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Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13482
Folder ID Number: 13482-002

Folder Title:
Talking Points--Ethics, 4/11/89

| Stack: | Row: | Section: | Shelf: | Position: |
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April 12, 1989

TALKING POINTS

THE ADMINISTRATION'S ETHICS PROPOSAL

THE FOUR PRINCIPLES GUIDING THE PRESIDENT'S ACTIONS:

1. To establish clear ethical guidelines;
 2. To ensure uniform standards among all three branches of government;
 3. To insist that these standards be fair and reasonable;
 4. To ensure that these standards attract, not drive out, talented men and women to government.
- o These concerns led the President to issue an **Executive Order** creating the **President's Commission on Federal Ethics Law Reform**. President Bush asked its members to recommend steps to foster full confidence in the integrity of all federal public officials and employees.
 - o On March 9, this Commission filed its report and its recommendations. In fact, **legislation was sent on April 12th to the Congress, and the President issued an Executive Order announcing ethical principles for the conduct of executive-branch employees.**
 - o These actions seek a common end: **To raise ethical standards, to avoid conflicts of interest, and to ensure that the law is respected in both fact and appearance.**

THE ADMINISTRATION'S PROPOSAL:

PRINCIPLE: Clear ethical guidelines

- o The Administration is requesting a **ban on outside earned income** for non-career Presidential appointees in the executive branch, including all employees in the immediate White House office.
- o The President is proposing **expanded financial disclosure** for all three branches of government, and he has instructed his staff to perform a **comprehensive review of federal campaign finance laws.**
- The President has already determined that Congress should extend, for all members, the prohibition against the conversion of political contributions for personal or office use. He is calling on Congress to close this loophole, and to close it this year.

- Although it is not part of the legislative package, the President believes PACs weaken the parties, restrain competition and deaden the political debate. He believes that PAC contributions to candidates should be eliminated, and he will be consulting with the Congress on this issue. President Bush is also opposed to federal funding of congressional campaigns.
- o The Administration's legislative proposal also strengthens the rules against abusing the revolving door for private gain at the expense of the public trust. These rules must not make government service a bar to productive work in the private sector, but they must prohibit the appearance of profiting from government service -- and this must include the legislative branch.
- o President Bush is also proposing a 25 percent pay raise for federal judges, while restricting their acceptance of honoraria. He believes that honoraria for Members of Congress should be banned. However, the President will not make that formal proposal until after he consults with Congress on the question of a congressional pay raise. President Bush will include in that discussion the question of a pay increase for certain Executive Branch positions, including specialized jobs like those at the National Institutes for Health.

PRINCIPLE: Uniform standards among all three branches

- o The President is requesting the extension of the Independent Counsel statute to cover the Congress.
- o The Administration is also proposing that the federal statute that prohibits employees from taking actions that enhance their own financial interest be extended to cover legislative and judicial branch employees.
- o There should also be an independent ethics office for the Congress, to be headed by a clearly nonpartisan official, confirmed by both houses.
- o President Bush is requesting that the existing one-year post-employment "cooling-off" period for senior executive-branch employees also apply to the legislative and judicial branches.

PRINCIPLE: Fair and reasonable standards

- o Some financial interests, for example, are too minor to create any meaningful conflict-of-interest. The President wants the Office of Government Ethics to have the authority

to issue regulations authorizing waivers from the conflict-of-interest statute.

- o However, at the same time, we're urging tougher penalties when intentional violations of criminal conflict-of-interest laws occur.
- o The Administration is asking officials from all three branches to **simplify the forms** that must be completed by prospective appointees. There will also be **mandatory annual briefings on ethics** for Presidential appointees.
- o The executive order would call on the Office of Government Ethics (OGE) to establish, for the first time, a single unified set of standard of conduct regulations applicable across the executive branch. (Agencies could only supplement these regulations with OGE approval.)

PRINCIPLE: Attract and keep the best people in government

- o **An ethics law is not a weapon**, a blunt instrument with which to pound a public servant. It is a tool to ensure a government as honest as the American people.
- o We have carefully crafted **new post-employment restrictions**, because we must not allow overly restrictive requirements to be abused, or to keep talented people from entering public service. And that is why we want to allow persons who are required to divest assets to defer their tax liability.

