

FOIA MARKER

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Folder Title:

FBI [8]

Staff Office-Individual:

Counsel's Office-Sherburne, Jane

Original OA/ID Number:

CF 396

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21	2	10	2	V

**Talking Points on White House Reforms
On Obtaining FBI Background Information**

****** The White House has put in place a series of procedures governing the obtaining and use of FBI background information that is, by all accounts, above and beyond the procedures in place in all prior Administrations.

****** Four aspects of these procedures are apparently unprecedented. They are as follows:

1. Individual's current, written consent is required in almost all cases before any request goes to FBI for individual's background investigation, and the consent must accompany the request to FBI.
2. White House Counsel or a designated attorney in his office must personally approve and sign all requests.
3. The security or vetting officer who initiates the request must certify that the request is made for official purposes only.
4. The Chief of Staff and Counsel to the President must designate in writing those White House employees who may have any access to FBI files.

****** These procedures ensure that the mistakes that happened in 1993 could not happen again.

- Before the White House requests background information from the FBI, it first must obtain the signed, written consent from the individual whose file is sought, and second must provide that consent to the FBI.
- If that procedure were in place in December 1993, the White House would have had to seek the consent of the individuals before requesting their files.
- The only occasion when consent is not required is when the White House Counsel and the Attorney General (or Deputy Attorney General) provide a letter of justification to the FBI.

****** The White House Security Personnel Office is being restructured to restore confidence in the integrity of the handling of these files.

- The White House Counsel intends to put the handling of the files under the control of a senior employee with a background in personnel security.

- Craig Livingstone, the head of the White House's personnel security office, requested and received permission to be placed on paid administrative leave.
- Mr. Livingstone will not return until such time as the matter is clarified to the satisfaction of the Chief of Staff.

THE WHITE HOUSE
WASHINGTON

PERSONAL DATA STATEMENT QUESTIONNAIRE

FROM: OFFICE OF THE COUNSEL TO THE PRESIDENT

As part of the clearance procedures for your prospective position, please answer all of the following questions (Please do not respond "Not Applicable" or "N/A" if your answer is "No" or "None"). In responding to the questions, please supply any information regarding your spouse or relatives that you deem to be relevant. Your responses to this questionnaire, as it is not subject to public disclosure, are confidential.

You can type your responses in memorandum form on a separate sheet of paper with each answer corresponding to the number of the question. You do not need to retype the questions, but please sign and date the attachment.

Because your appointment cannot be finalized until all necessary reviews have been completed, and because our review begins with the receipt of your paperwork, please supply this information within 30 days to Craig Livingstone, Director White House Security, at OEOB 84, Washington DC, 20500.

If you have any questions or need assistance in responding to this questionnaire, please contact Cliff Mauton, White House Counsel's Office at (202)456-6229. Thank you for your cooperation.

Personal and Family Background

1. Please list your full name; home address and telephone number; office address and phone number; date and place of birth; citizenship; and social security number.

2. Please identify your current marital status; spouse's name, citizenship, occupation, and current employer; and the names and ages of your children.

3. Do you have any medical conditions that could interfere with your ability to fulfill your duties? Please explain.

Professional and Educational Background

4. Please list each high school, college, and graduate school you attended; the dates of your attendance; and degrees awarded.

5. Please furnish a copy of your resume and a brief biographical statement.

6. Please chronologically list activities, other than those listed on your resume, from which you have derived earned income (e.g., self-employment, consulting activities, writing, speaking, royalties, and honoraria) since age 21.

7. Please list each book, article, column, or publication you have authored, individually or with others.

8. Identify each instance in which you have testified before Congress in a non-governmental capacity, and specify the subject matter of each testimony.

9. Please list corporations, partnerships, trusts, or other business entities with which you have ever been affiliated as an officer, director, trustee, partner, or holder of a significant equity or financial interest (i.e., any ownership interest of more than 5%), or whose decisions you had the ability to influence. Please identify the entity, your relationship to the entity, and the dates of service and/or affiliation.

