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THE WHITE HOUSE
WASHINGTON

- Boca Raton?
- St. Petersburg

Martin
Wharten 215 878-7967

~~185~~
710
185

123
1
125
185

318

A Great ~~thing~~^{lib} is the
story of the human race.

We are heading to the Hill today

We're an honest people, our values are threatened. No preaching. No Cartoons -

~~Outing~~

- ~~No big service message, but~~

Service not the central theme -
but "gov. is a noble calling."

- VALUES: family, public service, ~~and~~ a personal sense of honor.

I say

To the causal user, ~~I say this~~ reminds
officer Hill.

THE VICE PRESIDENT
OFFICE OF THE PRESS SECRETARY

July 26, 1988

FACT SHEET

VICE PRESIDENT'S SPEECH ON ETHICS IN GOVERNMENT

Speaking before Congressional Interns, the Vice President outlined a comprehensive ethics in government program saying, "What is intuitively right, will invariably be the written rule."

The Ethics Program Rests on Six Principles

- * First, the right people. The recruitment of people dedicated to public service is a sine qua non to any ethics program. Talent and moral fiber will be the yardstick by which candidates will be measured for jobs in the Bush administration.
- * Second, bright-line and well understood rules of conduct. The code of conduct for government employees must be expressed in unambiguous terms, with clear and concise definition.
- * Third, Congress must be covered by federal ethics law. To hold otherwise is to set a double standard that feeds public distrust and breeds cynicism.
- * Fourth, federal ethics law should provide for civil, as well as enhanced criminal sanctions. This serves two purposes: (i) it permits prosecutors to enforce the law in a wider variety of situations and (ii) it provides for penalties that are fair and proportionate to the conduct under review.
- * Fifth, substantive provisions of federal ethics laws should be amended to reach "revolving door" abuses that are not proscribed under current law.
- * Sixth, the prestige and powers of the Office of Government Ethics and Designated Agency Ethics Officials should be enhanced and reinforced.

Simplification of the Government Ethics Code

- * The Vice President stated that he would simplify and improve the current government ethics code to make it clear and understandable. The standards of conduct will be based on common sense. None will be hyper-technical. What is intuitively correct will invariably be the written rule.

White House Ethics Office

- * The Vice President will establish a White House Ethics Office, the staff and resources of which are dedicated solely to compliance with the federal ethics program. The responsibilities of this office would be to:

- (i) Establish bright-line rules for White House and executive branch personnel.
- (ii) Issue advisory opinions to White House personnel regarding conflict of interest issues.
- (iii) Investigate alleged ethical improprieties committed by White House personnel.
- (iv) Supervise mandatory annual ethics briefings for White House personnel.

Designated Agency Ethics Officials ("DAEO's")

- * DAEO's are the front-line of the federal ethics program. The Vice President proposes to increase that profile and visibility and the resources dedicated to agency ethics programs.
 - (i) He would establish a permanent ethics office in each department and major agency, headed by senior government officials of a rank such as Deputy Assistant Secretary;
 - (ii) He would provide a permanent staff for each such office dedicated solely to implementing and monitoring compliance with the ethics program;

- (iii) The office/staff would be provided with adequate funds to do the job and, indeed, would be included as a separate line item in the budget process;
- (iv) The Vice President would require mandatory annual briefings for all senior government personnel by agency ethics officials.

Recruitment of Talented People, Dedicated to Public Service

- * The centerpiece of any federal ethics program is the recruitment and retention of talented people. The Vice President pledged to seek people of unquestioned character, integrity, and dedication to public service.

Standards of Conduct

- * The Vice President pledged to establish unambiguous, clearly defined bright-line rules for standards of conduct of White House and Executive Branch personnel. He proposes to include in the Code the following, without limitation:
 - (i) All blind trusts will be managed by institutions -- not individuals;
 - (ii) No Presidential appointee may receive outside earned income for services rendered while holding office;
 - (iii) The term "negotiations" for prospective employment, for purposes of triggering disqualification or refusal action under 18 U.S.C. 208, will mean any affirmative step taken by a government employee to initiate job discussions or to follow-up on a job feeler.
 - (iv) Formal rules will be adopted to govern all White House contacts with investigative agencies, including the requirement that all such contacts be made through the Office of White House counsel.

Substantive Conflicts of Interest

- * 18 U.S.C. 208 makes it a felony to act on certain matters of a personal financial interest while in office. The felony is punishable by up to two years in jail and a fine of \$10,000. It is limited in its use and application as currently drawn. The Vice President proposes to:
- (i) Extend 18 U.S.C. 208's prohibitions on acting on matters of a personal financial interest to members and senior staff of Congress.
 - (ii) Prohibit the acceptance of anything of monetary value -- e.g., meals, entertainment, travel -- by members and staff of Congress and executive branch personnel from lobbyists.
 - (iii) Provide for civil sanctions and proof of misconduct by a preponderance of the evidence for violation of 208.
 - (iv) Provide for enhanced criminal sanctions for conduct that is undertaken with corrupt purpose and specific intent to violate 208's prohibitions against acting on matters of a personal financial interest.

