day	direct	7	2 10
36	Sep 11	[redacted]	Sacramento,CA	4 25pm	day	direct	6	85
37	Sep 11	[redacted]	San Fran,CA	4 50pm	day	direct	1	15
38	Sep 11	[redacted]	Sacramento,CA	6 37pm	eve	direct	9	1 00
39	Sep 11	[redacted]	Washington,DC	5 47pm	eve	direct	1	18

[redacted]

DUPLICATE COPY

Card Detail Continued	Amount $	Page 2 of 3
August 10, 1996 SEVEN SEAS CHINESE RROCKVILLE MD [redacted] FOOD/BEVERAGE	39.57	
August 19, 1996 GREYHOUND LINES #153NEW YORK NY TRANSPORTATION SERVICES [redacted]	52.00	
August 20, 1996 THE WHITE HSE CONNECTION WASHINGTON DC FOOD AND BEVERAGE TIP $4.00 [redacted]	31.23	
August 22, 1996 UNITED AIRLINES ELEC TICKET CO From: WASHINGTON DC To: LOS ANGELES CA / WASHINGTON DC Carrier: UA / UA Class: V5 / V5 Ticket Number: [redacted] Date of Departure: 08/31 Passenger Nam[redacted] Document Type: PASSENGER TICKET	159.00	In case of an emergency while traveling, call Global Assist at 1-800-554-2639
August 23, 1996 STAR OF SIAM ROSSLYN VA FOOD/BEVERAGE FOOD/BEV 20.34 TIP 3.00 [redacted]	23.34	
Total for JOHN HUANG New Charges 579.14 New Credits 0.00	579.14	
Total of Card Activity New Card Charges New Card Payments/Credits	579.14 -871.15	

Continued on next page

EXHIBIT 108

Change of Address
If correct on front
do not use

Name

Company Name

Street Address

City State

Zip Code

Area Code and Home Phone Number

Area Code and Work Phone Number

DUPLICATE COPY

Personal Card Statement of Account

Prepared For
JOHN HUANG

Closing Date
September 27, 1996

Account Number
[redacted]

Previous Card Balance $	Card Payments/Credits $	New Card Charges $	New Card Balance $
579.14	-579.14	1,152.71	1,152.71

Statement includes payments and charges received by September 27, 1996.
* Indicates posting date.

Welcome to your new American Express statement. Please look on the back of each page for important information. The payment coupon is at the bottom of this page.

Please refer to page 4 for important information regarding your Card Account

Terms - Payment due in full. Please pay by 10/13/96.

For fast balance and payment information, call our automated service line at 1-800-292-2639 using a touch tone phone. Please have your account number ready. If you have a question about your account, call 1-800-528-4800 (24 hours/7 days).

Card Detail			Amount $
Card Payments			
September 11, 1996*			-579.14
PAYMENT RECEIVED - THANK YOU			
Total of Card Payments			**-579.14**
Card Transactions for JOHN HUANG			
[redacted]			
August 19, 1996			8.73
SHERATON NY TOWERS NEW YORK		NY	
Arrival Date	Departure Date	No of Nights	
08/10/96	08/19/96	9	
LODGING			
[redacted]			
August 28, 1996			15.00
CREDIT CARD REGISTRY (800)227-2639			
1 YR MEMBERSHIP RENEWAL			

EXHIBIT 107

Continued on reverse

Please fold on the perforation below, detach and return with your payment

Payment Coupon

Account Number
[redacted]

Please Pay By:
October 13, 1996

Total Amount Due
$1,152.71

Please enter account number on all checks and correspondence. Payable in U.S. Dollars upon receipt with a check drawn on a bank in the U.S. or money order, processable through the U.S. banking system.

Check here if address or telephone number has changed. Note changes on reverse side. ☐

JOHN HUANG
2100 RIMCREST DR
GLENDALE CA 91207-1057

Mail Payment to:
AMERICAN EXPRESS TRS
SUITE 0001
CHICAGO IL 60679-0001

"A Lot of People Supporting Tom Daschle"

Manlin Foung (Sister of Yah Lin "Charlie" Trie)
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "Primary"
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "General"

Dailin Outlaw (Sister of Yah Lin "Charlie" Trie)
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "Primary"
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "General"

Jim Outlaw (Brother-in-law of Yah Lin "Charlie" Trie)
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "Primary"
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "General"

E-Fong Do Trie (Mother of Yah Lin "Charlie" Trie)
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "Primary"
6/26/95 $1,000 to A Lot of People Supporting Tom Daschle "General"

A Pacific Telesis Company

Account Number	Statement Date	Page
[redacted]	Aug 1, 1997	

AT&T billing questions on this page: [redacted]

AT&T

AT&T Monthly Charges

•Taxes and Surcharges

	Description	Amount
1.	Tax: Fed	.52
2.	CHCF-A, CHCF-B	.12
3.	CA Relay Service and Communications Devices Fund	.02
4.	California Teleconnect Fund	.02
5.	Univ Lifeline Tele Serv Sur	.12
6.	Tax: 911	.03
		.85
	Total AT&T Monthly Charges	**$.85**

AT&T True Reach (SM)

Charges in the Amount column are informational. See Summary for actual charges.

•Eligible Calls

	Date	Time	Place and Number Called		Type	Rate	Minutes	Amount
7.	Jun25	5:54pm	[redacted]		Direct	Eve	1	.09
8.	Jun25	5:57pm	[redacted]		Direct	Eve	1	.08
9.	Jun25	7:05pm	[redacted]		Direct	Eve	2	.13
10.	Jun27	10:37pm	[redacted]		Direct	Eve	3	.34
11.	Jun28	8:50am	[redacted]		Direct	Night	5	.21
12.	Jun28	8:10pm	[redacted]		Direct	Night	1	.05
13.	Jun30	5:44pm	[redacted]		Direct	Eve	5	.54
14.	Jun30	6:02pm	LITTLEROCKAR		Direct	Eve	3	.57
15.	Jul 1	10:08pm	[redacted]		Direct	Eve	2	.13
16.	Jul 2	5:31pm	[redacted]		Direct	Eve	1	.08
17.	Jul 2	7:11pm	[redacted]		Direct	Eve	1	.08
18.	Jul 2	9:55pm	[redacted]		Direct	Eve	7	.39
19.	Jul 3	4:48pm	[redacted]		Direct	Day	2	.62
20.	Jul 3	4:50pm	WASHINGTONDC	202 863-7110	Direct	Day	1	.31
21.	Jul 3	4:51pm	WASHINGTONDC	202 863-7110	Direct	Day	2	.62
22.	Jul 3	5:20pm	LITTLEROCKAR	501 228-9667	Direct	Eve	3	.57
23.	Jul 5	7:04pm	[redacted]		Direct	Night	1	.05
24.	Jul 6	10:17am	[redacted]		Direct	Night	3	.13
25.	Jul 6	4:41pm	[redacted]		Direct	Night	4	.37
26.	Jul 6	6:54pm	[redacted]		Direct	Night	4	.37
27.	Jul 6	8:54pm	[redacted]		Direct	Night	2	.09
28.	Jul 7	7:17pm	[redacted]		Direct	Eve	1	.12
29.	Jul 7	7:18pm	[redacted]		Direct	Eve	2	.22
30.	Jul 7	8:02pm	[redacted]		Direct	Eve	2	.13
31.	Jul11	11:32am	WASHINGTONDC	202 327-5876	Direct	Day	6	1.86
32.	Jul13	5:02pm	[redacted]		Direct	Night	1	.05
33.	Jul14	10:42am	[redacted]		Direct	Day	2	.28
34.	Jul14	1:10pm	DIR ASST DC	202 555-1212	Direct	Day	0	.95
35.	Jul14	1:20pm	[redacted]		Direct	Day	4	.55
36.	Jul14	1:26pm	WASHINGTONDC	202 863-8000	Direct	Day	1	.31
37.	Jul14	1:28pm	WASHINGTONDC	202 863-8000	Direct	Day	5	1.55
38.	Jul16	10:56am	WASHINGTONDC	202 383-8060	Direct	Day	22	6.82
39.	Jul21	9:38pm	[redacted]		Direct	Eve	3	.18
40.	Jul23	3:47pm	[redacted]		Direct	Day	1	.10
								18.94

8/4 10:10 AM 202 863-8060

8/11 2:30 pm

continued

5 5950 BC56 1F [redacted] R009 [redacted]

[redacted]

ERNST & YOUNG LLP
Financial Advisory Services Group
1225 Connecticut Avenue, NW
Washington, DC 20036
Telephone: 202-327-5876
Facsimile: 202-327-6226

#104

To: David Wang
[redacted]

The accounting firm of Ernst & Young LLP has been retained to confirm certain information about contributions to the Democratic National Committee (the "DNC").

We tried to speak with you on the telephone, but we either were unable to reach you or were asked to send our request for information to you in writing.

According to the DNC's records, your name is

David Wang

and you made the following contribution to the DNC

Amount: $ 5000.00

Date: August 11, 1995

Would you please answer the following questions to confirm your contribution and that it is in compliance with federal law.

1. If your name is not spelled or listed correctly above, please spell it correctly:

2. Your daytime phone number: [redacted]

Confidential Information

DNC 1804349

13. What is your social security number?

[redacted]

14. Can you confirm that all the money that was used to make this contribution was your money and did not come from some other source or person?

✓ Yes ____ No

15. If this money was not yours, we need to know whose money it was. Please tell us whose money was given to the DNC and give us his/her name, address and telephone number:

Name: _____

Address: _____

_____

_____

Telephone: _____

16. If you can recall, who was the person who asked or solicited you to make this contribution?

Mr. Huang

17. May we telephone you to ask any follow-up information?

____ Yes ✓ No

18. If so, what number should we call and what is the best time to call you?

Telephone number: _____

Best time to call: _____

If you have any questions, please call me at the number below:

_____

[redacted]

John Huang's Visits to White House

DATE	APPT. TIME Actual Enter/Exit	VISITEE	REQUESTOR	LOCATION
3/15/93	8:00 am 8:50/10:11	Potus	Spangler	Residence
3/24/93	10:30 am 10:31/no TOD	Wee	Wee	OEOB 141
4/12/93	2:22 pm 2:22/no TOD	Neel	Spinning	OEOB 274
4/13/93	1:50 pm 11:38/1:35	Yee	Yee	OEOB 141
4/13/93	1:55 pm	Yee	Yee	OEOB 141 [No TOA or POA]
4/13/93	2:30 pm 2:02/no TOD	Dickey	Dickey	East Wing
4/16/93	2:30 pm 2:19/3:57	Dickey	Derricotte	East Wing
4/19/93	10:45 am 10:44/no TOD	Rubin	McLaughlin	West Wing
5/3/93	5:30 pm 4:32 TOA	Potus	Dickey	Residence
5/21/93	4:00 pm 2:35 TOA	Potus	Spangler	Residence
6/7/93	3:00 pm 3:22 TOA	Middleton	Johnson	West Wing
6/7/93	3:00 pm	Dickey	Derricotte	East Wing [No TOA or POA]
6/11/93	1:30 pm 2:06 TOA	Johnson	Johnson	West Wing
6/21/93	10:30 am	Middleton	Johnson	West Wing [No TOA or POA]

[redacted]

6/23/93	9:45 am 9:39 TOA	Dickey	Dupyea	East Wing
6/24/93	3:30 pm	Holt	Holt	East Wing [No TOA or POA]
6/28/93	11:30 am 11:07 TOA	Johnson	Johnson	West Wing
6/28/93	3:00 pm 3:20 TOA	Dickey	Dickey	East Wing
7/20/93	11:30 am 11:19/no TOD	Middleton	Johnson	West Wing
7/20/93	1:15 pm 1:58/4:49	Dickey	Derricotte	East Wing
8/2/93	1:30 pm 12:37 TOA	Potus	Fine	Residence
9/24/93	11:00 am	Dickey	Derricotte	East Wing [Note: There is no TOA/POA.]
9/24/93	11:00 am	Quinn	Hopkins	OEOB 276 [Note: There is no TOA/POA.]
10/2/93	3:30 pm 3:22 TOA	Ickes	Sutton	West Wing
10/14/93	12:00 pm 6:06 TOA	Potus	Griffin	South Grounds
11/3/93	5:30 pm 5:09 TOA	Potus	Dickey	Blueroom
1/5/94	6:30 pm 6:07 TOA	Potus	Spangler	East Wing
1/6/94	3:00 pm 3:44 TOA	VP	McAfee	OEOB 474
1/21/94	3:30 pm 3:42 TOA	Riley	Riley	OEOB 94

3/16/94	1:00 pm 1:00 TOA	Dickey	Raines	East Wing
3/16/94	2:30 pm	Matsui	Nishikawa	OEOB 122 [Note: There is no TOA/POA.]
3/16/94	3:00 pm 2:59 TOA	Middleton	Ewing	West Wing
3/16/94	3:30 pm	Matsui	Nishikawa	OEOB 122 [Note: There is no TOA/POA.]
4/19/94	5:40 pm/ 8:15	Potus	Spangler	Residence
4/20/94	3:00 pm 2:57 TOA	Matsui	Nishikawa	OEOB 122
4/22/94	9:00 am	Middleton	Ewing	West Wing [Note: There is no TOA/POA.]
5/4/94	4:30 pm 4:24 TOA	Middleton	Ewing	West Wing
5/10/94	2:30 pm 2:30 TOA	Dickey	Dickey	East Wing
5/10/94	4:45 pm 4:50 TOA	Matsui	Nishikawa	OEOB 122
5/20/94	9:30 am 10:03 TOA	VP	Nishikawa	OEOB 272
5/20/94	9:30 am 9:26 TOA	Middleton	Ewing	West Wing
5/20/94	2:00 pm 2:24 TOA	Matsui	Wexler	OEOB 450
5/25/94	3:00 pm 3:06 TOA	Nishikawa [Matsui]	Nishikawa	OEOB 122
6/13/94	8:30 am	Potus	Dickey	S. Grounds [Note: There is no TOA/POA.]

6/21/94	4:30 pm 4:45 TOA	Middleton	Ewing	West Wing
6/21/94	8:15 pm 6:50 TOA	Potus	Spangler	S. Lawn
6/22/94	3:15 pm 2:57 TOA	Middleton	Ewing	West Wing
6/23/94	10:00 am 10:27 TOA	Herman	Wexler	West Wing
6/23/94	10:30 am	Weaver [Pres. Personnel]	Weaver	OEOB 131 [Note: There is no TOA/POA.]
6/24/94	12:00 pm 12:05 TOA	Middleton	Ewing	West Wing
6/24/94	1:00 pm	Rubin [Leg. Affairs?]	McLaughlin	West Wing [No TOA or POA]
6/25/94	9:15 am	Weaver [Pres. Personnel]	Weaver	OEOB 131 [Note: There is no TOA/POA.]
7/21/94	6:00 pm 6:17 TOA	Potus	Carter	OEOB 450
8/2/94	7:20 am 7:35 TOA	Lewis	Lewis	OEOB 474
9/10/94	9:15 am	Middleton	Middleton	West Wing [Note: There is no TOA/POA.]
9/22/94	10:00 am	Potus	Duryea	S. Lawn [Note: There is no TOA/POA.]
9/26/94	5:30 pm 5:42 TOA	Kristoff [NSC]	Wilson	OEOB 230
9/27/94	11:00 am 11:02 TOA	Weaver [Pres. Personnel]	Weaver	OEOB 131
10/5/94	8:00 am 8:16 TOA	Middleton	Middleton	West Wing

10/14/94	10:00 am 10:04 TOA	Burget [OMB]	Burget	NEOB [Note: This may be the other John Huang.]
10/14/94	2:00 pm	Kristoff [NSC]	Wilson	OEOB 230 [Note: There is no TOA/POA.]
10/21/94	2:30 pm	Cutter	Smith	OEOB 230 [Note: There is no TOA/POA.]
10/28/94	5:00 pm	Kristoff [NSC]	Wilson	OEOB 230 [Note: There is no TOA/POA.]
12/21/94	12:00 pm 11:50 TOA	Middleton	Middleton	West Wing
2/6/95	2:15 pm 2:14 TOA	Eder [Matsui]	Eder	OEOB 476
2/14/95	12:00 pm 11:59 TOA	Middleton	Middleton	West Wing
2/16/95	2:30 pm 2:47 TOA	Eder [Matsui]	Shulman	OEOB 474
3/30/95	4:00 pm 3:52 TOA	Matsui	Shulman	OEOB 476
4/2/95	2:05 pm 2:11 TOA	Weaver [Pres. Personnel]	Weaver	OEOB 131
4/21/95	10:13 am TOA	Ramsey	Ramsey	OEOB 472
4/26/95	7:30 am 8:54 TOA	Kang [Matsui?]	Kang	OEOB 474
4/27/95	4:00 pm 3:52 TOA	Eder [Matsui]	Eder	OEOB 122
5/2/95	3:00 pm TOA	Ramsey	Claussen	OEOB 476
5/11/95	4:00 pm 3:44 TOA or 4:44 TOA	Eder [Matsui]	Eder	OEOB

5/19/95	2:00 pm 2:36 TOA	Matsui	Shulman	OEOB
5/30/95	2:00 pm 2:04 TOA	Swisshelm	Swisshelm	OEOB 423
6/7/95	8:00 pm 7:59 TOA	Weaver [Pres. Personnel]	Weaver	West Wing
6/21/95	4:00 pm	Barker	Barker	OEOB 474 [Note: There is no TOA/POA.]
7/10/95	4:00 pm 4:09 / 5:39	Eder [Matsui]	Eder	OEOB 180
7/27/95	10:30 am	Potus	Skinner	S. Lawn [Note: There is no TOA/POA.]
9/13/95	5:15 pm 5:15 enter	Hernreich	Cameron	West Wing
9/14/95	9:15 am 9:23 / 10:40	Weaver [Pres. Personnel]	Weaver	West Wing
9/14/95	12:00 pm 12:18 / 1:25	Schiff [WW Receptionist]	Schiff	West Wing
9/15/95	10:45 am 10:59 / 11:26	Lindsey	Dudley	West Wing
10/2/95	3:22 /4:21	Ickes	Sutton	West Wing
10/16/95	3:30 pm 3:21 enter	Kyle [International Economic Affairs/NSC]	Blieberge	OEOB 227
10/26/95	5:00 pm 2:03 / 2:53 and 4:52 / 7:05	Matsui	Eder	OEOB 122
11/2/95	8:00 am	Matsui	Eder	OEOB 474 [Note: There is no TOA/POA.]

11/2/95	8:30 am 8:32 / 9:29	Eder	Eder	OEOB 122
11/6/95	5:00 pm	Matsui	Eder	OEOB 122 [Note: There is no TOA/POA.]
11/13/95	5:00 pm 5:22 TOA	Matsui	Wyckoff	OEOB 474
11/13/95	12:30 pm 12:37 / 1:24	VP	Thomas	OEOB 476
11/13/95	4:20 pm	Flotus	Skinner	East Wing [Note: There is no TOA/POA.]
12/16/95	9:15 am 9:39 TOA	Potus	Cameron	WW
12/16/95	7:30 pm	Potus	Widdess	State Room [Note: There is no TOA/POA.]
12/18/95	4:00 pm 3:56 / 5:29	Matsui	Eder	OEOB 122
12/21/95	2:15 pm 2:22 / 3:04	Scott	Heistad	OEOB 115
12/22/95	4:30 pm	Potus	Cameron	WW [Note: There is no TOA/POA.]
12/23/95	9:15 am	Potus	Cameron	WW [Note: There is no TOA/POA.]
2/9/96	5:00 pm 4:56 / 6:47	Matsui	Eder	West Wing
2/16/96	2:00 pm 2:08 / 3:21	Matsui	Eder	OEOB 122
2/21/96	5:00 pm	Matsui	Eder	WW [Note: There is no TOA/POA.]
2/27/96	3:30 pm	Matsui	Eder	WW [Note: There is no TOA/POA.]

3/1/96	11:40 am 11:48 / 12:46	Huynh [Pres. Personnel]	Huynh	OEOB 131
3/15/96	1:15 pm 1:18 enter	VP	Jones	West Wing
3/27/96	7:00 pm 6:49 TOA	Potus	Spangler	Residence
3/28/96	10:00 am 9:52 / 11:17	Williams	Lewis	OEOB 100
3/28/96	1:00 pm 1:04 / 2:40	Nash	Eaglin	OEOB 153
3/29/96	2:30 pm 2:16 / 4:10	Lewis [FL's office]	Lewis	OEOB 100
3/29/96	3:30 pm	Ickes	Sutton	WW [Note: There is no TOA/POA.]
4/10/96	4:00 pm 3:50 / 4:28	Huynh [Pres. Personnel]	Huynh	OEOB 131
5/30/96	4:15 pm 4:11 / 4:54	Huynh [Pres. Personnel]	Huynh	OEOB 131
5/30/96	5:00 pm 4:57 / 6:38	Matsui	Eder	West Wing
6/5/96	9:00 pm 8:59 / 9:27	Weaver [Pres. Personnel]	Weaver	West Wing
6/6/96	11:45 am 11:55 / 1:16 2:47 / 4:41	Huynh [Pres. Personnel]	Huynh	OEOB 131
6/13/96	5:00 pm	Matsui	Eder	WW [Note: There is no TOA/POA.]
6/18/96	8:30 am 8:39 / 10:30	Potus	Spangler	Residence
6/27/96	11:45 am 12:17 / 1:47	Weaver [Pres. Personnel]	Weaver	OEOB 154
6/27/96	5:00 pm 5:34 / 6:40	Matsui	Eder	West Wing

7/8/96	9:10 am	Huynh [Pres. Personnel]	Huynh	OEOB 154 [Note: There is no TOA/POA.]
7/16/96	4:00 pm	Huynh [Pres. Personnel]	Huynh	OEOB 474 [Note: There is no TOA/POA.]
7/18/96	2:00 pm	Matsui	Eder	OEOB 450 [Note: There is no TOA/POA.]
8/1/96	10:00 am / 10:51	VPotus	Moore	West Wing
8/1/96	5:00 pm 4:59/7:13	Gardenswartz	Matsui	West Wing
8/9/96	1:30 pm 1:37 / 2:48	Nash	Sheehan	OEOB 153
8/20/96	2:00 pm 1:54 / 2:21	Huynh	Huynh	OEOB 154
8/22/96	5:00 pm 5:26 / 6:50	Matsui	Eder	West Wing
9/5/96	5:00 pm 5:13 / 6:04	Matsui	Eder	West Wing
9/5/96	6:10 pm 6:12 / 8:26	Huynh [Pres. Personnel]	Huynh	OEOB 154
9/26/96	5:00	Matsui	Eder	West Wing [Note: There is no TOA/POA.]
10/3/96	5:06 pm /7:09pm	Matsui	Eder	West Wing

Ms. RENO. May I now respond?