10. Please provide the names of all corporations, firms, partnerships, trusts, or other business enterprises, and all non-profit organizations and other institutions with which you are now, or during the past five years have been, affiliated as an advisor, attorney, or consultant. It is only necessary to provide the names of major clients and any client matter in which you and your firm are involved that might present a potential conflict of interest with your proposed assignment. Please include dates of service.

11. With regard to each of the entities identified in the preceding question, please identify your relationship or duty with regard to each. Please include dates of service.

12. Other than the entities identified in question 10 above, please provide the names of any organizations with which your association might present a potential conflict of interest with your proposed assignment. For each entity you identify in your response to this question, please provide your relationship or duty with regard to each. Please include dates of service.

13. Please describe any contractual or informal arrangement you may have made with any person or business enterprise in regard to future employment. Include termination payments or financial benefits that will be provided for you if you enter government employment.

14. If you are a member of any licensed profession or occupation (i.e., lawyer, doctor, accountant, insurance or real estate broker, etc.) please specify the present status of each license; and, whether any such license has ever been withdrawn, suspended, or revoked, including the reason therefor.

15. Do you have a significant interest in any relationship with the government through contracts, consulting services, grants, loans, or guarantees? If so, please provide details.

16. Does your spouse or any family member or any business in which you, your spouse or any family members have a significant interest, have any relationship with the federal government through contracts, consulting services, grants, loans, or guarantees? If so, please provide details.

17. If you have performed any work for, and/or received any payments from, any foreign government, business, or individual in the past 10 years, please describe the circumstances. Please identify the source, as well as the dates of services and/or payments.

18. Please list any registration as an agent for a foreign principal, or any exemption from such registration. Please provide the status of any and all such registrations and/or exemptions (i.e., whether active and whether personally registered).

19. Have you ever registered as a lobbyist or other legislative agent to influence federal or state legislation or administrative acts? If so, please supply details, including the status of each registration.

Tax and Financial Information

20. As of the date of this questionnaire, please list all assets with a fair market value in excess of \$1,000 for you and your spouse. Please provide a good faith estimate of value.

21. As of the date of this questionnaire, please list all liabilities in excess of \$10,000 for you or your spouse. Please list the name and address of the creditor, the amount owed to the nearest thousand, a brief description of the nature of the obligation, the interest rate (if any), the date on which due, and the present status (i.e., is the obligation current or past due).

22. Please describe all real estate held in your name or in your spouse's name during the last six years. Please include real estate held in combination with others, held in trust, held by a nominee, or held by or through any other third-person or title-holding entity. Please include dates held.

23. Have you and your spouse filed all federal, state and local income tax returns?

24. Have you or your spouse ever filed a late income tax return without a valid extension? If so, describe the circumstances and the resolution of the matter.

25. Have you or your spouse ever paid any tax penalties? If so, describe the circumstances and the resolution of the matter.

26. Has a tax lien or other collection procedure ever been instituted against you or your spouse by federal, state or local authorities? If so, describe the circumstances and the resolution of the matter.

Domestic Help Issue

27. Do you presently have or have you in the past had domestic help? (i.e., a housekeeper, babysitter, nanny, or gardener) If so, please indicate years of service for each individual and give a brief description of the services rendered.

Public and Organizational Activities

28. Please list current and past political party affiliations.

29. Have you ever run for public office? If so, does your campaign have any outstanding campaign debt? If so, are you personally liable? Please provide complete information as to the amount of debt and creditors.

30. Please list each membership you have had with any civic, social, charitable, educational, professional, fraternal, benevolent or religious organization, private club or other membership organization (including any tax-exempt organization) during the past 10 years. Please include dates of membership and any positions you may have had with the organization.

31. Have you or your spouse at any time belonged to any membership organization, including, but not limited to, those described in the preceding paragraph, that as a matter of policy or practice denied or restricted affiliation based on race, sex, ethnic background, religious or sexual preference?

Legal and Administrative Proceedings and Filings

32. Please list any lawsuits you have brought as a plaintiff, or which were brought against you as a defendant or third party. Include in this response any contested divorce proceedings or other domestic relations matters.