#

ADDENDUM TO PRESIDENTIAL REMARKS: AMERICAN SOCIETY OF NEWSPAPER EDITORS

Modern Democratic government works best when organized by strong political parties. Yet we've allowed our parties to become weakened and overshadowed by special interests. We can best restore the role of the parties by limiting political action committees. PACs weaken the parties, restrain competition and deaden the political debate. I believe we should eliminate ^{PAC} contributions to candidates, by political action committees, and I'll be consulting with Congress about that. I also oppose federal funding of congressional campaigns.

April 12, 1989

TALKING POINTS

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THE WHITE HOUSE

WASHINGTON

April 11, 1989

MEMORANDUM FOR CHRISS WINSTON
DEPUTY ASSISTANT TO THE PRESIDENT FOR
COMMUNICATIONS

FROM: AMY L. SCHWARTZ *ALS*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Comments on Proposed Talking Points

Counsel's office has no objection to the proposed talking points on the ethics proposal. It seemed to us, however, that it might be helpful to add one additional bullet under the third principle (fair and reasonable standards), as follows:

- (A)*
- o The executive order would call on the Office of Government Ethics (OGE) to establish, for the first time, a single unified set of standard of conduct regulations applicable across the executive branch. (Agencies could only supplement these regulations with OGE approval.)

Please feel free to let me know if you have any questions.

MASTER I

Document No. _____

025211 SS

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/11/89

ACTION/CONCURRENCE/COMMENT DUE BY:

4/11/89 5:00 PM

SUBJECT: TALKING POINTS ON ETHICS PROPOSAL

| | ACTION FYI | | | ACTION FYI | |
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| VICE PRESIDENT | <input type="checkbox"/> | <input checked="" type="checkbox"/> | MCCLURE | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| SUNUNU | <input type="checkbox"/> | <input checked="" type="checkbox"/> | NEWMAN | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
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| HAGIN | <input type="checkbox"/> | <input type="checkbox"/> | | | <input type="checkbox"/> |

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 5:00 PM TODAY, Tuesday, April 11, 1989, with an info copy to my office. Thank you.

RESPONSE:

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

((Grant))
April 11, 1989

1989 APR 11 11 09 AM

TALKING POINTS

THE ADMINISTRATION'S ETHICS PROPOSAL

OVERVIEW:

- o High ethical standards are central to this Administration, and we will enforce them -- strictly, comprehensively, fairly, and to the letter and spirit of the law.

- o We must work together to reform a public code of conduct that is in disarray. It is not logical or fair. Such a system ultimately breeds cynicism and contempt for the law. To truly reform it, we must remember that standards of trust and honesty are not dictated from regulations written in Washington. Ethics in public service derive from the natural integrity of the American people.

- o The American people are troubled when they hear of officials in every branch of government who show a brazen contempt for the letter or spirit of the law. The American people do not understand why certain behavior is considered criminal when committed by an executive branch official, and perfectly legal when committed by a Member of Congress.

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- The Administration's legislative proposal also strengthens the **rules against abusing the revolving door for private gain at the expense of the public trust**. These rules must not make government service a bar to productive work in the private sector, but they must prohibit the appearance of profiting from government service -- and this must include the legislative branch.

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○ *Insert A*

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THE WHITE HOUSE

WASHINGTON

April 11, 1989

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RBP*
SUBJECT: Talking Points on Ethics Proposal

The talking points are well written and should help us get our message out on this important subject.

We have two editorial suggestions. On page one of the third paragraph we suggest that the word "violate" replace the phrase "show a brazen contempt for". In the first bullet on page three of the draft we recommend the word "earned" be inserted between "outside" and "income".

If you have any questions, please let me know.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/11/89 ACTION/CONCURRENCE/COMMENT DUE BY: 4/11/89 5:00 PM

SUBJECT: TALKING POINTS ON ETHICS PROPOSAL

| | ACTION FYI | | | ACTION FYI | |
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((Grant))
April 11, 1989

1989 APR 11 11:00

TALKING POINTS

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- o The American people are troubled when they hear of officials in every branch of government who ^{VIOLATE} ~~show a brazen contempt for~~ the letter or spirit of the law. The American people do not understand why certain behavior is considered criminal when committed by an executive branch official, and perfectly legal when committed by a Member of Congress.