Mr. BURTON. Oh, yes, you can respond, of course.

Mr. SHAYS. Thank you.

Ms. RENO. It is very important that you don't see a big amorphous blob and pull everybody into it, saying that they are all a part of the investigation. You have to look at the specific and credible information that exists with respect to them. And if there was no specific and credible information against Mr. Shadegg, just because he served on the same committee with you—that he did something wrong—doesn't mean that he should be wrapped into an investigation that caused that.

It is very important that you look both at the big picture, and if you get specific and credible information concerning the big picture, you trigger it. But if you don't have it, you have got to look at the pieces; and that is where people can disagree, but that is where something is very important to me.

One of the things I hope is that I don't lose your friendship for it, because all I have tried to do was what was the right thing to do, and if people go around losing friendship because somebody has tried to do the right thing, that is not entirely right; and I have a great respect for you.

Now, what we are trying to do is look at the facts and circumstances. I have triggered the independent counsel statute before on a discretionary issue, and I am not afraid to do it again when I look at the facts and figures and look at the person that I have specific and credible information about and say, does this person create a conflict for the Justice Department? And when they do, and I think it should be triggered, I am going to trigger it.

Mr. BURTON. Mr. Thomas. Mr. Turner, excuse me.

Mr. TURNER. Thank you, Mr. Chairman.

Madam Attorney General, I appreciate your testimony here today, and I suppose I take a little different tack from what some have said about—I think the remark was made that you bumped into the trees, and I think earlier it was said that you are not—your job is not to cross the T's and dot the I's.

I would like to say that, from my vantage point, I think that probably is your job, and I think the American people would probably agree, we are better off for it. You are the chief, or supposedly—you and Mr. Freeh may share the title—chief law enforcement officer of this country. You, over the FBI, are one of the most feared agencies in Government. Anyone who has ever been subject to investigation by the FBI or the IRS understands the power that the Federal Government can bring against an individual; and whether it is the President or an individual that I may represent, a hard-working citizen in the Second District of Texas, I think it is important that all of us agree with you that your job is to dot the I's and cross the T's to be sure that the power of prosecution of the Federal Government is never brought in an arbitrary way and that the law is clearly followed.

You know, we have a campaign finance system today that I guess started out well-intended when we passed a law that said you can only contribute $1,000 to a congressional candidate as an individual, or if you are a political action committee can give $5,000. It seems that smart lawyers for both the Democrats and

Republicans discovered somewhere along the way that you didn't have to abide by those limits, that you could ask for money, tens and hundreds of thousands of dollars at a time and pour them into political parties or nonprofit groups and run so-called issue advocacy ads, which are no more than campaign ads in the mind of an average sixth grader, and you could get by abusing a system that was created to place some limits on what people can put into the political process.

Now, you have a unique view of that system, because your office has investigated, I am sure, literally hundreds of cases of abuse of that system. And I suppose that without asking you to specifically give us recommendations on what we ought to do to change that system, at least I think maybe the American people would like to hear from you as to what your general view is of the system that we now have and as it has evolved to elect officials to the highest offices in the Federal Government.

Ms. RENO. I think that what is necessary is to clarify what can and can't be done; and I think that with the work that has been done on it—McCain-Feingold comes very far toward achieving that. Again, I think the most important thing that people could do would be to sit down and in good faith and discuss it, and if people disagree, then disagree in a thoughtful way.

There are Republicans and Democrats, but this issue is how you make the funding of democracy work, and there is no issue more important, no issue more vital to this Nation, than how you fund democracy. And that is what it is all about.

So my recommendation is, sit down and let's talk about it.

Mr. TURNER. How much time and energy does investigating abuses of the current campaign finance system consume you and your staff?

Ms. RENO. Lots.

Mr. TURNER. How many investigations have been launched since the last campaign by your office of various allegations?

Ms. RENO. I mean, as part of the whole campaign finance investigation, there are a lot of pieces of that investigation under way, as I have indicated in response to comments about what is happening. I can't talk to you about specific cases, but I can say we are pursuing these leads.

Mr. TURNER. How many investigators and U.S. Attorneys——

Ms. RENO. There are 120 lawyers and agents assigned.

Mr. TURNER [continuing]. Are there across the country investigating congressional and Presidential allegations?

There is one other issue that I want to address very briefly, just to give you the opportunity to address it if you choose today. Following your testimony and Mr. Freeh's testimony, I understand that Independent Counsel Donald Smaltz has been called to testify before our committee, and apparently he has told the press that the Justice Department decided not to prosecute Secretary Espy's former Chief of Staff, Ron Blackley, and suggested that the Justice Department obstructed his investigation without a basis for doing so.

Inasmuch as that apparently will be his testimony and there have been reports to that effect, I thought it might be appropriate, while you are here, to give you an opportunity to explain to us

what the Justice Department's position was with respect to Mr. Smaltz?

Ms. RENO. I appreciate that very much. I am limited in what I can say both because the independent counsel matters remain in large part under seal and because the Blackley case is still pending in court. I can assure you, and I will assure Mr. Smaltz, having just heard in these last days about his concern, that there was never any effort to obstruct his investigation, and I regret that he even has concerns that there were.

In 1994, the Department received a referral from the Department of Agriculture Inspector General concerning Mr. Blackley. The Department investigated this single matter and closed it as without prosecutive merit.

Mr. Smaltz was originally given jurisdiction to investigate whether Secretary Espy had received illegal bribes or gratuities. In 1995, Mr. Smaltz went directly to the court that appoints independent counsels and asked to have his jurisdiction expanded to investigate and prosecute a wide range of individuals who might have dealt with Blackley or Espy. We opposed the application in court.

Although large portions of these papers remain under seal, I can tell you some of our reasons. First, Mr. Smaltz did not claim that the particular persons who were the basis of his application had anything to do with the gratuities that were the basis of Mr. Smaltz's original jurisdiction. We did not believe that the new matters were related to his jurisdiction. Instead, as we have done with many other independent counsels, we believed that it was appropriate for the Department to investigate and prosecute these matters, and if evidence against Secretary Espy developed, turn that evidence over to Mr. Smaltz, remembering now that Mr. Espy was the covered person and the reason the statute had been triggered.

As I have said, the Department has had this sort of cooperative relationship with numerous other independent counsels, I am told, on different occasions.

Second, we believe that it was not lawful for the court to give Mr. Smaltz jurisdiction over the Department of Justice. You must remember that, under the Constitution, the executive branch has the power and the responsibility to enforce the laws. The Supreme Court upheld the Independent Counsel Act in part, and this is important because the Attorney General retains substantial control over the decision to seek an independent counsel and the independent counsel's jurisdiction. We have an obligation to make sure that that statute's constitutionality is maintained.

We did not think that the court could expand its jurisdiction on its own or that an independent counsel has jurisdiction to investigate anything he happens to come across, because that would present serious separation of powers issues. We believed and still believe that Mr. Smaltz's request to the court presented important issues, and accordingly, we litigated it in a responsible and professional manner, and we had no intention whatsoever of attempting to obstruct. If we had done otherwise, we would have investigated it, shared it with him, seen where it went to.

His subsequent prosecution of Mr. Blackley, I am told, was on different charges than those which the Inspector General had referred to us and on which we had declined prosecution.

In addition, Mr. Smaltz has raised something that is very disturbing to me, and that is anonymous Department of Justice officials that are critical of Mr. Smaltz, and they cite some examples. He had previously sent me a letter concerning a leak of some information, and we referred that to our Office of Professional Responsibility. They are also reviewing this, and I expect that they will pursue it and have made clear that this is what should be done.

But if Mr. Smaltz thinks that we intended to do that, I just regret that impression. It is certainly not an accurate impression based on what we were trying to do.

Mr. BURTON. The gentleman's time has expired.

Mrs. Morella.

Mrs. MORELLA. Thank you, Mr. Chairman.

Thank you, Madam Attorney General, for spending the day with us. I must admit that I am disturbed that an independent counsel hasn't been appointed to investigate alleged abuses by the Clinton-Gore re-election effort and most recently the fund-raising phone calls made by the President and the Vice President.

I really think the American people, who have become so cynical of Government because of campaign abuses, deserve an inquiry untainted by the suspicion that the Justice Department is protecting the executive branch. And while our committee is charged with the responsibilities of investigating all campaign illegalities and improprieties, I also want to point out that Congress has the power to clarify existing laws to ensure that such abuses, abuses that should so clearly be illegal, will not happen again.

I remember in your opening testimony you said that the Vice Presidential calls were for soft money, but some later did become hard money. And I'm struck by the confusion over the meaning and the force of the Federal Election Campaign Act, and I am really rather amazed over the disagreement over what activities the FECA prohibits and what FECA does not cover. So I have a few questions I would like to pose that I hope will shed light on how we in Congress can clarify and change existing campaign finance laws. Some may be a little bit repetitive. I think some of my colleagues may have touched on some of them.

But first, so I am clear on the Justice Department's position, I would like to just ask you a few questions, Madam Attorney General. It is my understanding that under the Pendleton Act campaign contributions, as defined by the Federal Election Act, may not be solicited in Federal buildings; is that correct?

Ms. RENO. That's correct.

Mrs. MORELLA. Under 2 U.S. Code section 441(e), contributions may not be made by foreign nationals in connection with an election to any political office, right?

Ms. RENO. I'm not sure of the number, but it's in here.

Mrs. MORELLA. OK, great.

Under 2 U.S. Code section 441(b), contributions may not be made by business corporations and labor unions, right?

Ms. RENO. Right.

Mrs. MORELLA. Good.

And under 2 U.S. Code section 434, contributions are to be fully disclosed, right?

Ms. RENO. [Nodding in the affirmative.]

Mrs. MORELLA. These laws should be clear, but legal definitions are not always what they seem, as is the case when soft money comes into play. And as I understand it, each of these laws has been weakened by the soft money loophole.

The Federal Election Campaign Act defines a contribution as a donation of money or anything of value for the purpose of influencing a Federal election. "Contribution" is, therefore, a legal term with the definition that is much more narrow, specific and technical than the usual meaning of the word. The FECA definition of contribution, therefore, excludes soft money.

Because the soft money loophole has undermined all of the laws, would it be helpful to the Justice Department in this case or in future cases if Congress enacted campaign finance reforms to clarify the law and ensure that no political contributions, hard money, soft money, any money, may be raised with Government resources or can be solicited from foreign sources or corporations? What do you think?

Ms. RENO. You have to—you get into some interesting areas, and I'd have to look at all the issues with respect to what you can and can't do. For example, Congress has said we can't solicit and we can't receive, but you can bring a contribution to our office if we get rid of it in 7 days or something like that. And so there are some logistics that you have to look at and consider.

But, again, Congresswoman, I would just love, having been the recipient of yours and Mr. Shays and other, if people would just sit down and let's talk about it and figure out how the McCain-Feingold can be improved upon; what can be done about 607 to make sure people know exactly what they can and can't do.

Mrs. MORELLA. That's kind of what I'm getting at, Madam Attorney General. For instance, in spite of the soft money loophole, is it the Department's legal position that the Pendleton Act does not cover soft money donations because the FECA does not cover soft money? Is that the Department's position?

Ms. RENO. 607 specifically refers to the FECA, and so that's the connection.

Mrs. MORELLA. OK. Is it the Department's position that the corporate and union contribution ban does not cover soft money donations because the FECA does not cover soft money? Is that the Department's position?

Ms. RENO. That's correct.

Mrs. MORELLA. OK. And I just wonder about what effect the soft money loophole had on foreign soft money donations, seeing as how the FECA does not cover soft money. Does the Department have a position on that?

Ms. RENO. I think I need to clarify something for you on that. I think there is another provision that is affected there. I can't recall it off the top of my head, and I will clarify that for you.

Mrs. MORELLA. Good.

So what I'm getting at is that——

Mr. BURTON. The gentlelady's time has expired.

Mrs. MORELLA [continuing]. We need to come up with some definitions, and Congress has a role in it, too.

Thank you, Mr. Chairman.

Ms. RENO. Mr. Chairman, may I ask what your plans are, so I can either tell the Italian Minister of Justice and Minister of Interior that——

Mr. BURTON. Ms. Reno, I apologize for the length of the hearing, but we have a number of Members who still have questions. I think we ought to be through probably in another half hour, if that's possible. If not, maybe we can ask you to return. I'd rather not do that.

Ms. RENO. OK, we've moved it up to 3:45. Could I be sure that I make 3:45?

Mr. BURTON. Oh, sure. If you're not, I'll go speak for you.

Ms. RENO. OK.

Mr. BURTON. Mr. Allen.

Mr. ALLEN. Thank you very much, Mr. Chairman.

And Ms. Reno, I very much appreciate your being here today.

I want to contrast what I have heard from you throughout this hearing. The words "specific and credible evidence" have passed your lips on a number of occasions today, and I am glad that the highest lawyer in this land is sticking to the law as it was enacted, as this Congress passed it.

I want to contrast the emphasis that you have shown in focusing on specific and credible evidence with a couple of phrases. The chairman earlier referred to this whole mess, and Representative Shays referred to the big corrupt picture. It seems to me that it is critically important that our country's top lawyer follow law, focus on what the law says specifically.

I want to followup on some things that Congresswoman Morella was saying, in particular about soft money. It strikes me from your testimony that the question of telephone calls, specifically telephone calls where the objective was to raise soft money, is a problem not just for the Pendleton Act, but a problem for our campaign system.

And I appreciate your suggestion that it's time to reform the Pendleton Act so that the legal issues are clearer, but am I correct in believing that if there were no soft money, that—if soft money were banned, if it were illegal, if it were off the table, many of the phone calls that you have been asked to investigate simply would not have occurred because it wouldn't be—neither the President nor the Vice President would be out there asking for that particular type of funding?

Ms. RENO. Just judging by the comments made to me informally over these last weeks as we have investigated this, I think this question would still be asked by many people of what they can and can't do under the Pendleton Act, but generally, you're correct.

Mr. ALLEN. I would just note for the record that we all ought to, on this committee, be judged by our willingness to legislate and not just to investigate. There are 8 Members on the Republican side who have signed on to one bill or another that would reduce or eliminate soft money, but there are 18 Democrats who have signed on to a similar legislation. So I would just say it is clear that on this side of the aisle, there is a determination to do something

about soft money and in most cases get rid of it and not simply eliminate it.

I want to refer now, you raised some questions earlier in your testimony about the budget for independent counsels, and if I could have the screen now show a comparison which I have asked to be produced.

For the year from March 1996 to March 1997, independent counsels have cost $21 million, and they have returned 13 indictments. Just by comparison, during that same period of time, or during the time of the fiscal year 1997, the U.S. Attorney for the District of Massachusetts has filed 1,050 cases at a cost of $17 million.

Are you concerned with the costs that independent counsels are running up in the course of doing their work, and do you have any suggestions for how we should deal with that?

Ms. RENO. What I have specifically said is that I'm not going to comment on any specific independent counsel because to do so would be to have some impact on their independence, and I have tried very carefully not to comment at all. And recognize, too, that these are major investigations of critical importance to the Nation, and they should be adequately funded.

All I'm saying when I talk about budgets is, as a more general concept, I don't care whether they spend a little bit or a lot, each person who does the spending should be accountable for their spending and have to budget and do what I do each year and come up with a budget.

Mr. ALLEN. Good. Thank you very much.

Mr. BURTON. The gentleman yields back the balance of his time.

Mr. Mica of Florida.

Mr. MICA. Thank you, Mr. Chairman.

Ms. Reno, in your testimony you said sometime after the 1994 elections the DNC began to split some large checks into soft and hard money accounts without the donor's prior knowledge or consent, including several of the donations solicited by the Vice President. Investigators uncovered no evidence that the Vice President was aware of the DNC's practice or in any way knew that donations he solicited would make their way into hard money accounts. Is the same the case with the President?

Ms. RENO. My recollection is that there is one, one check, that may have gone—it was made out to a non-Federal account and non, may have been cost out. I'm not sure whether it went into a Federal account or a non-Federal account, but it was made at the residence. The solicitation was made at the residence.

Mr. MICA. Now, let me ask you this: If you found information to the contrary, would you appoint an independent counsel?

Ms. RENO. What I have said previously today, sir, is that the Independent Counsel Act specifically provides that if an investigation is closed because no further investigation is necessary, and new evidence is developed, it will trigger the preliminary investigation, and I would apply the standards that I have in this to determine whether we could proceed.

Mr. MICA. If I may, let me run you through a quick scenario. November 1995. November 2nd. The Vice President meets with Pauline Kanchanalak, with Charlie Trie, with I think it's Wiriadinata,

the Indonesian gardener, and John Huang. This is on the 11th—I'm sorry, 11/2, which is November 2nd.

Have you talked to or any of your investigators talked to or had access to Charlie Trie, to Wiriadinata, whatever his name is, the gardener, or Pauline Kanchanalak?

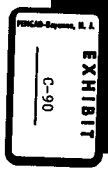
Ms. RENO. I cannot discuss what we're doing in the continuing investigation except to say what I have already said, that we're pursuing every lead.

Mr. MICA. Well, let me go from that, if I may, to this is in November. Please put up on the screen what the President said on December 7th, a few weeks later.

[The information referred to follows:]

" ...Then we realized we could run these ads through the Democratic Party, which meant we could raise money in 20 and 50 and 100 thousand dollar blocks, and we didn't have to do it all with 1,000 dollars and run down what I can spend, which is prohibited by law. So that's what we have done."

President Clinton
Democratic National Committee Lunch
12/7/95



Mr. MICA [Quoting.]

Then we realized we could run these ads through the Democratic Party, which meant we could raise money in tens, twenties, and hundred thousand dollar blocks and we didn't have to do it all in the thousand dollars and run down what I can spend, which is prohibited by law. So that's what we have done.

That's after that meeting. Then we have on December 12th, put up the gardener. How do you pronounce that, Wiriadinata, and he is on tape with the President saying, this is a few days later, saying James Riady sent me. This is also the man that gave $100,000 to Webb Hubbell, your former No. 3 individual in the Department.

Then let's move along to Pauline Kanchanalak, Pauline Kanchanalak and the money that was funneled into State campaigns. Pauline Kanchanalak met with the President in the residence. I have the visitor log here, and this one is June 18, 1996. June 18, 1996, Pauline Kanchanalak meets with the President, and I have a list of the money that went to States from Pauline Kanchanalak and her sister-in-law, Duangnet Kronenberg. Florida got $60,000 a few days later; California, $54,000 ended up there; Illinois, $55,000; Pennsylvania, $50,000; Ohio, $43,000.

Then we have heard this talk about the support of the Feingold intent. I want to bring up what has happened in Kansas. Six years ago the State of Kansas passed a law designed to limit soft money coming into the State. The statute, a mini McCain-Feingold bill, clearly limits the amount of soft money that can be contributed by the Democratic National Committee or the Republican National Committee to $25,000. It also limits the amount of soft money that can come from other State political parties to $15,000.

Where are the charts? Faced with this limit, my investigation has uncovered evidence that the DNC actively trampled on the laws of both Kansas and the United States. And you can see—and would you provide the Attorney General, put it on the screen, the list of these conduit payments.

Ms. RENO. I've got this. Is this the list you are talking about?

Mr. MICA. Yes. To subvert a mini soft money State law. Very, very conspiratorial, in my opinion.

[The information referred to follows:]

DNC Conduit Payments to Kansas

STATE PARTIES		COUNTY PARTIES		LOCAL CANDIDATES
Democratic parties in 17 states gave to the Kansas Democratic Party		Fifteen county parties received $5,000 from the Democratic Congressional Committee. Twelve acted as conduits for DNC payments to the State Democratic Party.		29 candidates for the Kansas Senate received $1,000 each from the DNC. 41 candidates for the Kansas House received $500 each from the DNC.
Idaho (9/17/96)	$15,000	Cowley	$4,750	**Senate**
Florida (9/27/96)	$15,000	Douglas	$4,500	19 Senate candidates sent $800 on.
Nebraska (9/30/96)	$14,990	Ellis	$4,500	6 Senate candidates sent some $ on.
Arkansas (10/3/96)	$15,000	Harvey	$4,500	4 Senate candidates kept the money
Maine (10/4/96)	$15,000	Leavenworth	$4,500	
Colorado (10/4/96)	$14,990	Marshall	$4,750	**House**
Georgia (10/7/96)	$15,000	Miami	$4,500	24 House candidates kept the $
Louisiana (10/16/96)	$15,000	Osage	$4,750	11 House candidates sent $ to PAC
Alabama (10/16/96)	$14,990	Reno	$4,500	1 candidate gave $ to State party
Wyoming (10/18/96)	$14,990	Riley	$4,500	5 candidates returned the money.
South Carolina (10/18/96)	$15,000	Sedgwick	$4,250	
California (10/18/96)	$14,990	Shawnee	$4,500	
South Dakota (10/18/96)	$15,000			
New Hampshire (10/21)	$15,000	Geary	Returned $5,000	
Minnesota (10/25)	$15,000	Johnson	Kept $5,000	
Michigan (10/25)	$15,000	Marion	Kept $5,000	
Montana (10/30)	$15,000			
TOTAL	**$254,950**	**TOTAL**	**$54,500**	**TOTAL** ≥ **$15,200**

TOTAL OF ALL CONDUIT PAYMENTS ≥ $324,650

County Party Transactions

Fifteen county parties received $5,000 from the Democratic Congressional Committee. They sent the following amount to the State party.		Total Receipts for the County Party
Cowley	$4,750	$5,194.00
Douglas	$4,500	$20,176.58
Ellis	$4,500	$11,928.11
Harvey	$4,500	$6,443.50
Leavenworth	$4,500	$7,272.00
Marshall	$4,750	$5,120.00
Miami	$4,500	$5,000.00
Osage	$4,750	$5,200.98
Reno	$4,500	$17,596.00
Riley	$4,500	$6,219.00
Sedgwick	$4,250	$60,644.82
Shawnee	$4,500	$34,182.00
Geary	Returned $5,000	$2,177.19
Johnson	Kept $5,000	$24,757.48
Marion	Kept $5,000	$6,829.50

Mr. BURTON. If the gentleman can start to finish, his time has expired.