33. Please list and describe any administrative agency proceeding in which you have been involved as a party.

34. Please list any bankruptcy proceeding in which you or your spouse have been involved as a debtor.

35. Have you or your spouse ever been investigated by any federal, state, military or local law enforcement agency? If so, please identify each instance and supply details, including: date; place; law enforcement agency; and court.

36. Have you or your spouse ever been arrested, or charged with, and/or convicted of violating any federal, state or local law, regulation or ordinance (excluding traffic offenses for which the fine was less than \$100)? If so, please identify each instance and supply details, including: date; place; law enforcement agency; and court.

37. Have you or your spouse ever been accused of or found guilty of any violations of government or agency procedure (specifically including securities violations and/or any application, or appeal process)?

38. Please list any complaint ever made against you by any administrative agency, professional association or organization, or federal, state or local ethics agency, committee, or official.

39. Please list any and all judgements rendered against you, including the date, amount, the name and subject matter of the case, and the date of satisfaction. Please include obligations of child support and alimony, and provide the status of each judgement and/or obligation.

40. With regard to each obligation of child support and/or alimony, please state the following: Have any payments been made late or have there been any lapses in payment? Have any motions or court actions for modification of child support or alimony been filed or instituted? Have any actions or motions to compel payment or initiate collection of late payments and/or past due amounts been filed or threatened? Have any writs of garnishment been issued? If your response was "yes" to any of the above questions, please provide details.

Miscellaneous

41. Have you ever had any association with any person, group or business venture that could be used, even unfairly, to impugn or attack your character and qualifications for a government position?

42. Do you know anyone or any organization that might take steps, overtly or covertly, fairly or unfairly, to criticize your appointment, including any news organization? If so, please identify and explain the basis for the potential criticism.

43. Please provide any other information, including information about other members of your family, that could suggest a conflict of interest, or be a possible source of embarrassment to you, your family or the President.

COPY

THE WHITE HOUSE
WASHINGTON

DEC 20 1993

(Date)

TO: FBI, LIAISON
FROM: BERNARD W. NUSSBAUM
SUBJECT: FBI Investigations

Subject's Name DALE, BILLY RAY
Date of Birth 04-05-37 Place of Birth Grundy, VA
Present Address _____

We request: XX Copy of Previous Report

Name Check

Expanded Name Check

Full Field Investigation: Level I Level II

Limited Update

Other

The person named above is being considered for:

White House Staff Position

Presidential Appointment

VV ACCESS (S)

Attachments:

NON-RESPONSIVE MATERIAL REDACTED

SF 86

SF 87, Fingerprint Card

SF 86 Supplement


CGE 043641

DEC 20 1993

THE WHITE HOUSE
WASHINGTON

DEC 20 1993

(Date)

TO: FBI, LIAISON
FROM: BERNARD W. NUSSBAUM
SUBJECT: FBI Investigations

Subject's Name DALE, BILLY RAY
Date of Birth 04-05-37 Place of Birth Grundy, VA
Present Address _____

We request: XX Copy of Previous Report
_____ Name Check
_____ Expanded Name Check
_____ Full Field Investigation: Level I _____ Level II _____ Le
_____ Limited Update
_____ Other

The person named above is being considered for:

_____ White House Staff Position
_____ Presidential Appointment
VV ACCESS (S)

Attachments: NON-RESPONSIVE MATERIAL REDACTED

_____ SF 86
_____ SF 87, Fingerprint Card
_____ SF 86, Supplement

In response to your request
there are attached 11 letters & 11 memo's
reports which may relate
to the subject of your inquiry.

CGE 043642

... ..

THE WHITE HOUSE
WASHINGTON

(Date)

TO: FBI, LIAISON
FROM: BERNARD W. NUSSBAUM
SUBJECT: FBI Investigations

Subject's Name _____
Date of Birth _____ Place of Birth _____
Present Address _____

We request: _____ Copy of Previous Report
_____ Name Check
_____ Expanded Name Check
_____ Full Field Investigation: Level I _____ Level II _____
_____ Limited Update
_____ Other

The person named above is being considered for:

_____ White House Staff Position
_____ Presidential Appointment

Attachments:

_____ SF 86
_____ SF 87, Fingerprint Card
_____ SF 86, Supplement

Remarks/Special Instructions:

THE WHITE HOUSE
WASHINGTON

(Date)

TO: FBI, LIAISON
FROM: C. BOYDEN GRAY
SUBJECT: FBI Investigations

Subject's Name _____

Date of Birth _____ Place of Birth _____

Present Address _____

We request: _____ Copy of Previous Report
_____ Name Check
_____ Expanded Name Check
_____ Full Field Investigation : Level I___ Level II___ Level III___
_____ Limited Update
_____ Other

The person named above is being considered for:

_____ White House Staff Position
_____ Presidential Appointment

Attachments:

_____ SF 86
_____ SF 87, Fingerprint Card
_____ SF 86, Supplement

Remarks/Special Instructions:



U.S. Department of Justice

Federal Bureau of Investigation

Office of the General Counsel

Washington, D.C. 20535

June 14, 1996

BY COURIER

Ms. Jane C. Sherburne
Special Counsel to the President
The White House
Washington, D.C.

Dear Ms. ^{Jane}Sherburne:

Enclosed please find a copy of the report on the dissemination of FBI File Information to the White House that is to be released today. Also enclosed is a copy of the recommendations for changing procedures which the Deputy Attorney General approved today.

Sincerely,

Howard M. Shapiro
General Counsel

Enclosures - 3

DRAFT

CRAIG LIVINGSTONE CHRONOLOGY

1/20/93	Bernard Nussbaum and Vince Foster hired
2/8/93	Effective date of employment for CL (see 3/10/96)
2/10/93	William Kennedy hired
3/10/93	Effective date of employment for CL memorialized in memo from William Kennedy to David Watkins, giving CL title of Assistant to the Counsel to the President (Security) and an annual salary of \$45,000; salary retroactive to start date
3/11/93	Affidavit of Appointment executed showing effective date of employment of 2/8/93
3/16/93	CL's FBI background investigation completed
9/20/93	W. Kennedy approves CL for hardpass
11/24/93	CL issued hardpass which carries with it a security clearance (first hardpasses issued on 9/30/93)
12/7/93	Change in title to Director of White House Personnel Security
10/10/93	Pay increase to \$51,000 requested by B. Nussbaum (approved 10/20/93)
7/22/94	Correction to title noted in OPF; retroactive to 2/13/93
1/8/95	Pay increase to \$57,500 requested by A. Mikva (approved on 1/11/95)
10/1/95	Pay increase to \$63,750 requested by A. Mikva (approved on 10/3/95)
12/14/95	Charles Easley grants CL Top Secret clearance pursuant to new Executive Order
6/17/96	CL requests and Jack Quinn grants administrative leave
6/18/96	CL put on administrative leave
6/26/96	CL resigns

2ND STORY of Level 1 printed in FULL format.

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ABC NEWS

SHOW: This Week With David Brinkley (ABC 11:30 am ET)

June 30, 1996

Transcript # 766

TYPE: Show; Analysis

SECTION: News; Domestic

LENGTH: 11367 words

BODY:

ANNOUNCER: From ABC News, This Week With David Brinkley. Now, from Washington, David Brinkley.

DAVID BRINKLEY, ABC News: Here was Bill Clinton, rumbling along, trying to get elected to a second term, when all kinds of bad news began flooding in. Several of his friends in the Whitewater real estate deals tried and convicted, hundreds of secret White House FBI files requested by the White House, a staff member handling the files took the Fifth Amendment to avoid incriminating himself, a retired FBI agent, Gary Aldrich, was assigned to the White House for five years. This week, he published a book describing what he said were the 'gamy, raunchy, salacious details of life in the Clinton White House.' The White House denied all of it, bitterly and angrily. On top of all that, in Saudi Arabia a bomb exploded near a military housing occupied by Americans, killing 19 and injuring more than 300. Almost as if somebody had opened a trunk in the attic that should have been kept closed.

We'll look at all of this with today's guests, William J. Perry, secretary of defense, who is on board the Navy ship U.S.S. George Washington, Gary Aldrich, the FBI agent who wrote the quite sensational book, and George Stephanopoulos, senior White House adviser, with his thoughts about it. And with Cokie Roberts off today, our discussion here with Sam Donaldson, George Will, and John Cochran, all here on our This Week program.