Post-Employment Restrictions

- * 18 U.S.C. 207 makes it a felony to engage in certain post-employment activities that raise questions of conflicts of interest. The scope of the post-employment restrictions imposed by the statute is sometimes confused. The statute is therefore limited in its use and application. Violation of the statute is punishable by up to two years in prison and a fine of \$10,000. The Vice President proposes to:

- (i) Eliminate the power of the Office of Government Ethics to subdivide agencies and cabinet departments for purposes of defining the scope of post-employment restrictions under 18 U.S.C. 207, as proposed in the Senate's Integrity in Post-Employment Act of 1988 ("the 1988 Post-Employment Act").
- (ii) Bar members of Congress (and senior Congressional staff) from lobbying Congress for one year -- a one-year "cooling-off" period -- as proposed in the 1988 Post-Employment Act.
- (iii) Provide for civil sanctions and proof of misconduct by a preponderance of the evidence for violation of 207's post-employment restrictions, as proposed in the 1988 Post-Employment Act.
- (iv) Provide for enhanced criminal sanctions for knowing and intended violation of 207's post-employment restrictions, as proposed in the 1988 Post-Employment Act.
- (v) Prohibit the use of confidential information in post-employment activity with civil and criminal sanctions impose both the former employee and his/her new employer in the private sector.

Amy Schwartz

Ethics Report / Read Summary, fact sheet

July at the Filibuster of Congress -

LEGIS. HAS TO BE READY TOOKY / almost identical to report

[LEGIS BUILDING upon REC. of common credit (CO-EQUAL)
- Hays - last speech, he proposed to have a separate W. H. Ethics office / w/ permanent staff
NO SUCH THING - HE ENDORSED Munson post-employment bill ~~since~~ that Reagan ACCOR vetoed.

(A) REC. #1

- Honaria / Conflict of Interest } (playing field of) level of Congress

QUESTION: Do you want to TALK ~~to~~ about Congress

(B) CONSOLIDATED ~~Legislative~~ ^{Executive} Standards.
~~At the level of...~~

Ethics

200 interns/90 pages/

Tuesday, April 14 Lib. of Cong.
("A great lib. is the diary of the human race.")

Exhort young people to return America to the values that made our nation great.

Avoid Preaching tone / More of a personal appeal.

Keep clean of drugs - "to the ^{so-called} 'causal drug' abuser I say remember the slain officer."
(Charlie Hill)

"Gov. is a noble calling." As Congressional interns, as students interested in government, many of you will serve - as civil servants, gov. officials - and some, as members of Congress."

We seek

- utmost integrity
- ~~equitable~~ equitable across 3 branches
- no unreasonable restrictive requirements to discourage all citizens.
- fair, objective, common sense standards

Questions -

- (1) Emphasis on Congress / ~~honors~~ ^{esp.} honoraria / special prosec.
- (2) Criminal penalties applying to Congress - on supplemental salary.
- (3) Honor - front load

PRESIDENT'S COMMISSION ON FEDERAL ETHICS LAW REFORM

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March 10, 1989

TO SERVE WITH HONOR: REPORT OF THE PRESIDENT'S COMMISSION ON FEDERAL ETHICS LAW REFORM

FACT SHEET

BACKGROUND

On January 25, 1989, President Bush issued Executive Order 12668 creating the eight-member President's Commission on Federal Ethics Law Reform. The order called for the Commission to "review Federal ethics laws, Executive orders, and policies and . . . make recommendations to the President for legislative, administrative, and other reforms needed to ensure full public confidence in the integrity of all Federal public officials and employees." The Commission was called upon to provide its report to the President by March 9, 1989.

In his remarks during the signing ceremony, President Bush asked Commission Chairman Malcolm R. Wilkey and Vice-Chairman Griffin B. Bell to take a "fresh look" at federal ethical standards, and he emphasized four key principles to guide the Commission:

- o "One, ethical standards for public servants must be exacting enough to ensure that the officials act with the utmost integrity and live up to the public's confidence in them."
- o "Two, standards must be fair, they must be objective and consistent with common sense."
- o "Three, the standards must be equitable all across the three branches of the federal government."
- o "And the fourth one, we cannot afford to have unreasonably restrictive requirements that discourage able citizens from entering public service."

COMMISSION ACTIVITIES

The Commission held five public meetings during February and March. Although time constraints prevented the Commission from taking oral testimony, the Commission invited interested organizations and individuals to submit their views in writing, and ultimately received approximately 50 such written submissions. The 27 recommendations included in the Commission's final report were distilled from over 80 issue papers considered by the Commission members.