Mr. MICA. And you start putting these points together—and I would like additional time to finish this, if I may.

Mr. BURTON. We are under the 5-minute rule and the minority is about to object. I can hear them breathing on my shoulder. So if you could summarize quickly.

Mr. LANTOS. It is heavy breathing, Mr. Chairman.

Mr. BURTON. Heavy breathing, yes.

Mr. DAVIS OF VIRGINIA. Mr. Chairman, I would yield him 1 minute of my time and then I would have 4 minutes to conclude, if that would be all right.

Mr. BURTON. Do you object to him yielding 1 minute of his time?

Mr. LANTOS. We should yield 5 minutes by 5 minutes.

Mr. BURTON. I will allow you to yield him 1 minute on the next round, if it is OK with you, Mr. Davis. Is that all right, Mr. Mica?

Mr. MICA. OK.

Mr. BURTON. Mr. Lantos.

Mr. LANTOS. In deference to our Attorney General, who has been here much longer than her self-established deadline, I was going to yield back my time. But in view of this litany of Democratic crimes, which seem to have no point to them except to one more time repeat all the Democratic crimes, I want to take my 5 minutes to talk about some recent Republican shenanigans.

The tobacco industry contributed $8.8 million to the Republican party since the Republican takeover of Congress in 1995. In fact, the top three corporate contributors over that time period were all tobacco companies: Philip Morris, RJR Nabisco, and Brown and Williamson. Following these contributions, and at the urging of former Republican National Committee Chairman Haley Barbour, who as I understand it now is a tobacco industry lobbyist, the Republican leadership included a $50 billion tax credit to the tobacco industry in this year's initial budget deal.

Since 1994, Amway Corp. has contributed $2,866,000 to the Republicans, including the single largest ever contribution to the Republican National Committee, $1.7 million. In addition, Amway founder Richard DeVoss and his family contributed $1,163,000 to Republican committees and candidates, including $1 million from Mr. DeVoss and his wife to the Republican National Committee in April of this year.

I mean, the sheer hypocrisy of colleagues on the other side complaining about soft money contributions when in April 1997 one individual contributes $1 million to the Republican National Committee. The Republican leadership included a $280 million tax provision that would benefit Amway's stockholders in the budget deal.

Now, this is not the only such activity. In April 1995, Fruit of the Loom contributed $100,000 to the Republican National Committee. Golden Rule Financial Corp. contributed $620,775 in soft money to Republican committees. Golden Rule also happened to be the top proponent and beneficiary of medical savings accounts as an alternative to the current Medicare system. Following these contributions, medical savings accounts were included in the Republican proposal to deal with our medical finance problems.

PNN Cedar Projects, a major supplier of wood for pencils, developed a close relationship with the Republican leadership.

The notion that these soft money contributions, which I oppose in all form, I think there should be a total ban on soft money contributions either by individuals, corporations, or any other entity, that these soft money contributions were the specialty of one political party is so patently absurd as to be almost nauseating. We have had an abuse, and the more successful abuse of current campaign finance laws by the other side by virtue of the fact that they have succeeded in raising more money. In this campaign cycle, our colleagues on the other side are way ahead, way ahead in raising money, hard money, soft money, mixed money, than is our side.

Clearly, the notion of dealing with past transgressions to be remotely fair would have to be a bipartisan approach. It is palpably a nonbipartisan approach when we have 700 subpoenas issued by the chairman of this committee to Democrats and 10 or 11 to Republicans. The appalling lopsidedness becomes self-evident.

What is clearly called for is what our distinguished Attorney General has called for, a serious attempt to reform campaign finance laws. Some favor full public financing; others favor the McCain-Feingold approach or some variant of it. But we have got to see to it that we restore the confidence of the American people in the electoral process, and these one-sided partisan political witch-hunts won't do anything to achieve that goal.

I yield back the balance of my time.

Mr. BURTON. The gentleman yields back the balance of his time. Mr. Davis.

Mr. DAVIS OF VIRGINIA. Be happy to yield 1 minute to Mr. Mica.

Mr. MICA. Thank you.

The fact is none of those folks met with the President or Vice President of the United States nor has fled the country and they are accessible to this committee.

Ms. Reno, my question is, I cited three or four individuals pretty heavily involved in a conduit payment of incredible amounts of money who have personally met with the President and Vice President. You are not able to tell me whether that is being investigated. Is there any attempt or are you taking any action to bring these people back into the country?

Ms. RENO. Again, we are trying to pursue every lead and we look forward to the chance to have some——

Mr. MICA. Well, if you aren't, I think we have a responsibility. We just aren't any committee of Congress, we are an investigations and oversight committee. And I am prepared to proceed with contempt procedures against you, for contempt of Congress, if we don't find out. I would be glad to work——

Ms. RENO. What do you want to know, sir?

Mr. MICA. I would like to work with you.

Ms. RENO. Do you want to know all details of the investigation?

Mr. MICA. Well, I would like to see a copy of the memo that was subpoenaed and has not been made available to this committee.

Ms. RENO. Well, I just think it would be very, very wrong for Congress, in its oversight function, to become part of a prosecution and an investigation. It would politicize investigations; it would politicize the prosecution process.

Mr. MICA. We have worked with——

Ms. RENO. I think that's wrong.

Mr. MICA. This committee has worked with top-secret information and numerous investigations in a cooperative manner and we are prepared to do that with you. If it means that that has to be done in executive session or on some limited basis, I think we would be willing to work with you.

Ms. RENO. I think there is a very distinct difference between those other matters that you discuss and criminal investigations, and I think we should think long and hard before Congress becomes involved in criminal investigations and criminal prosecutions.

I think we must do everything possible to keep politics out of it, to make sure that it is run by the executive in an appropriate way, and I will work with you in every way I can to honor your oversight function, and I would hope that you could work with me to honor my responsibility to conduct an investigation in a fair, impartial way without making it public.

Mr. MICA. Thank you.

Mr. DAVIS OF VIRGINIA. Reclaiming my time, Mr. Chairman. Let me just, Madam Attorney General, thank you for staying. I know it has been a very long day. I will try to be brief.

I want to move, since we are hearing from Mr. Smaltz tomorrow, to just ask you to elaborate on some of the comments you made on what Mr. Turner asked you previously. As you know, the Smaltz investigation has secured 10 indictments of 18 individuals and companies in 5 different jurisdictions. This investigation has so far recovered more than $4.5 million in fines and penalties for the U.S. Treasury, and we will hear from Mr. Smaltz tomorrow on his perspective on dealing with the Justice Department, but I wanted to make sure the Attorney General had an opportunity today to, if she can, clarify the Justice Department's role.

My understanding is that the Department of Justice declined originally to prosecute Mr. Blackley for his false statements on his financial disclosure forms. Is that correct?

Ms. RENO. There was an initial, as I testified, an initial declination.

Mr. DAVIS. And you declined to prosecute under those grounds?

Ms. RENO. For a specific case. I will be happy to furnish you with the specific case in which the declination was provided.

Mr. DAVIS. And then, when Mr. Smaltz came forward and wanted to expand his investigation to include some of these items, didn't you oppose the independent counsel's efforts to prosecute Mr. Blackley?

In fact, his application for referral of the Blackley matter, there were two legal grounds under the independent counsel statute and you lost your argument on both counts; is that correct?

Ms. RENO. Yes, I indicated that out of our responsibility for construing the statute as it has been construed both through Republican and Democratic administrations, and in connection with our responsibility to ensure its constitutionality, we made an argument that we thought was responsible and professional.

As I indicated, it was not done with any intent to obstruct Mr. Smaltz. And as I indicated in my previous testimony, we have on

a number of occasions, both in this administration and otherwise, worked with independent counsel to make sure that we shared information as appropriate and that we cooperated with them in every way possible.

As I indicated previously in my testimony, I regret if Mr. Smaltz feels that there was any intent to obstruct, because there clearly was not.

Mr. DAVIS OF VIRGINIA. Well, we will hear from him tomorrow and he will be able to further elaborate. I guess the concern is that the Justice Department didn't want to prosecute on their own when these items came forward.

Ms. RENO. No, I think, sir, that there was additional information that was before Mr. Smaltz when he determined to prosecute.

Mr. DAVIS OF VIRGINIA. But we don't know if you would have ever uncovered this information or not. I think that is one of the questions we will ask Mr. Smaltz tomorrow.

Ms. RENO. Well, I don't think Mr. Smaltz could answer that. But I do think that if we had the opportunity to sit down with him and talk about it, we could understand just what his point was and pursue it.

Mr. DAVIS OF VIRGINIA. Well, we will get that—we will air it tomorrow, but I think the American people ought to know that Mr. Blackley was convicted of three counts of lying, to hide $22,000 he received in 1993 from Mississippi agribusinesses, in violation of 18 U.S.C. 1001.

Those three businesses sought and received in excess of $400,000 in USDA subsidies in the 1 year that Blackley served as Espy's Chief of Staff, and Blackley attempted to influence and reverse a USDA decision not to provide one of those businesses with the amount of subsidies it requested.

And the key here, I think, is that this investigation has recovered more than $4.5 million in fines and penalties for the Treasury. We will be able to hear more about this tomorrow, but I just wanted to give you an opportunity on the record.

Ms. RENO. I appreciate the opportunity, and you can tell Mr. Smaltz I never intended to obstruct it. We had a working relationship——

Mr. DAVIS OF VIRGINIA. Mr. Chairman, I will ask unanimous consent——

Ms. RENO. If you'll let me finish, since you said you wanted to let me have a chance to get something on the record.

Mr. DAVIS OF VIRGINIA. I was going to ask unanimous consent to let you supplement it. That was—but go ahead and amplify.

Ms. RENO. Well, if it requires unanimous consent, don't worry.

Mr. BURTON. I have no objection. Is there any objection?

Mr. DAVIS OF VIRGINIA. I wasn't trying to cut you off. I wanted to give you an opportunity.

Ms. RENO. I just think it is very important, as we proceed through these complicated matters, this administration prosecuted somebody that many people in this Congress said we would never do. We would never follow through. And they cried politics. And we prosecuted it, and we did what was right. We prosecute and reclaim for the American people millions and millions and millions of dollars. We send an awful lot of people to jail.

I respect the independent counsel, and I have not commented in any way publicly with respect to the independent counsel, but I will tell you, when I have seen the Department of Justice prosecute and convict people in tremendously complex cases, such as Oklahoma bomb, in the World Trade Center, when I look at the recent methamphetamine investigation that came down, I will match you point by point with everyone.

But the basic issue is, did we try to obstruct him? No, we were just trying to do what we thought was our duty under the independent counsel statute, and we will continue to try to do that.

Mr. BURTON. Mr. Fattah.

Mr. FATTAH. Thank you, Mr. Chairman.

Let me say to the Attorney General that a lot has been said since you have rendered your decision in this matter, and I have heard, unfortunately, calls for your impeachment or now we hear a threat of a contempt citation, but I do want to try to set the record straight.

You were asked a series of questions about whether or not you had initiated preliminary investigations as related to a number of named people, Charlie Trie, John Huang, so forth and so on, and to each you said no. That does not mean that those people or matters associated with or allegations having to do with are not being looked into by the Justice Department; is that correct?

Ms. RENO. Thank you so much for asking that question so I can answer it once again and say because a preliminary investigation has not been instituted does not mean we are not pursuing every lead we possibly can.

Mr. FATTAH. In fact, you said, and you testified, and it is a fact that the Task Force that you have set up has more resources than any other ongoing effort of the Justice Department.

Ms. RENO. That's as I understand it.

Mr. FATTAH. Over 100 agents.

Ms. RENO. 120 agents and lawyers.

Mr. FATTAH. So the independent counsel route to a truth-searching exercise is only one route. The normal route is the Justice Department, with all of its expertise pursuing a matter, and you have done that through this joint Task Force in which the FBI and others are actively participating in?

Ms. RENO. That's correct.

Mr. FATTAH. So that when my colleagues ask you these questions about whether or not certain people are being looked into, and they elicit the answer, which is a truthful answer, that, no, there is no independent counsel preliminary review, the American public should not believe that you are not doing everything that you are capable of doing in looking into this.

And let me try to further help you clarify the record. You have made decisions in the past to appoint independent counsels; Kenneth Starr, to investigate the President and the First Lady as related to Whitewater; is that correct?

Ms. RENO. Yes, sir.

Mr. FATTAH. You appointed an independent counsel to investigate the activities of the late Commerce Secretary, Ron Brown.

Ms. RENO. I sought the appointment.

Mr. FATTAH. And also for Henry Cisneros, the Secretary of HUD.

Ms. RENO. That's correct.

Mr. FATTAH. So there have been many times in the past when Members on the other side of the aisle in the Congress have applauded your independence and your decisionmaking process because they approved of the final conclusion that you arrived at.

Ms. RENO. That's correct, sir.

Mr. FATTAH. And now, because they disagree with this point—you have used the same decisionmaking process; right?

Ms. RENO. That's correct.

Mr. FATTAH. You have looked at the facts, you have looked at the law, and you have provided a conclusion. And so I would just ask my colleagues, as they go about the business of applauding some decisions and criticizing others that they keep in mind that this same decisionmaking process has been applied, and that as there are other matters that you have indicated you might be looking into, there is also a Federal law that prevents you from discussing anything that may be before a grand jury or evidence that has been presented or been prepared to go before a grand jury. Isn't that also correct?

Ms. RENO. Rule (6)(e) prohibits me discussing grand jury testimony.

Mr. FATTAH. So you couldn't answer half of the questions that have been put before you today if in fact they were legitimately part of the Task Force's effort to find out what the facts may be.

Ms. RENO. I have tried to answer every question that I could that would not interfere with the appropriate conduct of a criminal investigation.

Mr. FATTAH. And any of the lawyers who are members of this committee would more normally know that it would be against the law for you to, as a Government attorney, to disclose any information that was going on before a grand jury.

Ms. RENO. Well, I think the chairman has recognized that by suggesting that, at least with (6)(e) material, that there is a limitation.

Mr. FATTAH. And the last thing I want to say is that even though you are being criticized today you should feel free to know that things change around here. A few months ago they were criticizing the FBI Director. There were many leading Members of the Congress, Republican Members, who were criticizing his activities, and now they want to applaud his activities because for the moment they agree with seemingly his point of view on a particular matter.

There is a certain ebb and flow here. If you are making decisions that they agree with, then they hold you up, and if you are not, then they tear you down. But I think the American public is well-served by your independence and by your willingness to stand behind your decisions.

Ms. RENO. Thank you. Mr. Chairman, may I take 2½ minutes?

Mr. BURTON. Two-and-a-half minutes. We will stand in recess for 2½ minutes.

[Brief Recess.]

Mr. BURTON. The committee will come to order. Mr. Pappas.

Mr. PAPPAS. Thank you, Mr. Chairman.

Ms. Reno, thank you for being here and for staying as long as you have.

Mr. BURTON. Would you be willing to yield to me for just 1 second?

Mr. PAPPAS. Sure.

Mr. BURTON. Real quickly, Ms. Reno. First of all, I want to correct the record.

When Mr. Fisk was up for reappointment as the Independent Counsel, you recommended him for reappointment. A number of us were concerned about Mr. Fiske's reappointment. Information was sent to the three-judge panel and they chose to not appoint Mr. Fisk but to appoint Mr. Starr. You indicated you appointed Mr. Starr. I just wanted to correct the record.

Ms. RENO. No, what I indicated, and what I meant to indicate, sir, was that I had appointed Mr. Fiske; that I sought Mr. Fiske's reappointment. But that when I triggered—what I said I was going to do was that if the Independent Counsel Act was passed, I would go to the court to seek the appointment of a court-appointed independent counsel, and that's what I——

Mr. BURTON. I understand. But the impression was that it was you who appointed Mr. Starr.

Ms. RENO. I couldn't appoint Mr. Starr.

Mr. BURTON. I know. And let me just say one more thing real quickly, and that is when we asked for the memo, very clearly I stated to Mr. Freeh's counsel and Mr. Freeh, and to your counsel, that we didn't want any grand jury testimony. Anything that pertained to the investigation you could redact. We wanted to see the redacted copy so we had some idea of the reason for the change.

Ms. RENO. That's the reason, sir, I made the statement to the Member just in I think the last round that indicated that you would accept a redacted copy.

Mr. BURTON. Mr. Pappas. Thank you.

Mr. PAPPAS. Ms. Reno, I would like to refer to a letter dated November 4, 1997, that is signed by Lee Radek, R-A-D-E-K, Chief of Public Integrity Section, Criminal Division. This is to Bradley Raymond, who is the attorney representing James Hoffa. In the second paragraph there is a sentence which I will quote from.

Quote: "We have concluded that the officials of the Clinton/Gore 1996 Reelection Campaign, against whom allegations have been made, are not covered persons, covered persons being in quotes, within the meaning of the Independent Counsel Act."

This is in response to two letters from Mr. Raymond, I believe addressed to you or to your department, dated September 12th and October 6, 1997. I am wondering if you could provide us with an explanation of the analysis used to make this decision?

Ms. RENO. Do you have the letter there?

Mr. PAPPAS. Pardon me?

Ms. RENO. Do you have the letter there?

Mr. PAPPAS. Yes. Yes, I do.

Ms. RENO. I don't have—I thought that I had—I may have to get back to you.

Mr. PAPPAS. I would be glad to provide a copy of this to you if someone could give it to Ms. Reno.

Ms. RENO. Thank you.

Mr. PAPPAS. I have highlighted it there.

Ms. RENO. OK. He states that they are not covered persons within the meaning of the Independent Counsel Act, and the relevant section would be 591(b)(6), I believe, which provides that the chairman and treasurer of the principal national campaign committee seeking the election or reelection of the President and any officer of that committee exercising authority at the national level during the incumbency of the President would be covered.

I believe, as I recall, though I don't have the specific information with me, that the decision was that they were not any officer of that committee exercising authority at the national level.

Mr. PAPPAS. Would you, since you sound somewhat unsure, would you check on that and get back to us for the record?

Ms. RENO. Be glad to.

Mr. PAPPAS. Thank you, and now I would like to now yield to Mr. Barr.

[The information referred to follows:]

U. S. Department of Justice

Washington, D.C. 20530

NOV 0 4 1997

Mr. Bradley T. Raymond
Finkel, Whitefield, Selik, Raymond,
Ferrara & Feldman, P.C.
32300 Northwestern Highway, Suite 200
Farmington Hills, MI 48334-1567

Dear Mr. Raymond:

This is in response to your September 12 and October 6, 1997 letters to United States Attorney General Reno. Your letters were referred to the Public Integrity Section of the Department of Justice, which is the part of the Criminal Division responsible for the investigation and prosecution of corrupt public officials, and for evaluation of the application of the Independent Counsel Act.

We have carefully assessed the application of the Independent Counsel Act to the allegations of misconduct by officials of the Democratic National Committee and the International Brotherhood of Teamsters which you referred. We have concluded that the officials of the Clinton/Gore 1996 Reelection Campaign against whom allegations have been made are not "covered persons" within the meaning of the Independent Counsel Act. As such, at this time there is no basis for the appointment of an Independent Counsel in this matter.

As the press articles you enclose make clear, this matter is being thoroughly investigated. The United States Attorney's Office for the Southern District of New York is handling the federal investigation, and any additional information you have which might assist in clarifying the issues involved in that investigation should be directed to that office, or to the Federal Bureau of Investigation.

We appreciate your interest in this matter, and thank you for whatever cooperation you are able to provide to the federal investigation.

Sincerely,

Lee J. Radek
Chief
Public Integrity Section
Criminal Division

cc: (with enclosures)
The Honorable Mary Jo White
United States Attorney

U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

February 25, 1998

The Honorable Michael Pappas
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Pappas:

This letter responds to the questions you posed to the Attorney General at the oversight hearing concerning the Department's conclusion that individuals involved in an ongoing investigation being conducted by the United States Attorney's Office for the Southern District of New York are not covered by the Independent Counsel Act.

Some individuals whose names have surfaced with respect to various aspects of that matter are connected to the Democratic National Committee (DNC) or the 1996 Clinton/Gore Reelection Campaign Committee. The Department has reviewed the status of individuals identified to date in connection with that investigation and has concluded that none are covered persons under the Act.