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2538

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/11/89 ACTION/CONCURRENCE/COMMENT DUE BY: 4/11/89 5:00 PM

SUBJECT: TALKING POINTS ON ETHICS PROPOSAL

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RESPONSE:

TO: Chriss Winston

April 11, 1989

The NSC staff concurs on the attached talking points.

Bates
Brent Scowcroft

cc: James W. Cicconi

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

89 APR 11 AM 57

((Grant))
April 11, 1989

1989 APR 11 11:09

TALKING POINTS

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- However, at the same time, we're urging **tougher penalties** when intentional violations of criminal conflict-of-interest laws occur.
- The Administration is asking officials from all three branches to **simplify the forms** that must be completed by prospective appointees. There will also be **mandatory annual briefings on ethics** for Presidential appointees.

PRINCIPLE: Attract and keep the best people in government

- **An ethics law is not a weapon, a blunt instrument with which to pound a public servant. It is a tool to ensure a government as honest as the American people.**

- **We have carefully crafted new post-employment restrictions, because we must not allow overly restrictive requirements to be abused, or to keep talented people from entering public service. And that is why we want to allow persons who are required to divest assets to defer their tax liability.**

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/11/89 APR 11 11:04 ACTION/CONCURRENCE/COMMENT DUE BY: 4/11/89 5:00 PM

SUBJECT: TALKING POINTS ON ETHICS PROPOSAL

| | ACTION FYI | | | ACTION FYI | |
|----------------|-------------------------------------|-------------------------------------|------------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/> | <input checked="" type="checkbox"/> | MCCLURE | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| SUNUNU | <input type="checkbox"/> | <input checked="" type="checkbox"/> | NEWMAN | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| SCOWCROFT | <input checked="" type="checkbox"/> | <input type="checkbox"/> | PORTER | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| DARMAN | <input checked="" type="checkbox"/> | <input type="checkbox"/> | STUDDERT | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| BATES | <input checked="" type="checkbox"/> | <input type="checkbox"/> | UNTERMAYER | <input type="checkbox"/> | <input type="checkbox"/> |
| BREEDEN | <input type="checkbox"/> | <input type="checkbox"/> | <u>ROGERS</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| CARD | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>WINSTON</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| CICCONI | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>PINKERTON</u> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| DEMAREST | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| FITZWATER | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| GRAY | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| HAGIN | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |

REMARKS: Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 5:00 PM TODAY, Tuesday, April 11, 1989, with an info copy to my office. Thank you.

RESPONSE: *See changes*

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

((Grant))
April 11, 1989

1989 APR 11 11:09 AM

TALKING POINTS

THE ADMINISTRATION'S ETHICS PROPOSAL

*Pink says
this is
crapola -
lead w/ 4
principles*

OVERVIEW:

- o High ethical standards are central to this Administration, and we will enforce them -- strictly, comprehensively, fairly, and to the letter and spirit of the law.
- o We must work together to ^{wing order to} ~~reform~~ a public code of conduct that is in disarray. It is ^{neither} ~~not~~ logical nor fair. Such a system ultimately breeds cynicism and contempt for the law. To truly reform it, we must remember that standards of trust and honesty are not dictated ^{by} ~~from~~ regulations written in Washington. Ethics in public service derive from the natural integrity of the American people.
- o The American people are troubled when they hear of officials in every branch of government who ^{violate ← Porter} [show a brazen contempt for] the letter or spirit of the law. The American people do not understand why certain behavior is considered criminal when committed by an executive branch official, and perfectly legal when committed by a Member of Congress.

*clay
3880*

○ These concerns led the President to issue an **Executive Order** creating the **President's Commission on Federal Ethics Law Reform**. President Bush asked its members to recommend steps to foster full confidence in the integrity of all federal public officials and employees.