HIGHLIGHTS OF THE COMMISSION'S RECOMMENDATIONS

Conflicts of Interest

- o The Commission is recommending the extension to legislative staff and to the judiciary of 18 U.S.C. 208, the federal statute that prohibits employees from taking actions that affect their own financial interests. The Commission is also proposing that one portion of the statute -- which prohibits employees from taking actions that affect entities with which they are negotiating for employment -- also apply to Members of Congress.
- o The Commission is recommending legislation to give the Office of Government Ethics the authority to issue regulations granting waivers to executive branch employees from the conflict-of-interest statute. Currently, only individual agencies can issue such regulations. (The Commission did not make a specific recommendation concerning what entity would have the authority to issue waivers to legislative or judicial personnel.)
- o The Commission is recommending that the Office of Government Ethics, working with the Department of Justice, issue regulations that would clarify the requirements of the conflict-of-interest statute.
- o The Commission is recommending legislation that would authorize deferral of taxes when individuals are required to divest themselves of assets to comply with conflict-of-interest requirements.

Honoraria, Outside Activities, and Gifts

- o The Commission is recommending a ban on honoraria for all federal officials and employees in all three branches of government.
- o The Commission is recommending the enactment of a statute creating a uniform cap on the earned income that senior officials in all three branches could receive. (The cap would be set as a percentage of each individual's salary.) The President would have the authority to exempt from the cap any category of earned income that he determined did not

present significant issues of ethical propriety or interfere with the full performance of job duties.

- o The Commission is recommending that senior officials in all three branches of government be barred from serving on the board of directors of a for-profit enterprise and that requests by such employees to serve on the boards of non-profit organizations be subject to case-by-case review.
- o The Commission is recommending the enactment of legislation making uniform government-wide the authority for agencies and individuals to accept gifts (including reimbursement of travel expenses, meals, etc.).

Post-Employment Restrictions

- o The Commission is recommending that the existing one-year post-employment cooling-off period for senior executive branch employees also apply to senior personnel in the legislative and judicial branches. (During the cooling-off period, former employees are generally not permitted to contact their former agencies.)
- o In connection with the one-year cooling-off period, the Commission is recommending that "compartmentalization" of the Executive Office of the President be terminated.
- o The Commission is recommending that Congress enact a new two-year bar, applicable to executive and legislative personnel, against the disclosure, in connection with a representation to the government or in connection with aiding or advising a representation to the government, of defined non-public government information, including procurement-related proprietary or source selection information and, if specifically definable, information about U.S strategy in international trade, disarmament, and finance negotiations.

Financial Disclosure

- o The Commission is recommending legislation to change the seven categories in the Ethics in Government Act for reporting assets and income. It proposes that the cut-off for the highest category of asset reporting be changed to "over \$1 million" (from "over \$250,000") and that the highest category for income reporting be changed to "over \$250,000" (from "over \$100,000").
- o The Commission is recommending that other categories for reporting of assets and income be set by regulation rather than in the statute.

- o The Commission is recommending that political appointees no longer be exempted from reporting liabilities in excess of \$10,000 for home mortgages and loans from relatives.
- o The Commission is recommending that financial reporting and review requirements be made uniform across the three branches of government.
- o The Commission is recommending that officials from all three branches coordinate in studying ways of simplifying the forms that must be filled out by prospective presidential appointees for positions in the executive and judicial branches.

Enforcement and Structure

- o Assuming the continued use of the Independent Counsel mechanism, the Commission recommends the extension of the Independent Counsel statute to cover the Congress.
- o The Commission is recommending the issuance of an updated Executive Order setting ethical standards for executive branch employees and that a consolidated set of standards-of-conduct regulations be issued to replace most agency-specific regulations.
- o The Commission is recommending the creation of an independent ethics office for the Congress, to be headed by an independent official, confirmed by both houses.
- o The Commission supports the creation of a White House ethics council.
- o The Commission is recommending the enactment of additional remedies for violation of criminal conflict of interest laws, including civil penalties, misdemeanor penalties, injunctive relief, and, for post-employment-related violations, expansion of administrative debarment authority.

PRESENTATION TO PRESIDENT BUSH

The Commission presented its report to President Bush yesterday, March 9, the date on which the President had requested it. The eight Commission members will meet with the President on Tuesday, March 14, to discuss their report and recommendations.

Look
in
eyes
short

1 in 4
1 in 8

Step of time
1 in 10
2 in 10
3 in 10

1st
microstems

1-5

GOAL
DICK
on
signed off

A MINUTE A CARD
"ACCOUNTABILITY"
Less elaborate
RISK OF TOO MUCH TALK
NOT OVERNUTRIMENTAL
Important 1st step

joint
meeting
we
1

Unimind

Albion
Michigan

Forum

No
Dubs

"Reason
& care"

2) How far on Congress? Program includes
nondear, special prosec. / limits on
est. funds for self-injecting
overfused microscope
light bulbo. / crop gain -
not too strict
Some many
not into peripheral over
meaning

1) How are comfortable in reasoning
ethics legis? In talking about the whole
subject w/out sounding preachy?
59 promoting
Swan about state
Responsible
Stimulable
subject w/out sounding preachy?

Requires ment's / the for
eliminate all pacs

Slide - EB, foreign policy. Makmak - ethics lost -
could slide 2 weeks