DNC officials are not covered by the Act. See, 28 U.S.C. § 591. In contrast, the chairman and treasurer of the presidential campaign committee are covered, 28 U.S.C. § 591(b)(6), as are other campaign "officers" who "exercise authority at the national level." When a campaign staffer is involved in a criminal investigation, the Department is required to conduct an intensive inquiry into his or her title, role and function in the campaign in order to determine coverage. In the case of the individuals involved in the Teamster matter mentioned by you, an examination of their roles and responsibilities led to the conclusion that they were not "officers" within the established meaning of that word, or did not "exercise authority at the national level," and thus were not covered persons under the Act.

I hope this information is of assistance to you. Thank you for your interest in this matter, and if I can be of any further assistance with respect to this or any other matter, do not hesitate to contact me.

Sincerely,

Andrew Fois
Assistant Attorney General

cc: The Honorable Dan Burton
Chairman
Committee on Government Reform and Oversight

The Honorable Henry A. Waxman
Ranking Minority Member
Committee on Government Reform and Oversight

Mr. BARR. Thank you.

Madam Attorney General, just briefly, one statement being made earlier, and you have made it in other venues as well, that there is some big blob out there. First of all, prosecutors deal with large blobs all the time. They are usually conspiracies, and they bring meaning to them.

I don't think that is really even, though, what we have here, and that is a large blob. We have very clear evidence, through the words of Dick Morris, clearly indicating a systematic effort by the President and Vice President to evade campaign limits. We have the President's own words, as you saw earlier today, not for the first time, in exhibit C–90, the President clearly indicating, not in some amorphous blob but clearly, an effort to evade campaign limits. You saw through exhibits presented by Mr. Shadegg the specific words of the Vice President, that it was his intent to raise money specifically for the Federal campaign. Even though that didn't make it into your memo, those are his words. You have the documents that I submitted earlier as well, exhibit 292, that clearly indicate in a memo to the Vice President in preparation for a meeting with the President that they were intending to raise money for their re-elect budgets.

Yet in the face of all that and other evidence, we have seen in this committee previously, for example, even though one member of the White House staff, the First Lady's former chief of staff seeing memos that clearly indicated that you cannot take and receive campaign funds at the White House or on official property, she did so. And, apparently, it is not so-called aggravating circumstances, where that sort of person clearly knowing they are not supposed to because they have received at least two memos by very learned counsels to the President that it is illegal to do so, and then they do so. That apparently does not rise to the level of an aggravating circumstance as well.

And that is what mystifies, Madam Attorney General, a lot of us up here; that this is not some amorphous blob——

[Exhibit 292 follows:]

February 29, [redacted]

MEMORANDUM FOR THE VICE PRESIDENT

FROM: RON KLAIN and DAVID STRAUSS

SUBJECT: DNC and REELECT BUDGETS

REDACTED

EOP 047836

EXHIBIT

292

Mr. LANTOS. Regular order, Mr. Chairman.

Mr. BARR. There are specific incidents, and I would again urgently solicit your looking at these not as amorphous blobs but as very discrete pieces of evidence indicating systemic abuse by this administration in the last election cycle.

Mr. BURTON. The gentleman's time has expired.

Ms. RENO. As I indicated previously on a number of occasions, we are pursuing each lead and leaving no stone unturned, pursuing each transaction. And when there is specific and credible information that a covered person has—may have violated the law, then we will trigger the independent counsel statute. But you're quite right, it is important that we pursue the specifics, and we are doing so.

Mr. BURTON. Mr. Barrett.

Mr. BARRETT. Thank you, Mr. Chairman. I would yield 1 minute to Mr. Kucinich.

Mr. KUCINICH. Thank you, Mr. Barrett.

Members of Congress, we have the power to ask Attorney General Reno to be here today, and she has complied. She has been very thorough in her presentation, very detailed. I don't think anyone who has watched these proceedings would dispute that. And at the end of all this, at the end of hours and hours, it just didn't seem fair to have an esteemed colleague on the other side raise the issue of possible contempt of Congress proceedings.

We saw Maggie Williams, the First Lady's former chief of staff, threatened with criminal prosecution in this same room, despite the fact that no illegality was uncovered.

Now, the American people are watching these proceedings, and we should be very careful how we use our power here, and not to use that power for purposes of media excitement or for intimidation and implied threats to pursue legal action against witnesses. If we have credible and specific evidence to proceed with such an attack, and I do not believe such evidence exists in the matter before us, then do it. But to visit a threat on a witness does not reflect well on this committee or this process. Thank you.

Mr. BARRETT. Thank you.

Ms. Reno, I want to thank you also for being here today. I think you have been very patient. Obviously, you have been very, very professional, and I think you have been very direct in the answers to the questions that have been posed to you today.

Because we are near the end of your testimony, and we are going to be hearing shortly from Mr. Freeh, I want to return for a short time to the letter that you and Mr. Freeh sent to this committee yesterday, my birthday, talking about your reasons for not wanting to give the memorandum to this committee.

In the letter you state it is unprecedented for a congressional committee to demand internal decisionmaking memorandums generated during an ongoing criminal investigation. So you are saying that you are unaware of any precedent whatsoever for this?

Ms. RENO. So far as I know. And the way we have done this is we have consulted the lawyers in the Office of Legal Counsel who have had continuing responsibility for this issue, and I don't know of any.

Mr. BARRETT. And your position is that this could hamper your investigation if these materials were released at this time?

Ms. RENO. It is the very strong feeling of the Justice Department, if we are required to release documents such as this, it is going to set a precedent that can have a very disastrous effect not just on this investigation, but on all investigations for the future.

And we would just like to work with people to try to get the questions answered—I think we have framed today where the differences are. I think people understand why I have done things and why I haven't. You will be able to hear from Director Freeh—and see if we can't get through this honoring the oversight function of Congress and honoring my responsibility for conducting a professional and effective investigation.

Mr. BARRETT. Ironically, I think that you have some support from maybe some unexpected quarters, at least in the arguments you made. On September 24th in this committee, the issue at that time was the release of depositions, with the Democrats, frankly, arguing for the release of depositions and the Republicans arguing against it.

At that time Mr. Barr, from the other side, stated, and I will quote:

> There's an additional reason in addition to the ones cited by the gentleman from California, and that is that witnesses then can collude their testimony if these documents are released. Another is, as a former prosecutor, I am well aware that if these documents such as we are talking about here are released, particularly in the early stage, they can cause those witnesses to be intimidated so that their testimony may change, it may be shaded. So I think that there are very, very sound reasons from both a legal and from a historical standpoint of how this body, the House of Representatives, has treated these documents in the past, and I urge the defeat of this amendment.

Mr. Davis echoed those comments when he said:

> But if you do it in the middle of the process, or at the beginning of the process when you have different witnesses that have made conflicting statements, it really undermines the whole investigatory role, where we have seen people stonewall, stymie and try to shut down this investigation, and some of the witnesses that have been deposed to date.

So I think I understand, you understand, and I think many of the majority understand why you don't want to release this document. And I would like to now yield to my friend from Maryland, Mr. Cummings.

Mr. CUMMINGS. Madam Attorney General, again, I just want to thank you for being here, and I want to thank you—I just—as you were speaking, I was just thinking that most lawyers will tell you, whether they are on the defense or prosecution side, the thing they want most is fairness. It's fairness. They feel if they go to trial or go through a process, and even if they don't win, if they believe that they have been treated fairly, that is the critical question. And I want to thank you for all that you're doing.

I sit here and wonder how you take all this, but I encourage you to stand up and stand strong and thank you, thank you, and thank you again.

Mr. LANTOS. Would the gentleman yield?

Mr. BARRETT. Yield back.

Mr. LANTOS. Madam Attorney General, on behalf of the Democrats on this committee, on behalf of the American people, I want

to thank you for yet another exemplary performance as an outstanding public figure.

Mr. BURTON. The gentleman's time has expired.

Mr. Snowbarger.

Mr. SNOWBARGER. Thank you, Mr. Chairman.

Madam Attorney General, thank you for being here today. I have two or three lines of questioning. We will see how much time we will have to pursue these.

I wanted to followup on a question that the chairman asked right at the beginning. He asked if you were requested to do so by the President, would you appoint an independent counsel, or an independent prosecutor, and I think your response was it depends on the circumstances.

Let me try to followup, then. If you were requested to do so by the President, would you appoint an independent counsel on the matters related to the phone calls made in the White House or on other Federal property?

Ms. RENO. It would depend on what the President's feelings were about it.

Mr. SNOWBARGER. Well, if he asked you to do so——

Ms. RENO. What I would be doing is doing it under the—I would not be doing it under the independent counsel statute, I would be doing it under special counsel statute, and I'd have to look at what his reasons were.

Mr. SNOWBARGER. OK. What about the foreign money situation that we have alluded to and that has been in the press?

Ms. RENO. Again, it would be under the special counsel provisions, the administrative appointment, and I would have to look at it.

Mr. SNOWBARGER. You have to look at the case or the statute?

Ms. RENO. No, I'd have to look at the facts, why he wanted me to do it.

Mr. SNOWBARGER. Are you looking at the facts related to the foreign contributions that we have talked about?

Ms. RENO. No, I'd have to understand why he wanted me to do it.

Mr. SNOWBARGER. Well, if he wanted to have credible investigations in the minds of the American people, would that be sufficient reason?

Ms. RENO. It would depend on the circumstances.

Mr. SNOWBARGER. What about the President's involvement and the report of the result of soft money?

Ms. RENO. I would just flat out tell you to do "what if's" for a prosecutor is not a professional thing to do, because you come up with so many different variations, and you cannot judge the future by the different variations that occur. So I don't think it is a useful pursuit. I'm happy to try to answer your questions.

Mr. SNOWBARGER. So the fact that the President requested those would not make any difference whatsoever.

Ms. RENO. No, I didn't say that, sir.

Mr. SNOWBARGER. So, if you heard from him today, and he asked you that an independent counsel be appointed in all those cases, you would examine that at least and potentially appoint a special prosecutor.

Ms. RENO. I would examine and understand his reasons.

Mr. SNOWBARGER. OK, let's go a different route here.

Your investigation now, particularly on the phone call situation, since we finally have, I guess, some ruling there, or a determination out of your office, has taken a considerable amount of time. I think you originally had 90 days and requested additional time after that. So it's gone through a fairly long process.

I guess my concern that I have expressed to you is that we have gone through a fairly long process. Have we reached a conclusion now?

Ms. RENO. About what, sir?

Mr. SNOWBARGER. About the phone calls. I think that is the only thing you have ruled on so far.

Ms. RENO. I have reached the conclusion that is set forth in the notification.

Mr. SNOWBARGER. OK. So that matter has ended at this point?

Ms. RENO. That matter has ended with respect to the President and the Vice President. There are matters that are—we are continuing to investigate.

Mr. SNOWBARGER. One of the concerns that I have is that——

Ms. RENO. If new information is developed with respect to the President and the Vice President, it will trigger the 90 days.

Mr. SNOWBARGER. And who would be developing that information?

Ms. RENO. That would be part of the whole Task Force investigation. FBI agents would be the investigators.

Mr. SNOWBARGER. One of the concerns I have about all this and the amount of time that it is taking in the Justice Department, and again I want you to take the time that is required, I suppose, but in some ways it hampers the investigation of this committee.

Certain types of evidence, access to witnesses, maybe through grants of immunity, things of that nature, are directly tied to investigations that you have ongoing. And it seems, it appears at times, that, while your efforts are really appreciated, they are also hampering the efforts of this committee. So I'm trying to figure out when in the process we can expect to have access to all that information, have access to all those witnesses.

I guess my question is, do we have that? Are you saying that we will now have access to all that, at least on the phone call situation out of the White House?

Ms. RENO. You have access under the order of the special division of the court for what is in the notification, as I understand it.

Mr. SNOWBARGER. But nothing beyond that?

Ms. RENO. That's correct.

Mr. SNOWBARGER. You will hold everything else close to the vest?

Ms. RENO. I am going to try to conduct an appropriate investigation. I am going to try to work with the chairman in every way that I can on issues of immunity. We did so with Senator Thompson. We're going to try. At times our interests may be in conflict, but where they aren't, I'm going to try to make sure we do everything we can to cooperate.

Mr. SNOWBARGER. My frustration is that you say in the notice that no further investigation is warranted, and at the same time you have also indicated to the public that no one has yet been ex-

onerated; that the investigation is still ongoing; that if new evidence is found, that then you will go back and re-examine this decision, only you will take another 90 days to do that.

And it seems like we keep postponing and postponing any final determination that would allow us to get into things that may not be criminal in nature, but may be a part of the campaign finance investigation that we need to pursue.

Ms. RENO. I just want to make sure that no stone is left unturned so that when you call me before you, if I'm still around after the investigation has been concluded, I can answer your questions to the best of my ability.

Mr. SNOWBARGER. Well, my comment is your thoroughness affects our thoroughness.

Mr. BURTON. The gentleman's time has expired.

Mr. SNOWBARGER. Thank you, Mr. Chairman.

Mr. BURTON. Mr. Miller.

Mr. MILLER. Madam Attorney General, I'm new to this committee. This is my first day to attend this committee meeting. And I have a question that is unrelated to what has been asked so far, if I may ask, and that is concerning a horrible crime that took place in my area of Florida, Sarasota, FL, and the Department of Justice is now involved in it, and what—I'm going to ask what you know about it, but also get your commitment that you will do everything you can to have the accused—may I describe the crime?

Ms. RENO. I know about the crime.

Mr. MILLER. I want to make sure everybody else understands what a horrible, heinous crime took place.

On November 7th, last month, a 35-year-old mother of six children, including four quadruplets, who are aged 23 months, was murdered. The 13-year-old returned from school that afternoon and found the mother lying on the kitchen floor with the quadruplets covered with their mother's blood.

The good police work in our area has identified the conspiracy apparently that has taken place and a hired gun. The person that's accused is a U.S. citizen born in California, raised in Texas. He returned to Texas and then went to Mexico, and now he's being held in jail in Mexico. The Mexican Government is resisting, and the person should be deported. He is a U.S. citizen. Mexico has nothing to do with this particular crime. It is outrageous that they are holding somebody that's a U.S. citizen accused of a murder in the United States.

And what I'm asking is that we do everything we can to extradite him, because the treaty says the word "may," so there is the ability to do that. And what we need to do is buildup as much pressure on the Mexican Government, and I'm asking if you will use your offices and the Department of Justice as much as possible to persuade them that Mr. Del Toro should be brought back to the United States to stand trial. He's a U.S. citizen, and there's no excuse, in our opinion. And it is a high-profile case in Florida.

Hopefully, you have talked to Mr. Moreland our State's attorney. So I would appreciate anything you can do on this case, and maybe you can update us right on where we stand.

Ms. RENO. This is a terrible crime. I heard about it almost the moment it happened, and it is just a very, very terrible crime.

With most South American countries, language similar to our extradition treaty with Mexico states that the requested country may refuse extradition. A requested country may refuse extradition if the requesting country does not waive the death penalty. Despite the apparent flexibility that you referred to in article 8 of the treaty, Mexico does not have any discretion in requesting assurances on the death penalty, since its domestic law prohibits the surrender of anyone facing the death penalty without such assurances.

We are working closely with Mr. Moreland's office to do everything we can to see that he is brought back to stand trial as soon as humanly possible, and I follow this matter almost on a daily basis.

Mr. MILLER. To me it is just outrageous that a U.S. citizen can escape. What would have happened if Timothy McVeigh had escaped to Mexico, is the question I would ask. Would they be holding him, and we would have to wait for him to stand trial?

Ms. RENO. One of the things that I am trying to address with my colleagues, and that's the reason, Mr. Chairman, if this could be almost the limit, because they're waiting, is, as we build trust in the world, I think it is very important that everyone know that there is no safe haven and no place to hide. I think that should apply both to people who are U.S. nationals and people who are nationals of other countries if they commit a serious crime here in this country.

And I want to do everything I can to build an understanding that says it's not a matter of sovereignty, it's a matter of what a good prosecutor says. And a good prosecutor knows that the best, most appropriate, most just place to try a case is where the crime was committed.

So I have spent a lot of time and effort on that. I think we're making slow progress, but we have much more to do, and it is something that is of very, very great concern to me. And when I see situations like this, it's something that I focus on daily.

Mr. MILLER. I appreciate that. If there's time, I give it to Mr. Barr. If Mr. Barr—can he take the rest of my time?

Mr. BURTON. You can yield your time to him.

Mr. MILLER. I yield the balance of my time to Mr. Barr.

Mr. BARR. Quickly, Ms. Reno, to followup on a prior discussion that you had with regard to the applicability of section 591(c), the other persons under the independent counsel statute vis-a-vis John Huang and Charlie Trie in particular.

Does the fact that you have indeed, as you've indicated, not ruled out investigations of them, but you have not done so under the independent counsel, indicate to us that you have concluded that there is no and would be no conflict of interest with regard to them? Keeping in mind that the language of 591(c) indicates that it may result in a conflict, not that it shall result in a conflict, but may result in a conflict, have you reached a conclusion that an investigation of John Huang and/or Charlie Trie would not result in any conflict of interest?

Ms. RENO. Or may not result. At this point, based on all I know, I have not triggered the statute with respect to them.

Mr. BARR. But does that mean that you have concluded that an investigation of them would not result in a conflict of interest?

Ms. RENO. It means that I have not determined that an investigation or prosecution of either man by the Department of Justice may result in a personal, financial or political conflict of interest.

Mr. BARR. That is what you have concluded?

Ms. RENO. Yes, sir.

Mr. BURTON. The gentleman's time has expired.

We have our differences, Ms. Reno, but I want to tell you, I really appreciate your patience today in being with us, and I hope we have a chance to talk again before long. You are free to go to your next appointment. Thank you very much.

Ms. RENO. Thank you.

Mr. BURTON. We will take a 10-minute break, and then we will have Mr. Freeh.

[Recess.]

Mr. BURTON. The committee will come to order. Is Mr. Lantos—there he is. I see his smiling face.

Unless there is an objection, I do not see a need for opening statements. We have already had opening statements. So, Mr. Freeh, I see you are ready to go.

[Witness sworn.]

Mr. BURTON. In accordance with the motion that was made earlier, there will be 30 minutes on each side, but I have talked to Mr. Lantos, and rather than go with the second hour being split in 10-minute segments, we will go straight to the 5-minute rule to try to expedite the hearing. Director Freeh, we will try to get as much done as possible. I hate to have you come back tomorrow, but that is one of those things that——

Mr. FREEH. No problem, sir.

Mr. BURTON. Mr. Bennett? I am sorry. Your opening statement. Do you have an opening statement you would like to make?

STATEMENT OF LOUIS J. FREEH, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Mr. FREEH. If I could, sir.

I will try to go through it quickly. I will submit it for the record in its entirety.

Let me just say I do appreciate the opportunity to appear here today. I have immense respect for this committee, for you, Mr. Chairman, Mr. Lantos, and I am very happy to appear and answer as many of your questions as I can. What is being discussed here is both simple and complex. The simple part of it is that the Attorney General did ask me with respect to the independent counsel matter what my advice would be, and I furnished that to her in confidence as I have given her much advice over 4½ years. The more complex issues are the specifics of that advice and the obvious differences between the oversight function and the investigative function which are different in kind as well as in degree.

Prior to the hearing, as you know, not in any public way have I discussed the specific recommendation which I made to the Attorney General. That has been my decision and not her decision. I feel very strongly that I, as well as future FBI Directors, should be free to give honest and sensitive advice to the Attorney General, particularly in matters of criminal investigation. So I do have reservations in even making that recommendation public today, although

it is probably the worst kept secret in Washington. Before I do that, however, I do want to talk about what I think are the serious implications and the issues involved when an FBI Director is asked to make public that recommendation, which I will certainly do today.

When we conduct investigations, we must ensure that people's rights as well as the ongoing investigation is not damaged or undermined. It is best that information with the strong potential particularly to be misunderstood or misinterpreted be disclosed only in exceptional matters relating to this type of an issue. But because there has been widespread reporting, and I deplore the leaks of that reporting with respect to what I recommended and only after discussing this with the Attorney General and many other people am I willing to disclose what I believe should always be, at least in the context of an ongoing criminal investigation, a matter of confidence between an investigator and the chief prosecutor, in this case my boss, the Attorney General.

I do not believe, however, it is appropriate for me to go beyond what that specific recommendation was. To explain why I made it, on the basis of what facts, for what reason would require me to discuss not just the grand jury investigation, but the theory of the investigation, which I certainly would not want any potential subjects to hear, even if they think they could otherwise figure it out themselves. I also think that providing those kinds of details would do great damage to the relationship between Attorneys General and FBI Directors for many years to come.

Your committee, Mr. Chairman, has a deep and abiding respect for the principles inherent in our criminal justice system. Nothing that I would say today would I ever intend nor would anyone here intend to violate any of the due process or the privacy rights of individuals who become the subject of inquiry. To the contrary, we take great comfort in the care with which you, Mr. Chairman, personally, and the committee have handled very sensitive foreign counterintelligence information that we have been providing to this committee. And we are very confident in that relationship and in the high responsible manner in which that has been handled.

Let me just explain my reasons and my concern in not discussing fully my recommendation. It is not based on any fear of scrutiny or openness. We must be mindful obviously that there is a pending criminal investigation, that has not changed, investigation to which all of this relates. In most cases, we do not even confirm, as you know, the existence of a criminal investigation.

Mr. Bennett, you were a distinguished U.S. Attorney for many years. It has been the long practice of the Department of Justice officials not to even disclose the existence of an investigation. The reasons for that are simple. We have a dual obligation to conduct an investigation, but also to protect the rights and the reputations of people who are in many cases exonerated. So for those reasons, over the course of many months, despite reports of what my recommendation was or was not, I have refused to publicly comment about any aspect of the investigation, including the legal issues relating to the independent counsel statute.

I have been particularly concerned that my comments could be misunderstood. People could believe that I have reached some find-

ings or conclusions of fact with respect to whether someone has committed a crime or done anything improper which is not the case. And I know, Mr. Chairman, that you and your many colleagues fully understand the nuances of the independent counsel statute. Many people do not. If they were to hear what the recommendations of an FBI Director were, they could misinterpret and misconstrue what actually is the process here, which is a process of consideration rather than a process of fact-finding per se.