○ On March 9, this Commission filed its report and its recommendations. In fact, **legislation was sent on April 12th to the Congress, and the President issued an Executive Order announcing ethical principles for the conduct of executive-branch employees.**

○ These actions seek a common end: To **raise ethical standards, to avoid conflicts of interest, and to ensure that the law is respected** in both fact and appearance.

THE FOUR PRINCIPLES GUIDING THE PRESIDENT'S ACTIONS:

1. To establish clear ethical guidelines;
2. To ensure uniform standards among all three branches of government;
3. To insist that these standards be fair and reasonable;
4. To ensure that these standards attract, not drive out, talented men and women to government.

*Pink:
These should
follow the 4
principles*

THE ADMINISTRATION'S PROPOSAL:

PRINCIPLE: Clear ethical guidelines

- The Administration is requesting a **ban on outside income** for non-career Presidential appointees in the executive branch, including all employees in the immediate White House office.
- The President is proposing **expanded financial disclosure** for all three branches of government, and he has instructed his staff to perform a **comprehensive review of federal campaign finance laws**.
 - The President has already determined that Congress should extend, for all members, the prohibition against the conversion of political contributions for personal or office use. He is calling on Congress to close this loophole, and to close it this year.
- The Administration's legislative proposal also strengthens the **rules against abusing the revolving door for private gain at the expense of the public trust**. These rules must not make government service a bar to productive work in the private sector, but they must prohibit the appearance of profiting from government service -- and this must include the legislative branch.

earned?

Yes ← Pink
Amy Schwartz
add it

- President Bush is also proposing a 25 percent pay raise for federal judges, while restricting their acceptance of honoraria. He believes that honoraria for Members of Congress should be banned. However, the President will not make that formal proposal until after he consults with Congress on the question of a congressional pay raise. President Bush will include in that discussion the question of a pay increase for certain Executive Branch positions, including specialized jobs like those at the National Institutes for Health.

PRINCIPLE: Uniform standards among all three branches

- The President is requesting the extension of the Independent Counsel statute to cover the Congress.
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- There should also be an independent ethics office for the Congress, to be headed by a clearly nonpartisan official, confirmed by both houses.

- o President Bush is requesting that the existing **one-year post-employment "cooling-off" period** for senior executive-branch employees also apply to the legislative and judicial branches.

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- o However, at the same time, ^{he is} ~~we're~~ urging tougher penalties ^{for} ~~when~~ intentional violations of criminal conflict-of-interest laws ~~occur~~.
- o The Administration is asking officials from all three branches to **simplify the forms** that must be completed by prospective appointees. There will also be **mandatory annual briefings on ethics** for Presidential appointees.

clay
3080

PRINCIPLE: Attract and keep the best people in government

- o An ethics law is not a ~~weapon~~, a blunt instrument with which to pound a public servant. It is a tool to ensure a government as honest as the American people. *clay*
3080

- o *The Administration has* ~~we have~~ carefully crafted new post-employment restrictions, *clay*
3080 because ~~we must not allow~~ overly restrictive requirements ~~to~~ be abused, *and must not* or to keep talented people from entering public service. And that is why ~~we want to allow~~ persons who are required to divest assets *should be allowed* to defer their tax liability.

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DATE: 4/11/89 ACTION/CONCURRENCE/COMMENT DUE BY: 4/11/89 5:00 PM

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| | ACTION FYI | | | ACTION FYI | |
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| DARMAN | <input checked="" type="checkbox"/> | <input type="checkbox"/> | STUDDERT | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| BATES | <input checked="" type="checkbox"/> | <input type="checkbox"/> | UNTERMAYER | <input type="checkbox"/> | <input type="checkbox"/> |
| BREEDEN | <input type="checkbox"/> | <input type="checkbox"/> | <u>ROGERS</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| CARD | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>WINSTON</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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| DEMAREST | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| FITZWATER | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| GRAY | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| HAGIN | <input type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |

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OW

RESPONSE:

James W. Cicconi
 Assistant to the President
 and Deputy to the Chief of Staff
 Ext. 2702

((Grant))
April 11, 1989

1989 APR 11 11 08 AM

TALKING POINTS

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