In recommending to the Attorney General that an independent counsel be appointed, I did not and do not believe that any particular person has committed a crime or is a target of a grand jury or even has done anything improper. I recommended appointment of an independent counsel to investigate whether crimes may have been committed, but nothing more should be inferred from that recommendation.

I surely do not think that you or any other member of the committee wants an FBI Director who publicly talks about evidence that relates to individuals, either charged or uncharged, who discloses theories of investigation, who discloses matters before a grand jury or names people who either are being investigated or have chosen to assist the Government in our investigation.

Ignoring for a moment the certain harm to the investigation such disclosures would cause, it also, in my view, violates the basic notions of due process: privacy, fundamental fairness and the presumption of innocence. I know, Mr. Chairman, of your deep and abiding respect for these principles, principles that are at the very heart of our criminal justice system. Those values undoubtedly would be harmed, in my view, if either the Attorney General or I discuss what underlies our recommendations or our differences as a matter of law.

I have stated many times my respect for Attorney General Reno. In the 4¼ years we have worked together, I have seen her bring nothing but integrity and honesty to the table. In this instance, she asked my recommendation. I strongly believe she is entitled to seek and receive the best judgment and unvarnished opinions of her subordinates, which is me. And that is what I gave her here. We certainly should think long and hard before we create a precedent or a notion that some future FBI Director, not myself, would hesitate when it came to giving his boss the frank and honest recommendations that he or she requested.

Everybody in the FBI understands that the decision here was the Attorney General's decision, hers alone, not mine. I do not question that and have never understood anything to the contrary. That I made a recommendation different from the ultimate outcome in this instance does not even mean there is a professional rift between us. It merely means we disagree on a matter of law, a judgment about a legal issue. Prosecutors and investigators, I have been both, often do disagree. That two lawyers disagree should not be surprising.

When I was a district court judge, no district court judge likes to get reversed, but when I did get reversed, it was always better to be reversed 3 to 0 than 3 to 1 or 2 to 1 because there was always the assumption that everybody was going to read the law and the facts just like we had on the district court bench. As Mr. Lantos

pointed out, we frequently have 5 to 4 decisions coming from our court. We rarely have 9 to 0 decisions.

On issues of fact, the Attorney General and I do not disagree. I can assure you, Mr. Chairman, that the FBI is not being impeded in any way in conducting our investigation. No investigative avenues have been closed and nothing has changed in that regard as a result of the decision last Tuesday. The Task Force was formed last December. Their marching orders from both myself and the Attorney General are to go wherever the evidence leads them.

The FBI has dedicated nearly 100 people to this Task Force. We are using our people all over the world to investigate and gather evidence. We have done 1,100 interviews, we have conducted—more than 1,000 subpoenas have been issued. While candidly there have been some problems during the investigation and, having done this for 23 years, I never had an investigation that did not have problems, I am confident that this task force is focused and following a methodical investigative strategy.

Mr. Chairman, I have been in Government service for 23 years. I have served every Attorney General since Edward Levy. I have been an investigator, a prosecutor, and a judge. I follow a couple of simple rules. I fully and fairly investigate all the matters within my jurisdiction. I take the evidence wherever it follows, wherever it takes me. I let the chips fall where they may. And I protect the rights of the guilty subjects as well as those who may be exonerated after our investigation. I will make sure that I continue doing that in this case.

When I gave my recommendation to the Attorney General, my sole objective was to give her what she asked for, my candid analysis, conclusions and recommendation. Every Attorney General is entitled to that from the FBI Director. I am obligated, I believe, to provide my views in an absolutely nonpartisan manner. That is why you, the Congress, gave the FBI Director a 10-year term, to give me the freedom to do so without concern about those views either outside or within the criminal justice system.

I have a dual obligation in all of my investigations. I have to conduct a full and fair inquiry. I have to protect the integrity of the investigation, the relationship that not just I enjoy with the Attorney General, but the relationship that FBI agents all over the world and all over the country enjoy with their prosecutors. I have to protect the rights of the innocent. I have to protect the reputations of those who may be exonerated. It is a difficult balance and in this particular case, because of your very appropriate oversight responsibilities, and the fact that we have an active comprehensive criminal investigation, there are areas, unfortunately, where we cannot share and discuss things as fully as we might do if this was a closed investigation.

Again, I very much appreciate the opportunity of appearing before this committee. I will be happy to try to answer as many questions as I can.

[The prepared statement of Mr. Freeh follows:]

I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE THE COMMITTEE TODAY. IN THIS INSTANCE, THE ATTORNEY GENERAL SOUGHT OPINIONS FROM A WIDE VARIETY OF PEOPLE ASSOCIATED WITH THE ONGOING INVESTIGATION, REGARDING WHETHER AN INDEPENDENT COUNSEL SHOULD BE APPOINTED. SHE SOUGHT MY ADVICE AND I GAVE IT TO HER. IN CONFIDENCE, I MUST STRESS.

PRIOR TO THIS HEARING, I HAVE NOT--IN ANY PUBLIC WAY--DISCUSSED MY RECOMMENDATION TO THE ATTORNEY GENERAL. THAT HAS BEEN MY DECISION AND NOT ONE THAT HAS BEEN FORCED UPON ME IN ANY WAY. I FEEL VERY STRONGLY THAT I SHOULD BE FREE TO GIVE FRANK, UNVARNISHED ADVICE TO THE ATTORNEY GENERAL WITHOUT HAVING TO WORRY ABOUT THE ADVICE BEING LAID OUT BEFORE THE WORLD. THIS IS PARTICULARLY CRITICAL IN THE CONTEXT OF AN ONGOING CRIMINAL INVESTIGATION. AND I HAVE GREAT RESERVATIONS IN DOING SO TODAY. AS A MATTER OF PRUDENCE, WE MUST ENSURE THAT PEOPLE'S RIGHTS AND THE ONGOING INVESTIGATION ARE NOT DAMAGED OR UNDERMINED. ACCORDINGLY, IT IS BEST THAT INFORMATION WITH THE STRONG POTENTIAL TO BE MISUNDERSTOOD OR MISINTERPRETED SHOULD NOT BE DISCLOSED EXCEPT IN TRULY EXCEPTIONAL CIRCUMSTANCES.

ONLY BECAUSE THERE HAS BEEN SUCH WIDESPREAD REPORTING OF WHAT I RECOMMENDED, AND THEN ONLY AFTER DISCUSSING THIS ISSUE AT LENGTH WITH THE ATTORNEY GENERAL, AM I WILLING TO DISCLOSE WHAT I BELIEVE SHOULD BE A CONFIDENTIAL MATTER BETWEEN THOSE CHARGED WITH INVESTIGATING AND PROSECUTING CRIMES. I DO NOT

BELIEVE IT APPROPRIATE TO DISCUSS ANYTHING BEYOND THE ULTIMATE RECOMMENDATION ITSELF--WHICH WAS A RECOMMENDATION THAT AN INDEPENDENT COUNSEL SHOULD BE APPOINTED.

AFTER MANY FRANK DISCUSSIONS WITH YOU, MR. CHAIRMAN, I KNOW YOU AND YOUR COMMITTEE HAVE A DEEP, ABIDING APPRECIATION FOR THE PRINCIPLES INHERENT IN OUR CRIMINAL JUSTICE SYSTEM AND DO NOT WANT TO DO OR SAY ANYTHING THAT RISKS THE DUE PROCESS AND PRIVACY RIGHTS OF OUR CITIZENS. TO THE CONTRARY, WE TAKE COMFORT IN THE CARE WITH WHICH THIS COMMITTEE HAS TREATED THE RAW, SENSITIVE AND OFTEN CLASSIFIED INVESTIGATIVE INFORMATION WE HAVE IMPARTED TO YOU TO AID YOUR INQUIRY.

MY CONCERN IN NOT DISCUSSING MY RECOMMENDATION IS NOT BASED ON ANY FEAR OF OPENNESS OR PUBLIC SCRUTINY. WE MUST BE MINDFUL THERE IS A PENDING CRIMINAL INVESTIGATION TO WHICH ALL THIS RELATES. IN MOST CASES, WE WOULD NOT EVEN CONFIRM THE EXISTENCE OF AN INVESTIGATION, LET ALONE DISCUSS INVESTIGATIVE ISSUES OR DEVELOPMENTS. OVER THE COURSE OF MANY MONTHS, I HAVE REFUSED TO PUBLICLY COMMENT ABOUT ANY ASPECT OF THE INVESTIGATION, INCLUDING THE LEGAL ISSUES SURROUNDING THE IC STATUTE. I HAVE BEEN PARTICULARLY CONCERNED THAT ANY SUCH COMMENTS WOULD BE MISUNDERSTOOD. I KNOW, MR. CHAIRMAN, THAT YOU AND YOUR MANY COLLEAGUES FULLY UNDERSTAND THE INDEPENDENT COUNSEL LAW AND APPRECIATE THE LEGAL NUANCES OF SUGGESTING AN INDEPENDENT COUNSEL BE SOUGHT. THERE IS, I BELIEVE, GREAT RISK OF WIDESPREAD

MISUNDERSTANDING WHEN THOSE NUANCES ARE IGNORED OR LOST IN THE FRENZY OF PUBLIC DISCUSSION.

IN RECOMMENDING THAT AN INDEPENDENT COUNSEL BE APPOINTED I DID NOT, AND DO NOT, IMPLY THAT I BELIEVE ANY PARTICULAR PERSON HAS COMMITTED A CRIME, IS THE TARGET OF INVESTIGATION OR EVEN HAS DONE ANYTHING IMPROPER. I RECOMMENDED APPOINTMENT OF AN INDEPENDENT COUNSEL TO INVESTIGATE WHETHER CRIMES MAY HAVE BEEN COMMITTED, BUT NOTHING MORE SHOULD BE INFERRED.

I DO NOT THINK YOU OR ANY OTHER MEMBER OF THIS COMMITTEE WANTS AN FBI DIRECTOR WHO PUBLICLY TALKS ABOUT EVIDENCE THAT RELATES TO INDIVIDUALS, EITHER CHARGED OR UNCHARGED; WHO DISCLOSES THEORIES OF INVESTIGATION; WHO DISCLOSES MATTERS BEFORE THE GRAND JURY; OR NAMES PEOPLE WHO ARE EITHER BEING INVESTIGATED OR HAVE CHOSEN TO ASSIST THE GOVERNMENT BY PROVIDING INFORMATION.

IGNORING FOR A MOMENT THE CERTAIN HARM TO THE INVESTIGATION SUCH DISCLOSURES WOULD CAUSE, IT ALSO, IN MY VIEW, VIOLATES THE BASIC NOTIONS OF DUE PROCESS, PRIVACY, FUNDAMENTAL FAIRNESS, AND THE PRESUMPTION OF INNOCENCE. I KNOW, MR. CHAIRMAN, OF YOUR DEEP AND ABIDING RESPECT FOR THESE PRINCIPLES, PRINCIPLES THAT ARE THE VERY FABRIC OF OUR CRIMINAL JUSTICE SYSTEM. THESE VALUES UNDOUBTEDLY WOULD BE HARMED IF EITHER THE ATTORNEY GENERAL OR I DISCUSS WHAT UNDERLIES THAT RECOMMENDATION.

I HAVE STATED MANY TIMES MY RESPECT FOR ATTORNEY GENERAL RENO. IN THE FOUR AND ONE QUARTER YEARS WE HAVE WORKED TOGETHER, I HAVE SEEN HER BRI'G NOTHING BUT INTEGRITY AND HONESTY TO THE TABLE. IN THIS INSTANCE, SHE ASKED FOR MY RECOMMENDATION. I STRONGLY BELIEVE SHE IS ENTITLED TO SEEK AND RECEIVE THE BEST JUDGMENT AND UNVARNISHED OPINIONS OF HER SUBORDINATES. THAT IS WHAT OCCURRED HERE. THAT IS WHAT I GAVE HER.

EVERYONE IN THE FBI UNDERSTANDS THAT THE DECISION IN QUESTION WAS HER'S AND HER'S ALONE TO MAKE. I DO NOT QUESTION THAT AND NEVER UNDERSTOOD ANYTHING TO THE CONTRARY. THAT I MADE A RECOMMENDATION DIFFERENT FROM THE ULTIMATE OUTCOME IN THIS INSTANCE DOES NOT MEAN THERE IS A PROFESSIONAL RIFT BETWEEN US. IT MERELY MEANS WE DISAGREE ON A MATTER OF LAW, A JUDGMENT ABOUT A LEGAL ISSUE. PROSECUTORS AND INVESTIGATORS OFTEN DO DISAGREE. THAT TWO LAWYERS DISAGREE SHOULD NOT BE SURPRISING.

ON ISSUES OF FACT WE DO NOT DISAGREE. I CAN ASSURE YOU MR. CHAIRMAN, THAT THE FBI IS NOT IMPEDED IN ANY WAY IN CONDUCTING THIS INVESTIGATION. NO INVESTIGATIVE AVENUES HAVE BEEN CLOSED AND NOTHING HAS CHANGED AS A RESULT OF THE ATTORNEY GENERAL'S DECISION LAST TUESDAY.

THE TASK FORCE WAS FORMED LAST DECEMBER. THEIR MARCHING ORDERS ARE TO GO WHEREVER THE EVIDENCE LEADS THEM. THE FBI HAS DEDICATED NEARLY 100 PEOPLE TO THE TASK FORCE ALONE AND

IS USING OUR PEOPLE ALL OVER THE WORLD TO INVESTIGATE AND GATHER EVIDENCE. OVER 1,100 INTERVIEWS HAVE BEEN CONDUCTED AND MORE THAN 1,000 SUBPOENAS ISSUED. WHILE CANDIDLY THERE WERE STARTUP PROBLEMS AND GROWING PAINS, I AM CONFIDENT THE TASK FORCE IS FOCUSED AND FOLLOWING A METHODICAL AND COMPREHENSIVE INVESTIGATIVE STRATEGY.

MR. CHAIRMAN, I HAVE BEEN IN GOVERNMENT SERVICE FOR 23 YEARS. I HAVE SERVED EVERY ATTORNEY GENERAL SINCE EDWARD LEVI. I HAVE BEEN AN INVESTIGATOR, A PROSECUTOR AND A JUDGE.

I HAVE NO PREDISPOSITION AND NO AGENDA, EXCEPT TO CONDUCT A FULL AND FAIR INVESTIGATION. I WILL MAKE SURE THAT AS LONG AS THIS INVESTIGATION IS UNDER MY CONTROL THAT IS WHAT HAPPENS.

WHEN I GAVE MY RECOMMENDATION TO THE ATTORNEY GENERAL, MY SOLE OBJECTIVE WAS TO GIVE WHAT SHE ASKED FOR--MY CANDID, UNVARNISHED ANALYSIS, CONCLUSIONS AND RECOMMENDATION. EVERY ATTORNEY GENERAL IS ENTITLED TO THAT FROM THE FBI DIRECTOR. I AM OBLIGATED, I BELIEVE, TO PROVIDE MY VIEWS IN AN ABSOLUTELY NON-PARTISAN MANNER. THAT IS WHY THERE IS A TEN-YEAR TERM FOR THE DIRECTOR, TO GIVE ME THE FREEDOM TO DO SO WITHOUT CONCERN ABOUT THE VIEWS OF THOSE OUTSIDE THE CRIMINAL JUSTICE SYSTEM.

I HAVE A DUAL OBLIGATION: GATHER THE FACTS AND PROTECT THE RIGHTS OF INDIVIDUALS. YOU, THIS COMMITTEE AND THE CONGRESS HAVE BEEN VERY SUPPORTIVE OF THIS MISSION. SO HAS THE ATTORNEY GENERAL. IF THERE IS SOMETHING IMPROPER, SOMETHING THAT IMPEDES ME FROM MEETING THIS OBLIGATION, I WILL LET YOU AND THE AMERICAN PEOPLE KNOW.

Mr. BURTON. We are dispensing with any opening statements since we have already made those earlier. Mr. Bennett will start the questioning and then I will——

Mr. LANTOS. Mr. Chairman, may I ask a friendly question or raise a point of order?

Mr. BURTON. You can do either at this point.

Mr. LANTOS. Let me first ask a friendly question.

Mr. BURTON. OK.

Mr. LANTOS. When we agreed on the procedures you and I will be following here earlier, our understanding on the Democratic side was that, that is exactly what we did with the Attorney General, that there will be an initial time allocation to the Republican Members and then to the Democratic Members. Then we alternate.

Mr. BURTON. Right.

Mr. LANTOS. We did not have any staff questioning. I think it is incredible that with the Attorney General here and the Director of the FBI here, elected Members of Congress are not given an opportunity to proceed with their questions on both sides. I have no objections to Mr. Bennett as an individual. I think he is a very able person. But I think this hearing should be conducted by the Members and I will be more than happy to obviously have you as the chairman proceed with your questions. But I have objections to staff asking questions before Members do.

Mr. BURTON. Well, we have done that in the past, but in this particular case, since we have the head of the FBI here, I will accede to your wishes and if I may call you Louis, briefly, Louis, I will ask you the questions that we have before us.

First of all, let me talk about, and you can start the clock, let me talk to you about something that I discussed with the Attorney General earlier. I do not believe I am violating any secret meeting. I think that this is something that can be discussed especially since she brought it up today.

Back I believe in February, I have a document here, I think it was given to us, this is not a secret document. It was attached to a secret document. It was in response to the Deputy Attorney General's request to answer questions submitted by Charles Ruff, counsel to the President, and the comment was, it says,

> Louis, if the memorandum leaks, it will put the FBI in a negative light since certain members of the White House are currently under investigation while we are providing the White House counsel with or would be providing the White House counsel with background information on the PRC political funding issue.

Now, you told me, I believe, along with your staff when we met that you told the Justice Department that you didn't think this information should be given to the White House. Subsequent to that, you went to Egypt and while you were in Egypt, I believe it was Mr. Bryant, I am not sure exactly who it was, was summoned to the Justice Department by, I can't remember who the—Ms. Gorelick, who was the Chief Deputy to Attorney General Reno, and said that they wanted the information which you said you didn't think should be given to the White House.

Your Deputy, I believe it was Mr. Bryant, then took the information over there to Ms. Gorelick and the Attorney General. And on his return, as he was returning, he conveyed to me, I believe you were present, he conveyed to me that he thought, well, we better

talk to Louis first. We better talk to Louis about this because he did not want this to go to the White House because of some of the implications involved. They then called you in Egypt and you were, according to the reports, very upset. Then you contacted the Attorney General who, after you contacted her, concurred with what you said. And to our knowledge the information was not then sent to the White House. Is that the way it happened?

Mr. FREEH. Yes, sir, that is correct. We had discussed this information prior to my trip to Egypt and we had agreed that the material would not be briefed to the White House because of my concern about the potential prospect of individuals learning about it while it was an active inquiry. That was agreed and the call that I made to the Attorney General was in response to my Deputy telling me that there was now a movement to brief the information to the White House. The fact, the bottom line was it was never briefed to the White House.

Mr. BURTON. The Attorney General—I am not trying to drive a wedge between anybody, contrary to what some people may think. The Attorney General indicated that she initiated the call to you in Egypt and your Deputy told us at that meeting that he was concerned about what he had done and that is why he called you in Egypt and then you called her back. I just want to get that straight. You did initiate the call to the Attorney General from Egypt?

Mr. FREEH. Bob Bryant reached out for me. We had a discussion on a secure phone about what was going on and I called the Attorney General.

Mr. BURTON. Thank you. I won't pursue that any further. I think we have covered that enough. But it did trouble me at the time and it troubles me now that the Chief Deputy to the Attorney General, and the Attorney General, after having been told that she didn't think this information should be given to the White House in your absence, asked for the information, for what reason I know not, and then after the information was given to them there was some concern about it getting to the White House. That troubled me then. It troubles me now.

I think that you and the Attorney General, as law enforcement officials, the top in this country, should be not respecting anybody, me, the President or anyone else as far as the administration of justice is concerned and when you think something like that shouldn't be given to the White House and in your absence there is a reversal of a decision that has been made, it is troubling.

Mr. FREEH. If I could just add, as a result of that, of that series of events, we did put into place, the Attorney General and I, a process whereby we have to be consulted before any matters even remotely relating to this investigation are briefed to the NSC or anyone else in the executive branch. And that, to my mind, has worked very well so far.

Mr. BURTON. So that would be a joint decision?

Mr. FREEH. Yes. And if I have an objection to it, we would sit down and discuss it.

Mr. BURTON. I see, OK. In her opening statement, Ms. Reno stated a number of times that she based her decision on the evidence

and the law. You also looked at the evidence and the law when you made your decision, didn't you, Mr. Freeh?

Mr. FREEH. Yes, sir.

Mr. BURTON. And looking at exactly the same facts and law as the Attorney General, you reaped the opposite conclusion, that an independent counsel should be appointed in this case.

Mr. FREEH. I recommended an independent counsel should be appointed. But obviously we are looking at the same facts and the same law.

Mr. BURTON. As Director of the FBI, you have had access to the facts developed during the Justice Department's investigation; isn't that correct?

Mr. FREEH. Yes, sir.

Mr. BURTON. When you made your recommendation to the Attorney General, did you take the section of the independent counsel statute which deals with conflicts into account, section 592?

Mr. FREEH. I took that into account, yes, sir.

Mr. BURTON. Did you conclude that the Attorney General had such a conflict of interest in this case that she could not credibly conduct this investigation?

Mr. FREEH. Again, I just would respectfully like to report to you certainly the recommendation that I have disclosed, but not discuss the bases or the means that go beyond that recommendation. Once I do that, I think I start to get into the areas of the facts and not the law, but the facts that I feel constrained not to do.

Mr. BURTON. The only reason I bring that up is not to put you in an untenable situation, but there is some question about whether or not the conflict-of-interest provision of section 591(c) should trigger the appointment of an independent counsel and eliminate even the appearance of impropriety or possible appearance of impropriety. That is why I am asking that question because you as the Director of the FBI must have had some concern about that.

Mr. FREEH. I certainly had some concern about it to the point where I did make the recommendation that I made, which was a carefully considered one—only a recommendation—based, as you noted, on the facts and the law; and I gave her my best judgment.

Mr. BURTON. But your determination was based in part then on section 591(c)?

Mr. FREEH. I made the recommendation on more than one basis.

Mr. BURTON. Was that part of it?

Mr. FREEH. Again, I would rather not get into the particulars of what part of the statute I made it on or didn't make it on. It is fair to say that I made my recommendation on more than one basis. But I would prefer not to go beyond that.

Mr. BURTON. The question I am asking you, Mr. Freeh, is not one that would be in any way construed to impede your investigation or be causing a problem with grand jury testimony or the secrecy provisions of the grand jury. So I do not understand why you can't answer that question whether or not 591(c) was a part of your decision.

Mr. FREEH. Well, again, with great respect, Mr. Chairman, I am not so much concerned that an answer to that question would violate any portion of the grand jury evidence in this case. I am very concerned that the answer to that question and a more comprehen-

sive response will start very seriously to impede the relationship that Directors have, and should have, with their Attorneys General, both this one and those to come.

So I respectfully ask that I not be required to give the specific bases. I think I can report to you that I made the recommendation on more than one basis. I think that is a pretty comprehensive answer.

Mr. BURTON. Did you conclude that the Attorney General had such a conflict of interest in this case that she could not credibly conduct this investigation in a general sense—the appearance of a conflict?

Mr. FREEH. I do not think I could make any conclusion as to what someone else would have or not have as a conflict. I think what I did is, I gave my recommendation based on what I understood the facts and the law to be. But a conflict, as you know, is a very subjective calculation and whether it is personal or political under the statute, it requires the person charged with that decision, which is the Attorney General, to evaluate that; and what I said was what I would do and what my recommendation was.

Mr. BURTON. When I talked to your counsel and my counsel talked to your counsel recently, we were trying to work out an arrangement so that we could see a redacted copy of the memo, one that would not jeopardize the grand jury investigation or in any way give anybody an indication of where you were going with your investigation.

You appeared and your counsel appeared to try—to at least want to try to work that out so we could get a redacted copy. Did you talk to the Attorney General or her counsel about trying to get us a redacted copy?

Mr. FREEH. Yes, we spoke about that yesterday after our meeting. If you read the last paragraph of the letter that we sent yesterday, which I asked to be included, we do suggest that after the hearings there still would perhaps remain questions about contents and specifics; and I have suggested that without either the Congress or the executive waiving any of its privileges or rights, it would make sense for people of goodwill, as we are here, to sit down and see whether there are some things that can be distributed. But that is ultimately the Attorney General's decision.

Mr. BURTON. So you suggested to the Attorney General and her counsel that we get a redacted copy or at least negotiate to get a redacted copy of the memo?

Mr. FREEH. That we negotiate that and that our lawyers sit down, yes, sir.

Mr. BURTON. Did the Attorney General or the Justice Department write the letter to which you attached your signature?

Mr. FREEH. They drafted the letter, but they sent it over. We reviewed it, and as I said, I ensured that the last paragraph reflected what I had discussed yesterday with the Attorney General, which is keeping the door open to have our lawyers discuss this matter.

Mr. BURTON. Well, what changes did you make in the letter aside from the last paragraph?

Mr. FREEH. That is the only one I am aware of.

Mr. BURTON. So the letter was drafted and written by the Justice Department and you signed it?

Mr. FREEH. Well, my general counsel spent unfortunately most of yesterday going through different drafts of it. So we had a lot of input into it.

Mr. BURTON. Thank you. Were you in attendance at the final meeting where the Attorney General made the decision not to appoint an independent counsel?

Mr. FREEH. I don't know that I was. I had a conversation with the Attorney General Tuesday morning. This was following many discussions over the period of several weeks or months. Whether she had subsequent meetings after that—I believe she probably did; I was not present at those meetings.

Mr. BURTON. Did she discuss with you in any way the other people with whom she was conferring about her decision?

Mr. FREEH. No, not by name or not specifically. I knew she had received memos from other people and she certainly received ours.

Mr. BURTON. The Attorney General's decision not to appoint an independent counsel was based solely on the phone calls made by the President and the Vice President; isn't that true?

Mr. FREEH. Yes, that is what her filing to the court reports.

Mr. BURTON. Is it your understanding that any lines of inquiry have been closed down?

Mr. FREEH. No, sir. As far as I understand, as far as the Attorney General and I discussed, and as she has said publicly, there is no area of this case which is closed to the investigation.

Mr. BURTON. The reason I ask that question is, Vice President Gore—and I asked this question of the Attorney General earlier—Vice President Gore indicated that he was glad this was behind him and there was—that the investigation was over. But that was not a correct statement because your investigation, wherever it leads, is still continuing and is sanctioned and supported by the Attorney General?

Mr. FREEH. Our investigation is continuing as she described it to you this morning.

Mr. COX. Mr. Chairman, would you yield for a clarification on that point?

Mr. BURTON. I would be happy to yield to my colleague.

Mr. COX. My understanding of the chairman's question is that there are no other lines of inquiry that are not open, but I believe that we are all in agreement that there will be no further investigation into the phone calls by the Vice President and by the President. Is that your understanding?

Mr. FREEH. That is not my understanding. With respect to the Attorney General's decision as to those transactions, as they relate to two covered individuals under one specific statute, that, as a legal matter, has been resolved. The transactions themselves, as they may be part of other activities, is still an open part of an inquiry.

Mr. COX. I will yield back, Mr. Chairman.

If I might, one further question, is there an ongoing investigation into the phone calls?

Mr. FREEH. Well, I wouldn't characterize it as "into the phone calls." To the extent that——

Mr. COX. To the extent that that is a transaction?

Mr. FREEH. Yes.

Mr. COX. I want to know whether or not there is going to be more investigation of that transaction.

Mr. FREEH. With respect to the phone calls as transactions, those remain an open part of the inquiry.

Mr. COX. So there is an investigation ongoing into the phone calls?

Mr. FREEH. Yes, I wouldn't characterize it as an investigation into the phone calls. But the transactions, along with many other transactions, are part of what is still an open inquiry.

Mr. COX. Well, the chairman has been generous with his time. I am sufficiently confused. I may need to come back to this.

Thank you.

Mr. BURTON. Is it also your understanding that the Attorney General's decision did not take into account anyone's knowledge at the White House or the DNC of illegal foreign money coming into the DNC?

Mr. FREEH. She stated this morning that it was specifically limited to the 607 issues.

Mr. BURTON. Mr. Freeh, over 65 people have invoked the fifth amendment or fled the country in the course of the committee's investigation. Have you ever experienced so many unavailable witnesses in any matter in which you have prosecuted or on which you have been involved?

Mr. FREEH. Actually, I have.

Mr. BURTON. You have. Give me a run-down on that quickly.

Mr. FREEH. I spent about 16 years doing organized crime cases in New York City, and many people were frequently unavailable.

Mr. BURTON. So was that the only time you experienced something like that?

Mr. FREEH. It went on for quite a while.

Mr. BURTON. So the only time that you experienced anything like this was when you were investigating an organized crime syndicate.

Mr. FREEH. There have been cases, certainly. You asked me about my experience.

Mr. BURTON. I understand. I am just pulling your leg here a little bit.

Does it concern you that a number of individuals who have taken the fifth or have fled the country were associates of the President, for instance Webb Hubbell, Mark Middleton and so forth?

Mr. FREEH. What concerns me here, Mr. Chairman, are any facts which are certainly relevant to an inquiry, any facts which are evidence, any facts upon which we can make determinations either to charge or not charge, refer or not refer. I don't think any specific event or individual should be highlighted. I don't think that would be fair to them for me to do that here. But I am interested in anything related to our inquiry, which is very broad-ranging.

Mr. BURTON. Well, essentially then your opinion with respect to the appointment of an independent counsel is based on the appearance of a conflict of interest involving the individuals who may have had contact with the President?

Mr. FREEH. The recommendation was made on more than one single basis.

Mr. BURTON. But this was one of them?

Mr. FREEH. Well, I prefer to just let that answer stand where it is. It does cover, I believe, your question.

Mr. BURTON. In your investigation of figures like John Huang, Charlie Trie and Johnny Chung, does it concern you that these individuals are able to gain access to the highest levels of the Clinton administration, some on a pretty regular basis?

Mr. FREEH. Again, what concerns me is not access or lack of access. What concerns me is whether anybody who is the subject of this investigation—there are many subjects, many of whom will be exonerated, I think, at the end of the day; but what concerns me is anything they have done or may have done which violates the law and which should result in some grand jury action by some prosecutor.

Mr. BURTON. In this situation, is it your opinion that the appointment of an independent counsel is entirely within the spirit and letter of the law?

Mr. FREEH. If you are asking me whether I think my recommendation had a sound basis in law and fact, I believe it did, sir.

Mr. BURTON. Mr. Freeh, there was discussion between—as to FBI special agents assigned to the Task Force. Do those agents report to Task Force attorneys or the FBI headquarters or field office supervisors?

Mr. FREEH. I think it is fair to say they certainly report to their FBI supervisors, the inspector in charge. They regularly speak to, in fact, they cohabitat the Task Force base with prosecutors and attorneys. They also have reporting obligations, as does the chief investigator there, Mr. DeSarno, directly back to me and my deputies. So they report to the FBI. They certainly work, discuss and relay information to the prosecutors.

Mr. BURTON. Have you ever seen any of the press reports reporting frustration of FBI agents that were assigned to the Task Force? For example, if you look in this week's issue of Time Magazine there are some FBI agents that expressed some concern about their frustration with being limited in having access to certain people.

Mr. FREEH. I am certainly aware of those stories.

Mr. BURTON. Have you talked to any of your agents who have expressed this kind of frustration?

Mr. FREEH. We discuss on a regular basis, in fact, on a weekly basis, the conduct of the investigation, where we are proceeding, whether or not it is proceeding in the direction that we believe it should be, whether witnesses are being contacted promptly, whether subpoenas are being returned and, yes, from time to time investigators have expressed frustration with the pace of things, with developments. And that is a regular part, I would report to you, of almost any complex investigation.

Mr. BURTON. Let me ask you this, have any of your agents indicated that they felt their ability to investigate has been impeded by the Task Force or anybody at the Justice Department?

Mr. FREEH. Not impeded in the sense that they were unable to conduct what we believe is the requisite investigation. There have been complaints and there have been differences between prosecutors and agents in this case—again, not an uncommon phenomenon—about the scope or the direction or the perspective; but those

have been, to my satisfaction, resolved without the investigation being harmed or impeded.

Mr. BURTON. Well, you said not in that sense. In what sense were there some suggestions that they were impeded or being frustrated? What did they say? What were their complaints?

Mr. FREEH. We discuss regularly the pace with which grand jury materials are returned, the pace with which witnesses are interviewed, the pace with which parts of the investigation are moving forward. So as I said to you, there have been issues in that regard.

There have also been issues where the prosecutors have said we have not been moving quick enough or fast enough. I have taken those with consideration, in some cases appropriately criticizing us, and I have taken steps to compensate for that on our side.

Mr. BURTON. Well, this next question bears upon the frustration level of some of your agents. How many of the FBI agents assigned to the Task Force have requested reassignment or been reassigned since the Justice Department task force investigation began?

Mr. FREEH. I don't know personally of any FBI personnel who have requested reassignment because of frustration or concerns about the conduct of the investigation. We have about 93 people there, agents and support. I will check for you, but I don't know about anyone who has asked for reassignment for those reasons.

Mr. BURTON. Well, there have been some that have been reassigned, I understand.

Mr. FREEH. We have had a lot of people there on a temporary basis. We have moved people in and out because of the numbers required. I will check after the hearing today, but I don't know of any instance where someone has asked to be reassigned because they were frustrated with the course of the investigation.

Mr. BURTON. In your opening statement you complimented the investigators and lawyers of this committee in terms of the handling of classified material. Is it your intention to have FBI agents make efforts to see information compiled by this committee?

Mr. FREEH. I think that is an area that we spoke about with Mr. Bennett. It would be helpful to our investigation. We would certainly abide by whatever parameters were appropriate. But, yes, it would be very helpful.

Mr. BURTON. We would like to invite you to coordinate efforts by your investigative staff with ours to try to facilitate that, because we may have some information that might be helpful to you.

Mr. FREEH. Thank you.

Mr. BURTON. What kind of permission do FBI agents have to get from the Justice Department to interview senior White House staff? What kind of clearance do they have to have? Do they have to go to the Justice Department or the Task Force to get approval or authorization to interview people at the White House?

Mr. FREEH. In the course of this investigation, we have arranged those types of interviews generally by noticing the people involved or the office involved. In some instances, on several occasions, we have not done so, depending on the circumstances of the interview and the venue where we think it should be conducted.

Mr. BURTON. In most cases, do you have to clear with the Task Force or the Justice Department or someone over there? Do you

have to clear in most cases whether or not an FBI agent goes in and talks to somebody?

Mr. FREEH. In most cases, before we would interview a very high-ranking member of the administration, for instance, we would, of course, tell the Assistant U.S. Attorney, the prosecutors that was being done. They would probably make a contact or liaison with the person or, if they had a lawyer, with the lawyer. Many individuals are now represented by counsel and of course we can't go and interview someone if we know they have counsel so in some cases we would speak to the——

Mr. GILMAN. Would the gentleman yield?

Mr. BURTON. Just 1 second. Have they turned you down on any people that you wanted to have FBI agents investigate or talk to?

Mr. FREEH. No. Not that I am aware of.

Mr. BURTON. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman, for permitting me to intervene. The Attorney General earlier today said only if they are covered, and they are covered if the Inspector General—if an independent counsel regime has been triggered. So I am asking you, are there times when you want to interrogate someone and they are not covered because there has been no independent counsel regime that has been triggered? Does that prevent you from at any time interrogating a potential witness?

Mr. FREEH. No, it doesn't, Mr. Gilman. The chairman asked whether when we wanted to interview somebody; he did not say whether as a subject or a witness; but in any case whether we would notify anybody in the White House or the Justice Department. Again, if a person had counsel, we would have to speak to their attorney.

Mr. GILMAN. That is not what I am asking. I am asking if there is a potential witness that you want to interrogate—forget whether he is in the White House or not in the White House—and they are not covered because there is no independent counsel that has been triggered, are you then prevented from interrogating that potential witness?

Mr. FREEH. No, sir.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. BURTON. When the FBI investigators want to request documents from the White House, what procedure has to be followed?

Mr. FREEH. We draw up a subpoena and we serve the subpoena. The subpoena has to be approved by the prosecutor. It is——

Mr. BURTON. So it has to go through the Task Force or the prosecutor?

Mr. FREEH. Yes; we cannot issue subpoenas on our own.

Mr. BURTON. Has the White House certified to the Task Force that it has completed its production?

Mr. FREEH. I think there is probably, as we speak, outstanding production. I would have to check on that. We have gotten many records. Whether we have gotten all of them on the dates that they were requested and whether or not there have been extensions, I would have to do some research.

Mr. BURTON. Well, if you have got them and we haven't, I would like to know about it because we sent a subpoena in March, and they said we had everything in June; and yesterday we got more,

and we just keep getting more and more and more, and they keep telling us we have everything. So if you have, if they have concluded everything for you, I would like to know about it. Has the White House continued to produce documents, are they still giving you documents?

Mr. FREEH. Yes, sir; they are.

Mr. BURTON. And have delays in the White House's production of documents hampered the Task Force investigation in any way? Because we have had problems with those delays.

Mr. FREEH. We would have liked to have gotten them quicker. There have been many delays with respect to production, and we have pursued the enforcement and the return of those subpoenas whenever we thought they were getting beyond the time requirements. But any time we do not get records as quick as we would like them, it slows things down.

Mr. BURTON. Are you—then I presume you are not confident that you have all the documents yet?

Mr. FREEH. I am not confident that we have all the documents yet.

Mr. BURTON. Many of the documents produced by the DNC to this committee have been directly related to senior administration officials, including the President and the Vice President. Do you have all the documents from the DNC, Democrat National Committee?

Mr. FREEH. Again, we have issued several subpoenas. Whether we have gotten production on all of them, I can find out for you.

Mr. BURTON. I would like to know that, if you can give it to us. Has the DNC given the task force a date certain for the completion of its production?

Mr. FREEH. Again, I will check for you. I am not sure. There are ongoing subpoenas. Different events trigger new subpoenas and amended subpoenas so I can get you an accurate reporting of that, but I don't know.

Mr. BURTON. Have you given the DNC a deadline for production?

Mr. FREEH. Every subpoena has a deadline. What we try to do is enforce that deadline and if there are things that are withheld, we want to know why. If there are privileges that are asserted, we want those privileges to be asserted in an official manner. So there is always a deadline and then sometimes extended dead lines that we are working on.

Mr. BURTON. How late are they on the deadlines right now, on the deadlines that you have provided?

Mr. FREEH. I would have to go back and crosswalk all the subpoenas with the returns.

Mr. BURTON. Can you give that to us when you get a chance?

Mr. FREEH. I can check for you overnight.

Mr. BURTON. Has the DNC asserted any privileges?

Mr. FREEH. Not that I am aware of at this point.

Mr. BURTON. Could you check that for us as well?

Yesterday the Los Angeles Times printed an article discussing the case of money laundering involving Charlie Trie and his associate in Macao, Ng Lap Seng, better known as Mr. Wu. This article was a continuation of the matter initially presented before this committee in October when his sister Manlin Foung testified.

Are you familiar with that article?

Mr. FREEH. Yes, sir.

Mr. BURTON. Are those people being investigated, the ones that were in that article?

Mr. FREEH. Again, for me to publicly say who we are investigating for what, or to confirm that article, wouldn't be following my obligations as Director.

Mr. BURTON. I do not believe that your agency is. I think our staff, a gentleman who was with Senator Thompson's staff previously, now works for us; I believe he was the one who found that information or was a part of gathering that information. So I hope that you will pursue that as quickly as possible.

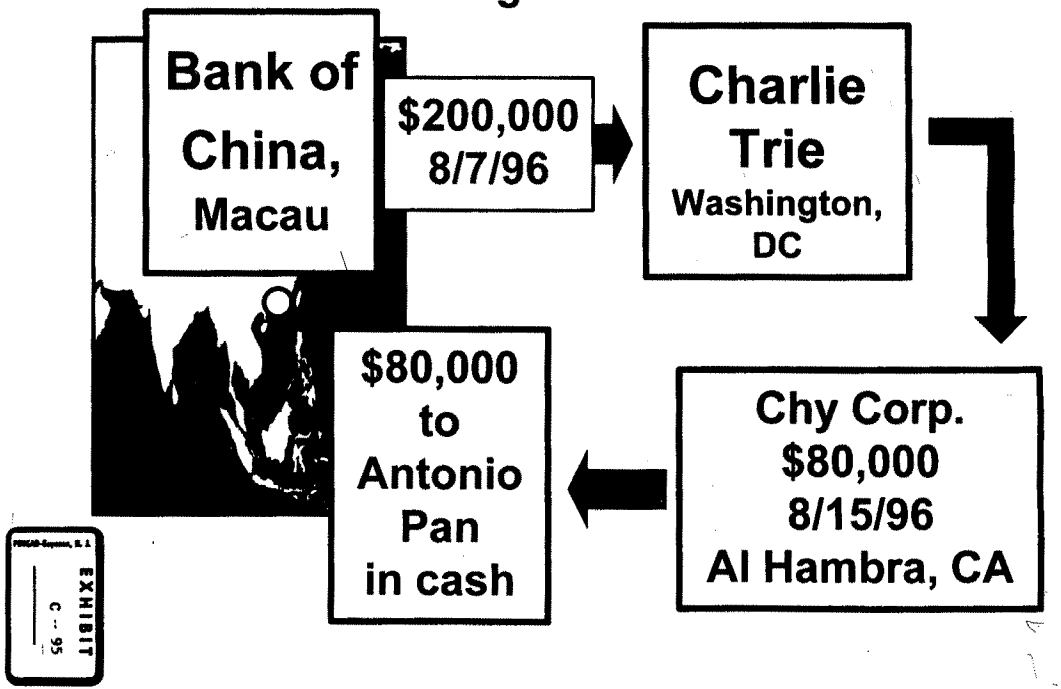
I see my time has expired, but there was $200,000 that came in from Macao, from Ng Lap Seng to Charlie Trie. We now know that $80,000 was laundered. We hope that you will pursue that diligently.

Mr. Lantos.

And we would like to enter this information into the record, without objection.

[The information referred to follows:]

Foreign Money Contribution to Antonio Pan
August 1996



Mr. LANTOS. Thank you very much, Mr. Chairman. I want to welcome our distinguished Director of the FBI.

Before I begin my questioning, Mr. Chairman, I want to deal with your frustration phobia, because you have sort of probed the Director on numerous occasions about how frustrated these people are. I do not think any of his people were as frustrated as your chief counsel in submitting a resignation to you. Your chief investigators haven't yet resigned, have they, Mr. Director?

Mr. FREEH. No, sir.

Mr. LANTOS. Well, let me read then for the record a letter dated July 1, 1997, to the Honorable Dan Burton, chairman, from John Rowley III, who was the chief counsel of this committee on the Republican side, I might add.

Dear Mr. Chairman: It is with sincere regret that I submit my resignation as chief counsel to the committee effective immediately.

Six months ago, I joined the Committee with the intention of running a professional, credible investigation. With your encouragement, I immediately set out to bring on the career prosecutors, law enforcement agents and other personnel required to make that happen. However, it is now apparent that I have not been given the authority necessary to accomplish the Committee's goals. Due to the unrelenting "self-promoting" actions of the Committee's Investigative Coordinator, I have been unable to implement the standards of professional conduct I have been accustomed to at the United States Attorneys Office.

So I think in terms of frustration, the prize has already been taken by the former chief counsel to the majority. I think it is important to let the record show that frustrations are not unique to the cooperative efforts between the Justice Department and the FBI.

Mr. Director, I just want to state for the record, and I hope I am not embarrassing you because you have heard this before, I have the highest regard for both your professional competence and your integrity. You have served our Nation with exemplary distinction. While everybody is aware of many of your activities, I am particularly conscious of the enormously helpful international activities you have been involved with in terms of fighting drugs, international terrorism, money laundering and others. We are honored to have you appear before us, as we were honored to have Janet Reno a few hours ago.

I want to begin by the chairman's opening comment to the Attorney General and his reference to you about this division of views between Attorneys General and FBI directors. Am I correct in my recollection of recent American history that practically all Attorneys General and FBI directors in recent decades have had occasional disagreements?

Mr. FREEH. I think that is fair to say, sir.

Mr. LANTOS. So, far from this being unique, it has been the standard, accepted notion that intelligent, committed, serious, dedicated people on occasion disagree? Would you agree with that statement?

Mr. FREEH. I think it is a healthy thing in many respects.

Mr. LANTOS. I fully agree with you. I fully agree with you, Mr. Director.

You have now worked with the Attorney General for 4 years, plus. Did you know her before?

Mr. FREEH. No, sir; I did not.

Mr. LANTOS. I would like you to describe for us in your own words your judgment of her as a professional and as a person.

Mr. FREEH. As I said in my opening statement, I have the highest regard for her as a lawyer. I think her integrity is impeccable. I have seen her bring good judgment to difficult decisions. I have seen compassion in all of her decisions, particularly where the lives or the safety of victims or law enforcement officers are concerned. It has been a pleasure dealing with her.

One of the reasons I took this job—and I was not eager to take it, I didn't seek it—was the meeting I had with Janet Reno in April 1993. I was very impressed by her at that time and continue to be. We have a great relationship, professionally, personally, and despite what some may say or seek to say about that element of our relationship, believe me, this decision has not affected that one way or the other. I think we have great respect for each other. We differ from time to time. This is not the first time in 4¼ years; probably won't be the last time.

Mr. LANTOS. Mr. Director, the Attorney General sought your opinion on many issues; am I correct?

Mr. FREEH. Yes, sir.

Mr. LANTOS. Do you feel that when the Attorney General seeks your opinion, is it a genuine seeking of your opinion or is she just going through a proper form, a set of motions, so that she will have the input of the Director of the FBI?

Mr. FREEH. No; it is my understanding and my belief that she sincerely seeks those opinions. I do not think she is just doing it for pro forma reasons, and if I thought she was, I wouldn't give her my opinions.

Mr. LANTOS. Have you at any time felt that she was dismissive of your opinions?

Mr. FREEH. No. Quite the contrary.

Mr. LANTOS. Do you have the slightest doubt of Ms. Reno's integrity?

Mr. FREEH. No, sir.

Mr. LANTOS. Do you have the slightest doubt of Ms. Reno's honesty?

Mr. FREEH. Absolutely not.

Mr. LANTOS. Do you have the slightest doubt that Ms. Reno attempts to do her job as Attorney General in full accordance with the oath of office she took?

Mr. FREEH. I think she meets that standard and exceeds it.

Mr. LANTOS. Now, you obviously had a different opinion with respect to the issue we are discussing. Might your judgment be wrong?

Mr. FREEH. It might be.

Mr. LANTOS. It is not unreasonable for us to expect intelligent, committed, serious people occasionally to reach differing conclusions.

Mr. FREEH. No; particularly lawyers.

Mr. LANTOS. Particularly lawyers.

Let me deal for a moment with your relationship and history with the President of the United States. Have you known the President for a long time?

Mr. FREEH. I met him the first time when he interviewed me for this position. That was the first meeting.

Mr. LANTOS. How would you characterize your relationship with the President?

Mr. FREEH. I report to the President through the Attorney General. I am accountable to him. He hired me. He can fire me.

Mr. LANTOS. Has the President at any time attempted to influence your judgments or decisions or advice to the Attorney General on this matter?

Mr. FREEH. No, sir.

Mr. LANTOS. Has the Vice President at any time done so?

Mr. FREEH. No, sir.

Mr. LANTOS. Would you describe your relationship with both of these gentlemen as correct and professional?

Mr. FREEH. Yes. It is not personal. It is purely professional, in the capacity that they hold in their offices and the capacity that I hold in my office.

Mr. LANTOS. Mr. Burton attempted to make a point, not very successfully, I might add, that the letter you and the Attorney General jointly sent to Mr. Burton was basically a Reno letter and you just affixed your signature. Is that an accurate characterization of what happened?

Mr. FREEH. It is clearly accurate that I did not draft the letter. I do not think Ms. Reno drafted it either. Counsel on both sides worked on it for quite a few hours yesterday. I read it carefully. I wouldn't have signed it or permitted my name to be on there if I did not agree with it.

Mr. LANTOS. Well, we are living in an age when most of the letters we sign are drafted by others. Is that——

Mr. FREEH. That is true.

Mr. LANTOS. All right. So is it true, therefore, that if your counsel was consulted, had the opportunity to modify, reject, revise the original draft, that would have taken place prior to your affixing your name to it?

Mr. FREEH. It was actually more than that. They faxed me the letter. I had to get the second page because my 5-year-old destroyed the first one, but I actually saw it and read it.

Mr. LANTOS. That is an improvement over the dog ate my homework but it is——

Mr. FREEH. I did get it transmitted.

Mr. LANTOS. It is close. Therefore, the letter the Attorney General and you jointly signed and sent to Mr. Burton on December 8 fully reflects your views?

Mr. FREEH. Yes, sir; I agree with it.

Mr. LANTOS. Now, if it does, then you would conclude with me that requesting your memorandum, which was offered in privacy, knowing full well that the Attorney General was calling on you for your valued advice as she was calling on others, this letter of Mr. Burton requesting your memo and subpoenaing the memo, you must consider an inappropriate request.

Mr. FREEH. Well, I would never say that the exercise of a congressional function, particularly pursuant to your subpoena authority, is an improper request. What I think needs to happen is everybody has to look at the implications of that request. It is not im-

proper for you to exercise your lawful authority to subpoena a document. Neither is it improper for myself and the Attorney General to, instead of immediately complying, do two things. One, point out the really severe implications that would result, in my view, if this was very easily turned over; and, second, to see if we can, as I mentioned, sit down and discuss how we can preserve your prerogative which is constitutionally critical and our prerogative to protect not only information but a confidential relationship.

You know, you may have a Director someday, not me, as I said, who when asked for his opinion may say, well, maybe I am not going to put this in a memo. Maybe I am just going to informally in the hallway tell the Attorney General what I think. I think that is bad for the system. I think we ought to think carefully about what we are doing.

Mr. LANTOS. Mr. Burton pressed you on the question of a conflict between your FBI investigators and the attorneys in the Department of Justice. Is it not almost routine for investigators and attorneys to have some professional conflict because they approach the problem from differing vantage points?

Mr. FREEH. I think that is fair. When I was a 25-year-old FBI agent in New York, I used to on a daily basis fight with the very fine Assistant U.S. Attorneys in an office, I later became the Deputy U.S. Attorney, because we didn't think they were moving quick enough. We didn't think they were being effective. We didn't agree with their strategy. It is really a natural part of an investigation. I would hate to see an investigation where that did not occur because somebody would not be doing their job.

Mr. LANTOS. I could not agree with you more. So an attempt to portray an almost built-in tension in fact reflects a routine phenomenon in almost all investigative agency and attorney relationships?

Mr. FREEH. I think it is fair to say that that friction is inherent in the two separate roles that they have. What they have to do is at the end of the day make sure that they have fully and fairly looked at everything, but the prosecutor makes the charging decisions with the grand jury. Many times an agent will think, well, this person should have been charged or not, but we shouldn't be making those decisions, and I don't think you want an FBI making those kinds of decisions.

Mr. LANTOS. I fully agree with you, Director Freeh.

Now, Senator Hatch proposed to you that you conduct your own investigation. You did receive that letter?

Mr. FREEH. Yes, I did.

Mr. LANTOS. May I ask you what your view is of that suggestion?

Mr. FREEH. I would like to sit down with Senator Hatch and discuss it with him. I have not had the opportunity to do that. I haven't looked at the legislative history of the statute. I am told, and I don't know this for a fact because I haven't read it myself, but I am told the legislative history had to do with making it clear that the Department of Justice could investigate the Department of the Treasury and that was the intent behind the statute. I don't know that personally. I am going to research it and talk to Senator Hatch and I will certainly consider his letter, as I always do.

Mr. LANTOS. Are you gearing up for a separate investigation as we speak?

Mr. FREEH. Well, no. We have an investigation. It is in the Task Force.

Mr. LANTOS. Yes, but not a separate one.

Mr. FREEH. At this point, no, I don't.

Mr. LANTOS. Do you have the slightest doubt, Mr. Director, of Attorney General Reno's ability to enforce the laws fairly and objectively?

Mr. FREEH. No, sir. I believe she intends to do that, and as I said, that has been reflected in all of my dealings with her.

Mr. LANTOS. My next question is a bit nebulous, but I know you will understand what I mean and will answer very accurately.

Sometimes we feel passionately about a position we take. Sometimes we take a position but we see powerful reasons on the other side, and it is really a close call. When you made your recommendation to have an independent counsel, on a scale of 10, was it a 10 judgment on your part, or was it a 4 or 5 or 6 judgment?

Mr. FREEH. That is a nebulous question.

Mr. LANTOS. Well, try to give a non-nebulous answer.

Mr. FREEH. If I didn't believe very strongly in the recommendation, I would not have made it. I made it because I believe it was correct.

Mr. SHAYS. Give it a 10.

Mr. LANTOS. When the Attorney General declined to appoint an independent counsel, did the ongoing investigation come to a grinding halt?

Mr. FREEH. No, sir, it did not impede it at all.

Mr. LANTOS. It is proceeding with full force?

Mr. FREEH. Yes, it is.

Mr. LANTOS. Do you have all of the necessary resources to conduct the investigation?

Mr. FREEH. I believe that we do. We are constantly looking at equipment, resources, space. If I decide, as I might in the next couple of weeks, that I need to add more assistance or more special agents, I will certainly make that decision.

Mr. LANTOS. Has the Attorney General in any way directly or indirectly impeded your ability to devote the resources you deem necessary to the investigation?

Mr. FREEH. No.

Mr. LANTOS. She has given you full support?

Mr. FREEH. Yes, sir, she has.

Mr. LANTOS. Let me spend a moment on the leaks.

On December 2, Mr. Burton's favorite paper, the New York Times reported extensively on your memorandum. The story noted that the source was a, quote, "law enforcement official who described the memo to the reporter."

Have you begun an internal inquiry as to the source of that leak?

Mr. FREEH. We have had, since October 6th, an inquiry with respect to a story in the Washington Post which detailed in our view many of the inner discussions, including grand jury discussions, about this case. The references in the press to the existence of this memo and a summary of its contents is now at my direction rolled into that inquiry. Let me just say that I do deplore any leaks with

respect to that. I handled this memorandum in terms of its preparation, delivery and distribution in the most careful manner that I could conceive to prevent the reports that have occurred. I don't believe, based on press accounts and what reporters have said, that anybody has a copy of the memo. They are speculating as to what is in there. The reason I don't believe they have a copy of it is because I wrote it, and many of the things which I think would normally be reported have not been reported. So I don't believe anybody has a copy of the memo, and that is what I intended.

Mr. LANTOS. Mr. Director, congressional investigations sometimes have a way of putting a spoke in the wheel of criminal investigations. Would it damage your case if the material in your memorandum to the Attorney General would be revealed as Mr. Burton requested?

Mr. FREEH. I believe it would damage the inquiry, and more importantly, I believe it would damage the process. You know, I write a lot of memorandums to a lot of people discussing who should be investigated for what based on what evidence, and it doesn't seem to me that you could distinguish between this memo, except for the great interest of the matter, against any other case where we decide that a local drug distributor should be prosecuted or shouldn't be, and maybe the Assistant U.S. Attorney disagrees and we write a memo. In other words, if we are going to cross that bridge we should do it with the knowledge that we would be opening up, in my view, a Pandora's box. Nobody wants to have FBI agents and prosecutors either publicly debating or publicly answering in a forum like this those types of issues. I think the due process requirements of the Constitution and decency should really prevent that.

Mr. LANTOS. I couldn't agree with you more.

To the best of your knowledge, has the FBI ever turned over decisional material in an open criminal case?

Mr. FREEH. I guess it depends what you mean by decisional material. I don't know in my own experience, 23 years, including a couple of years on the bench, of an instance where we would—the Department of Justice would turn over a memo on an active criminal investigation that talks about who, what, when, and where. I don't know of any such instance.

Mr. LANTOS. So you fully agree with our distinguished Attorney General that the memo must not be released?

Mr. FREEH. That's my belief, sir.

Mr. LANTOS. When you wrote the memorandum, Mr. Director, did you intend it to be kept confidential?

Mr. FREEH. Yes, which is exactly why I gave only one copy to the Attorney General and one copy to the Deputy Attorney General, and only four other copies existed.

Mr. LANTOS. Are you aware of the fact that this committee has been plagued by leaks?

Mr. FREEH. I know that that's been expressed publicly, yes, sir.

Mr. BARR. That is not true. He knows it is not true.

Mr. BURTON. Would the gentleman yield?

Mr. LANTOS. Not at this point.

Is it your considered judgment, Mr. Director, that the ongoing investigation should it lead to findings which in the view of the At-

torney General would in fact call for the appointment of an independent counsel, she would not hesitate to call for one?

Mr. FREEH. I take her at her word that if she found the triggering requirements, she would do so, yes, sir.

Mr. LANTOS. Let me thank you for your usual professional and candid statements, and let me indicate to you that certainly I, and I believe all of my colleagues on this side, have full confidence in your integrity and ability to conduct this investigation, and I yield——

Mr. BURTON. Would the gentleman yield? I will give him an extra minute, but I would like to respond to one of your comments if you would yield to me briefly.

Mr. LANTOS. As a matter of courtesy, I shall yield to you.

Mr. BURTON. Thank you very much.

Let me just say that the FBI Director just complimented our legal staff and our office on the way we have kept confidential material, classified material confidential, and although there have been some allegations of leaks by our committee, I know of none that has taken place since the very, very beginning, and the person who did give that information out was chastised. Since that time, there has been no leaks that I know of, and if the gentleman from California has information contrary to that, I certainly wish he would give it to me. I thank the gentleman for yielding.

Mr. LANTOS. I am very pleased to have yielded to my friend, and I am equally pleased to respond to his request. I want to refer Mr. Burton to a letter dated June 4, 1997, by our ranking member, Mr. Waxman, which reads as follows:

I want to bring to your personal attention several potentially serious matters regarding the conduct of the majority staff in the Committee's campaign finance investigation, and to request your immediate investigation of these matters.

First, it has come to my attention that members of your staff interviewed a witness, Mr. Soberano, in your offices on Tuesday, May 13th. Mr. Soberano's name first appeared in the press on February 20, when the Washington Post reported that he declined John Huang's request that he make campaign contributions of questionable legality.

Mr. Soberano has told my staff that when he was interviewed by your staff, he wanted the minority staff to attend because he felt that both Republicans and Democrats should have access to his testimony. For this reason, he asked your staff if a

member of the minority staff would attend the interview. According to Mr. Soberano, your staff told him that the minority staff was invited but declined to attend the interview.

In fact, the minority never declined to attend the interview, because we were not invited to Mr. Soberano's interview.

Second, I understand that two of your senior staff took a trip to Miami on February 21 to interview witnesses, again without notice to the minority. On this trip, your staff interviewed at least two witnesses, Vivian Mannerud, a businesswoman and occasional Democratic fundraiser, and Jorge Cabrera, a convicted drug smuggler who is incarcerated in a federal penitentiary. In the case of Ms. Mannerud, I have been told that your staff showed up at her place of business unannounced, without a prior appointment and in full view of her customers, leading her to believe that she had to submit to an immediate interview. Although Ms. Mannerud is represented by counsel, I have been told that she was not advised that she could contact her attorney. Your staff did, however, apparently assure Ms. Mannerud that anything she said would be used only for the purpose of the committee's official investigation.

Contrary to your staff's representation that the interview would be used only for official Committee business, it appears that your staff may have given information from the interviews with Ms. Mannerud and Mr. Cabrera to the media. The New

York Times published a front-page story on April 4 about a contribution that Ms. Mannerud allegedly solicited from Mr. Cabrera. The New York Times article relies on information, "congressional investigators have learned," attributes crucial facts to, "the investigators, who spoke on condition of anonymity," and states "[t]hat the new details about the location for the solicitation of Cabrera's contribution and the source of the money have come to light in congressional investigators' interviews here with Cabrera." Both Ms. Mannerud and Mr. Cabrera have told my staff that the only "congressional investigators" they spoke with prior to the April 4 article in the New York Times were the investigators from your staff.

Information from these interviews may also have been given to CNN. On April 4, CNN's Inside Politics program reported that, "the Burton committee is looking at Jorge Cabrera. . . . House GOP investigators say some of the $20,000 was drug money and that it was solicited in Havana."

These incidents warrant your thorough investigation. If in fact your staff made false or misleading statements to Mr. Soberano and Ms. Mannerud, that would obviously be improper. If in fact information was given to the press, that would appear to conflict with your assurances that your staff would not engage in such conduct. As I recall, the first time a leak from the Government Reform Committee was reported in the press, "Burton Admits Aide Leaked Huang Records, Roll Call, November 25, 1996," you stated, "I do not allow my staff to release any information . . . without my approval and I do not expect this to happen again."

I have also learned this week that you plan—again without having given any notice to the minority—to send two members of your staff to Hong Kong and Taiwan and perhaps other foreign countries to conduct witness interviews from June 9 to June 20. I strongly oppose your plan to conduct secret witness interviews in foreign countries. In my experience, there is simply no precedent for this conduct. I urge you to reconsider your decision and include the minority in this trip.

In my view, these incidents highlight the unfairness of your policy of excluding minority staff from witness interviews. Your policy denies the minority access to information you and your staff acquire and, as a result, prevents the minority from ever knowing the full facts. It forces the minority staff to try and schedule its own interviews, which is nearly impossible, since the minority does not even know who the majority staff has interviewed. And as in the case of Mr. Soberano and Ms. Mannerud appears to demonstrate, it is fundamentally unfair to witnesses who may be misled or fail to fully understand representations made by your staff or who have to spend additional time and incur additional lawyers' fees, having separate interviews with the minority.

Prior investigations have followed a more bipartisan approach and included the minority in witness interviews. In the last Congress, as you know, you were on the Select Subcommittee of the United States Role in Iranian Arms Transfers to Croatia and Bosnia. In that investigation, Chairman Hyde specifically provided that all witness interviews be jointly conducted with majority and minority staff.

Well, you asked that I provide evidence, and I am attempting to do that.

Mr. BURTON. Go ahead.

Mr. LANTOS [continues reading.]

Similar policies were followed in many other investigations. For example, in the House Watergate investigation, witness interviews were conducted by a nonpartisan staff that reported to both the majority and minority counsel; in the Iran-Contra investigation, the majority notified the minority of witness interviews and provided the minority with an opportunity to participate; and in the Senate Whitewater investigation, unilateral witness interviews were prohibited by agreement of the majority and the minority. Your counterpart in the Senate, Senator Thompson, has agreed to conduct witness interviews jointly with the minority during the Senate campaign finance investigation.

I will not read the rest of this letter, and I will not read another letter by the ranking member dated September 4, in which he again expresses concern over unauthorized release of documents obtained during the course of the investigation. There have been leaks from this committee, and we are urging you to put an end to those leaks.

Mr. BURTON. You yielded to me, so I am going to give you 5 more minutes, because—before I do that, let me just say this. I have

read those letters. They are 6 months old. We checked them out. There was no credibility to them. Those were accusations made by the minority, and if you can give me documented evidence of leaks, I will certainly accede to your wishes and we will remove people from the staff if we know that that happened. But letters with just innuendo simply aren't going to cut it. You have 5 additional minutes.

Mr. LANTOS. I merely would like to say that the September 4 letter from our colleague, the ranking minority member, was never responded to by you, Mr. Chairman, so it is unfair to characterize our colleague's letter as innuendo when you didn't dignify it with a written response.

Mr. FATTAH. Will the gentleman yield?

Mr. LANTOS. I yield.

Mr. FATTAH. Director Freeh, let me first thank you for your patience. You have been here all day and, obviously, you are doing a wonderful job at the FBI because if you can spend your whole day with us rather than chasing drug traffickers or murderers or people who are engaged in other types of criminal activity in our country, and that is not to minimize this issue, this is probably an important issue, but not structured as we went about it today.

You responded to a number of questions from the chairman which went to some degree the relationship of the investigation, and I want to clarify something. The FBI and the Task Force that you are participating in is not an investigation of Democratic financial campaign abuses, it is in regard to any illegalities related to financing of elections in the previous Federal election; is that correct?

Mr. FREEH. That is a fair characterization.

Mr. FATTAH. And it was the FBI, along with the Justice Department, that produced the investigation that led to the conviction, $6 million fine and house arrests of the vice-chair of the Dole campaign, is that correct, in Massachusetts, the gentleman from Aqua-Leisure, Mr. Fireman?

Mr. FREEH. You are asking whether that was a Department of Justice investigation?

Mr. FATTAH. Yes.

Mr. FREEH. Yes, it was.

Mr. FATTAH. The investigation of a company in Pennsylvania, my home State, that was just fined a multimillion-dollar fine and was involved in conduit payments of hundreds of thousands of dollars into the Dole campaign was also an investigation of the Department of Justice?

Mr. FREEH. Yes, sir.

Mr. FATTAH. So even though the chairman questioned you about whether or not you had subpoenaed documents from the White House or subpoenaed documents from the DNC, his questioning may have led others to assume that somehow, all of the angels were Republicans and all of those who were involved in wrongdoing were Democrats. Your investigation, you are looking for wrongdoing anywhere?

Mr. FREEH. Yes. I certainly didn't take his questions to mean that. We are looking for anybody, excuse me, who has committed any kind of violation of law and will look into it vigorously.

Mr. FATTAH. Let me paraphrase his question and change them slightly. Had you received all of the documents that you subpoenaed from the DNC—and you answered that question. Have you subpoenaed documents from the RNC?

Mr. FREEH. Well, I don't think I should get into discussions about whether or not——

Mr. FATTAH. I agree with you, and since I do agree with you, Mr. Director, I wondered why you answered the chairman's question in that regard, because you seem to be going well beyond what normally would have been your response, which is the response you just gave me.

Mr. FREEH. Well, I think he was comparing that situation to the committee's subpoenas and we were discussing that as a——

Mr. FATTAH. Well, the committee is in a different mode. You might have noticed that this committee in all of the editorials from the newspapers that the chairman was quoting earlier have talked about this committee's partisan-leaning investigation, so I just want to separate the activities of the committee from the activities of an agency like the FBI, which has a very fine reputation, and I know with certainty that there are matters of impropriety and questions that need to be resolved having to do with both parties in both campaigns for the Presidency in the last election and as it relates to congressional elections in both 1996 and 1994, and I just want to give you an opportunity to put on the record the fact that Americans everywhere, Democrats and Republicans and Independents, none should sleep well tonight, that all matters are going to be investigated.

Mr. FREEH. The Task Force, absolutely correct, is looking at everything. We don't distinguish——

Mr. LANTOS. If I might reclaim my time for a moment, I just would like to conclude on the question of leaks, Mr. Burton, that in a regular——

Mr. FATTAH. Are you not going to give him a chance to finish?

Mr. LANTOS. My time is running out, that is why.

On November 26, 1997, our ranking member wrote a letter to you on another subject, and the concluding paragraph refers to the earlier letter, and I quote: "I would like to remind you that you have yet to respond to my letter of September 4 asking you to investigate the facts underlying deposition testimony indicating that your staff leaked confidential committee records about this issue to the press."

So we really can't deal very effectively when the September letter is never responded to, and the November letter today, December 9, has not yet been responded to. Please go ahead and finish your answer.

Mr. FREEH. We have a totally nonpartisan investigation. We don't distinguish along party lines or personality lines or whether it is an officeholder or nonofficeholder. Everything is open to inquiry.

Mr. FATTAH. Thank you very much.

Mr. BURTON. The gentleman's time has expired. Mr. Cox.

Mr. COX. Thank you, Mr. Chairman. Welcome, again, Director Freeh.

Because of your current position and because of your past experience as a Federal judge, as a prosecutor, and as a lawyer, and because you stated in your testimony that your disagreement with the Attorney General was about a matter of law, I would like to ask you about the independent counsel statute.

The independent counsel statute is written in such fashion that after a preliminary investigation takes place, there either is or isn't an application to the three-judge panel for the appointment of an independent counsel. And the statute, section 592(c), makes an independent counsel, or at least an application for an independent counsel, mandatory for the Attorney General if, quote, there are reasonable grounds to believe further investigation is warranted, and that may or may not be the right copy of this.

Do you have the law in front of you, section 592(c)? If not, I will give your counsel——

Mr. FREEH. Yes, I believe I do.

Mr. COX. And you are familiar with the independent counsel statute, of course.

Mr. FREEH. Yes. If further investigation is warranted, and that the other requisites have been met.

Mr. COX. So if there are "reasonable grounds," in the language of the statute, "if there are reasonable grounds to believe that further investigation is warranted," then there must be an application for an independent counsel; is that right?

Mr. FREEH. To see if it is a covered person, yes, sir.

Mr. COX. Now, the Vice President is a covered person, right?

Mr. FREEH. Yes, he is.

Mr. COX. And the Attorney General limited her preliminary investigation to those phone calls in his case; is that correct?

Mr. FREEH. That was the—yes, that was the way she defined preliminary investigation.

Mr. COX. She defined that narrowly, although the New York Times referred to it as using a matador's cape; the phone calls being a matador's cape to distract attention from the other more major matters involved here. That was the New York Times editorial view. But she defined it that way.

The Vice President is a covered person and the matter being investigated was the phone calls. She conducted a preliminary investigation under the statute, and then she decided not to make application to the three-judge panel. This means under the statute that there are not reasonable grounds to believe further investigation is warranted; is that correct?

Mr. FREEH. That is correct.

Mr. COX. All right. So I take it you are not investigating it?

Mr. FREEH. Well, if you look at the filings of the court as we discussed a moment ago, the filing to the court had to do with those facts and events, but not in a vacuum, those facts and events in relation to section 607. So I think it is a more limited inquiry than the one you have just stated.

Mr. COX. But if there were reasonable grounds to investigate it, which I take it is a predicate for the FBI even now investigating it, then there would have to be an application to the three-judge panel for an independent counsel. I am correct on the law, am I not?

Mr. FREEH. Reasonable grounds to investigate in specific furtherance or in specific support of a violation of 607. I think you have to put that qualifier in.

Mr. COX. Well, I asked this because the Attorney General testified under oath before the House Judiciary Committee on October 15th that she wouldn't discontinue any investigation "unless Director Freeh and I jointly approve that decision. We will not close the matter, again, I reiterate, unless Director Freeh and I sign off on it." She has, of course, closed it off on the Vice President. She did not decide to make an application for an independent counsel and you, of course, did not sign off on it; isn't that correct?

Mr. FREEH. You know, rather than talking about a specific aspect of the recommendation, again, I would respectfully say that I recommended an independent counsel, but I really don't want to go into the specific bases and give you a legal analysis, either as a director or a former judge, on a statute that is not a statute that I am entitled to invoke in the facts that are you are giving me.

Mr. COX. I understand the reasons that you have advanced for not wishing to provide this committee with the memorandum that you wrote to the Attorney General recommending an independent counsel in this case, and stating your reasons for disagreeing with her position, but we read the newspapers, and the front page of the Wall Street Journal last Friday in the Washington Wire had this to say:

> The FBI Director's still-secret memo advocating an outside prosecutor claims the Democrats' diversion of party-building funds into campaign accounts may have constituted a conspiracy reaching into the White House. Among other possible crimes he cited misusing government resources and obstructing justice.

Are you aware of any instance in which a sitting Attorney General has disagreed in writing with a sitting FBI Director about a possible conspiracy reaching into the White House?

Mr. FREEH. It is a very carefully framed question. I do not know from my own experience of the dispute, legal dispute, or disagreement between an Attorney General and an FBI Director with respect to an independent counsel matter. That doesn't mean that there haven't in the past been such things and I am just not aware of them.

Mr. COX. To your knowledge, this is the first time it has ever happened?

Mr. FREEH. Certainly the first time that I am aware of it.

Mr. COX. My time has expired. I thank you.

Mr. FREEH. Yes.

Mr. BURTON. The gentleman's time has expired.

Mr. Sanders.

Mr. SANDERS. Thank you very much, Mr. Chairman. I was glad to hear you earlier state that the purpose of this hearing is not to drive a wedge between Mr. Freeh and the Attorney General. Some would have thought otherwise, but I am glad to hear that that is not the case.

Mr. Freeh, in the course of your work, is it unusual for serious people to have differences of opinion about important issues?

Mr. FREEH. No, sir.

Mr. SANDERS. Should it be something that the members of this committee should be shocked at, that you and the Attorney General

might disagree about the wisdom or the appropriateness of having an independent counsel? Is that something that we should be really terribly shocked at?

Mr. FREEH. I can't speak for the members of the committee.

Mr. SANDERS. But in your course of doing business, serious people having serious disagreements is not unusual; is that correct?

Mr. FREEH. In the course of my work, there are frequent matters of consensus. There are also matters, not infrequent matters, of disagreement by very serious, principled people for good reasons.

Mr. SANDERS. And I gather from your discussion with Mr. Lantos that you think that this clash of ideas and honest differences of opinion is a good way to do business and that you do not want to see a climate created where there is not that clash of ideas?

Mr. FREEH. No. Exactly. The assistant directors that I have, I expect that they will come to me, as they frequently do, and disagree with me, voice different opinions. If they didn't do that, in my view, they wouldn't be doing their job.

Mr. SANDERS. In the letter that you and Janet Reno signed dated December 8th, let me read the next to the last paragraph. It says, and I quote,

> Finally, the Department has reviewed the precedents cited in your letter and in the accompanying Congressional Research Service memorandum. It is unprecedented for a Congressional committee to demand internal decisionmaking memorandums generated during an ongoing criminal investigation. None of the cited examples are to the contrary. In particular, the three prior matters that you highlighted,

you being Mr. Burton,

> in your letter did not involve ongoing criminal investigations and, therefore, are not relevant precedents.

Would you like to comment on that?

Mr. FREEH. No more than to say that I think the facts of this case and the context of an ongoing criminal investigation is different from the cases cited in the letter.

Mr. SANDERS. OK. Mr. Freeh, I gather you are learning more about campaign financing than you ever had hoped to learn about. What do you think about a system in which individuals can contribute huge sums of money to political parties? Does that make sense to you?

Mr. FREEH. You know, I really don't have an opinion, and I don't think the FBI Director should have an opinion on that.

Mr. SANDERS. OK. Does such a system make law enforcement somewhat difficult?

Mr. FREEH. We enforce the laws that we have. If they are very clear and they have good case law and legislative history, it makes it easier. We enforce what we have, or we don't enforce it.

Mr. SANDERS. Let me quote from your statement today. I quote you: "I have stated many times my respect for Attorney General Reno. In the 4¼ years we have worked together, I have seen her bring nothing but integrity and honesty to the table."

What I am hearing is despite the fact that there may be a difference of opinion with her on this issue, you have enjoyed working with her; you respect her and look forward to continuing to work with her?

Mr. FREEH. Yes, sir.

Mr. SANDERS. OK. Mr. Chairman, I think that there has been an attempt today, which I frankly do not think is successful, has not been successful, in trying to take two dedicated public servants who disagree on an issue and suggest that the difference is, in fact, deeper than it is. Honest people within the Republican party, within the Democratic party, within the progressive community, disagree on issues. And I would just conclude, or yield my time to anyone who may want it, but conclude by applauding you for the work that you are doing, applauding Attorney General Reno for the work that she is doing, and look forward to the two of you continuing to work together as well as you have.

Mr. BARRETT. Will the gentleman yield?

Mr. SANDERS. Yield to Mr. Barrett.

Mr. BARRETT. First of all, I want to compliment you for your patience being here today. You have obviously been very concerned about this. I also want to say that I often cite you as a role model for your career, but more importantly as a mature father of young children is something that I appreciate very much, although I can't understand how you get up in the morning and run with little kids at home. It is something I am trying to figure out how to do.

Attorney General Reno said that she thought the Pendleton Act could be revised. Do you have an opinion on that?

Mr. FREEH. I do, but I don't think I should state it. I don't think it is the FBI Director's business as to what a statute should be instead of what it is. I mean, we enforce whatever laws you pass. I really don't think it is good for at least this FBI Director to be giving you his opinion on the statutes or how they should be changed. I have never done that on legislation except on technical areas that go to our capacity to perform our technical mission.

Mr. BARRETT. Even technical changes, you don't want to comment on any technical changes?

Mr. FREEH. No, sir.

Mr. BARRETT. I think my time is up.

Mr. BURTON. The gentleman's time has expired. We are about to entertain our last questioner of the day, and I really apologize, Director Freeh, for you having to come back tomorrow, but we will try to expedite it and get you out of here as quickly as possible.

Mr. FREEH. Should I bring my lunch tomorrow?

Mr. BURTON. Hopefully we will have you out of here by noon, but you might bring a snack.

Mr. FREEH. OK.

Mr. LANTOS. Mr. Chairman, you stated that we finished at 5:30; we have 10 more minutes.

Mr. BURTON. I will accede to your wish. We will end on your side and start on ours in the morning; we will have one more on our side, because you are such a nice fellow.

Mr. LANTOS. I appreciate it, sir.

Mr. SHAYS. This has been a very interesting day to observe, and that is basically what a lot of us have done, and I think that we have had two extraordinarily gracious people come before the committee, both the Attorney General and yourself, and I have been intrigued by what I think is a difficult situation for both of you. But I am left with tremendous conflicts by hearing both of you, both in

terms of your own comments, separately, and then comparing them.

I wrestle with the fact that basically we have had over 65 people involved in this whole issue who have either taken the fifth amendment, asserting their fifth amendment privilege; 42, some of them have been former Government officials. We have had 12 witnesses who have left the country, and we have had 12 foreign witnesses who have refused to cooperate, and then we have had many people simply have a lapse of memory.

This isn't a tiny issue. It does involve illegal fund-raising on both sides of the aisle, and ultimately I think this has to lead to campaign finance reform besides holding people accountable.

The question that I am wrestling here is that I think that the way the Attorney General has read our campaign laws, she has made them almost meaningless, and now the way she is reading the independent counsel law, she has made it almost meaningless.

When you talk about the fact that you have a tenure appointment, I get satisfied, and then you say, but the President can fire me any time. So help me reconcile those two things.

Mr. FREEH. Well, they are both facts. We assume the fact that Congress gave the Director a 10-year term and a President signed that is that there was a decision made, a decision that certainly could be changed, but a decision was made that because of the uniquely sensitive requirements of investigations, that the chief investigator, not the chief law enforcement attorney, should have some insulation from political interference, which is what Senator Byrd said on the record.

Mr. SHAYS. You also said he can fire you; is what you said?

Mr. FREEH. Of course he can.

Mr. SHAYS. So what insulation is that? I don't find that insulation, and that to me strikes at the very reason we are here today. He can fire you at any time. He can fire the Attorney General at any time. And when you say that you subpoenaed information from the White House and that more or less they have been cooperative, you would like it to have taken less time, it seems to me that you are subpoenaing information from the White House, they have information about activity in the White House and activity that may relate. Isn't that beginning to make one think that you trigger the independent counsel?

Mr. FREEH. Well, for those who were charged with the responsibility of triggering or not triggering it, I mean they have to take into consideration all of the relevant facts and circumstances. If that is one of them, they certainly have to consider that.

Mr. SHAYS. But you have Ron Carey, the head of the Teamsters. We were supposed to protect the election. You have very serious allegations that the DNC can find ways to have people contribute to his campaign, and you have information that Teamsters clearly contributed to the DNC; in a sense, concern about conspiracy involving high Government officials. Mr. Carey, the Government is saying, can't run again, and it would seem to me that you would at least trigger, under the independent counsel statute, a preliminary investigation, and that hasn't happened. So I am really left very uncomfortable by this dialog.

Furthermore, when you were asked from 1 to 10, Mr. Lantos is a very smart man, he didn't ask you to pin that number down, because I think he got the gist of it, but I would clearly gather from your testimony saying that you really believed in it, that it was closer to a 10 than a 5; is that accurate?

Mr. FREEH. I wouldn't give it a number. I would say, as I said before, it was a recommendation that I firmly believe, and I would not have made it if it was not a strong one.

Mr. SHAYS. So you firmly believed in that recommendation?

Mr. FREEH. Yes, sir.

Mr. SHAYS. The bottom line is you also did something that I think is unusual, and that is that you put in writing your strong conviction about this. That's a very, very—someday we are all going to see that document. It is in writing. Why did you put it in writing?

Mr. FREEH. Because it was a serious enough issue that required a lot of thought, a lot of analysis, and I thought it should be done in a thorough and comprehensive way. It is not infrequent that I write memos similar to that.

Mr. SHAYS. Well, but not about an issue dealing with the White House and potential corruption of the person who appointed you. That's not insignificant. I would just conclude by saying, it also is significant that someone in the Justice or in the FBI wanted us to know that you had it in writing and disagreed, and that is really the reason why we are here today. I thank you. I find your response to be very candid to both sides.

I think I will also say to you that I have friends on both sides of the aisle who say that you, in fact, have been the best Director ever to be in the FBI, and that the FBI has taken many hits over the last few years, and you have unfortunately been having to take some of the repercussions of it, but high marks from many people that I know that respect you.

Mr. FREEH. Thank you.

Mr. BURTON. The gentleman's time has expired.

Mr. Barrett.

Mr. BARRETT. Thank you, Mr. Chairman.

I would like to go back a little bit to the meeting that involved the White House and I think it was Madeleine Albright, maybe I am wrong, following your trip to Egypt. There was a request, or there was a discussion of documents. Can you give us a little scenario of what the documents were going to be used for? I take it this is sort of hanging in the air that there may have been some nefarious purpose that these documents were given to the White House. Why were they given to the White House?

Mr. FREEH. The request for the material was to prepare a briefing for the Secretary of State who was about to travel outside the United States.

Mr. BARRETT. So it wasn't in any way to tip off anybody inside the White House of allegations pertaining to Chinese influence or anything like that; is that correct?

Mr. FREEH. The request, as I understood it, was for the preparation of the Secretary of State. However, those documents and the information contained in those documents would have been dis-

seminated through the White House Counsel's Office. That is that is where the request came from.

Mr. BARRETT. And that is where your concern came from?

Mr. FREEH. Yes, sir.

Mr. BARRETT. When you voiced your concern, how did that become public? Did you do that publicly?

Mr. FREEH. No, absolutely not. I don't know how it became public.

Mr. BARRETT. Do you know whether it became public from someone at the FBI, or did it become public from someone at the White House?

Mr. FREEH. I don't know.

Mr. BARRETT. The second issue pertains to the memorandum. Again, this was a memorandum that you sent to the Attorney General, you have testified that you wrote it yourself, four copies, as I recall. Again, there was obviously a leak not of the document itself apparently, but of the information within the document.

The reason I raise those two issues is, in all frankness, I expect politicians to leak documents. I get much more nervous when the leaks are coming in the context of law enforcement, because I expect a higher standard, and I think you have done an excellent job, so I am not criticizing you, but I am curious as to whether you are concerned where we have two incidents following upon each other quite closely where obviously we have a leak, and it concerns me.

Mr. FREEH. I am very concerned about it, too. Unfortunately I wish those were the only two. I could cite you, if we had a couple of hours, many other instances where confidential criminal justice matters, confidential national security matters are finding their ways on to newspapers. It is the most frustrating thing about being in this job, and it is not just in this case. It is a horrible situation. It is one that I deplore. I have taken many steps internally to try to stop it, including telling people that they will be fired and prosecuted if I can find that. I conduct inquiry leaks by the dozens. Unfortunately, few of them are resolved. There is not a more frustrating part of this job in Washington, I can tell you, than the leaks that we routinely see.

Mr. BARRETT. Well, I appreciate that, because again, I think that that is a bad sign, and I am not trying to be critical of you at all, but I think in law enforcement, and I don't care if you are a Democrat or Republican, I think we all would agree that law enforcement leaks are very a serious matter. So I appreciate your saying that. And I say that because I think that, frankly, it is fair game for the majority side if they have the information to raise the information.

Mr. FREEH. I agree with that.

Mr. BARRETT. But I don't think that it should be a cover-up situation within your agency, but I agree with the comments that you have made and the comments that the Attorney General made. If you write a memo and you cannot be confident that it is going to be private, you are going to be far less likely to do so.

In terms of the number of memos you have written, can you give us more of a rundown on how often you use memorandum?

Mr. FREEH. You know, on a weekly basis, I mean, I don't always write them myself. I didn't write this whole memorandum either,

I reviewed it and revised it. I would say probably a couple a dozen a week that I sign that go to all different agencies of the Government, including the Attorney General and the Department of Justice.

Mr. BARRETT. So although this was a serious matter, it was not extraordinary that you wrote a memorandum?

Mr. FREEH. No.

Mr. BARRETT. Also you have been asked, and the question, I think, was very heavily put to you, about whether you have ever had an investigation where there has been a disagreement between the U.S. Attorney General and the Director of the FBI that alleged a conspiracy against the White House, and obviously the answer is no, because it is sort—the question defines itself, and I think we should point that out. I think the same question could have been asked, have you ever had a disagreement when there is a President who has a cat named Socks, because there just hasn't been one. So I think that we have to be careful that when we talk about how unusual this is, what has happened between you and the Attorney General, because it is an unusual situation, not because something nefarious has happened.

Do you think that Attorney General Reno bowed to political pressure in deciding not to have an independent prosecutor?

Mr. FREEH. I think she made the best decision that she thought she could make under the facts and circumstances and the law as she had it. I have totally—total respect for her decision.

Mr. BARRETT. So you don't think politics came into play at all?

Mr. FREEH. No.

Mr. BARRETT. Thank you. I have no further questions.

Mr. BURTON. The gentleman's time has expired.

The committee has written questions that it will submit and without objection, the record will remain open to receive answers to those questions.

Regarding tomorrow's schedule, we will start at 10 a.m. We really appreciate the Director coming back. We will try to conclude his testimony by noon if it is at all possible so he can get home to his six kids?

Mr. FREEH. Five and a half.

Mr. BURTON. Five and a half children. After Director Freeh, we will then have our next witness. Thank you for your patience, Director Freeh. We stand in recess until 10 a.m. tomorrow.

[Whereupon, at 5:30 p.m., the committee was adjourned, subject to the call of the Chair.]

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