First, a little other news since the Sunday morning papers. In Bosnia, the Serb leader Radovan Karadzic has been so brutal, nasty, and vicious, other countries have demanded he get out, give up the leadership to somebody else. The economic powers meeting in Lyons, France, threatened retaliation if he stayed. This morning, he turned power over to a deputy, who is said to be about as bad as he is.

President Clinton is in Florida this morning for two memorial services for the American servicemen killed in the Saudi Arabian housing bombing. The remains of the Americans killed in the bombing were flown home last week. Here's ABC's Ann Compton at Eglin Air Force Base in Florida. Ann, tell us what's going to happen this morning.

This Week With David Brinkley (ABC), June 30, 1996

SAM DONALDSON: Mr. Stephanopoulos, [unintelligible]-

GEORGE STEPHANOPOULOS: Excuse me, let me finish the point. So this is a character test for Senator Dole. He should denounce the book, and he should cut all ties to all those connected with this campaign of character assassination.

GEORGE WILL: You're talking about fabrications and hard-to-believe stories. Speaking of hard-to-believe stories, can you shed some light on the immaculate hiring of Craig Livingstone?

GEORGE STEPHANOPOULOS: I think I can, and I'm sorry that it wasn't cleared up-

GEORGE WILL: Could you tell us-

GEORGE STEPHANOPOULOS: -at the hearings.

GEORGE WILL: -could you tell us who hired him-

GEORGE STEPHANOPOULOS: Here's the story.

GEORGE WILL: -because he doesn't know.

GEORGE STEPHANOPOULOS: Right. Well, no, that's not exactly what he said. But here's the story, as best I know it. He was working for the campaign and the inaugural. He was referred- he was- he found out about a job in the White House, I believe from Christine Varney. I don't know if she recommended him or not. He came to the White House and he had a meeting with Vince Foster, and I believe with Cheryl Mills, an associate counsel in the White House. And Vince decided to put him in the security office on a temporary basis. While he was there, Bill Kennedy came in as associate counsel, took over the supervision of Craig Livingstone, finished the hiring process, formalized the hiring process. He was hired by the counsel's office.

GEORGE WILL: Supervision of Craig Livingstone? That's an oxymoron, surely.

GEORGE STEPHANOPOULOS: Well, clearly- I mean-

GEORGE WILL: In what sense was he supervised?

GEORGE STEPHANOPOULOS: -clearly there were problems in that office back in 1993 and 1994 that should have been addressed earlier. We have addressed them now. We've restructured the office. We've put in a career person to head the office, and we fixed the problem.

SAM DONALDSON: Well, no matter who hired him or didn't hire him, why would a man with no security background be put in that office?

GEORGE STEPHANOPOULOS: Well, again, I can't explain that. I'm sorry that it happened. I think Craig's sorry now that it happened. And clearly, the office wasn't run as well as it could have been run or should have been run. The President does not like that. That's why we've restructured the office and fixed the problem.

Original

1 RPTS STRICKLAND

2 DCMN GALLACHER

3

4 COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

5 U.S. HOUSE OF REPRESENTATIVES

6 WASHINGTON, D.C.

7

8

9 - - - - - x

10 In the matter of:

11 WHITE HOUSE TRAVEL

12

- - - - - x

13

14

15

Tuesday, June 18, 1996

16

17

Washington, D.C.

18

19

20 The deposition in the above matter was held in Room 2203,

21 Rayburn House Office Building, commencing at 9:35 a.m.

22

23

24

25

1 THEREUPON,

2 WILLIAM H. KENNEDY, III,

3 a witness, was called for examination by counsel, and after
4 having been first duly sworn, was examined and testified as
5 follows:

6 EXAMINATION BY MS. COMSTOCK:

7 Q Mr. Kennedy, you joined the White House Counsel's
8 Office in March of '93; is that correct?

9 A No, that's not correct. February of '93.

10 Q Okay. Was it late February?

11 A Nope. First week of February.

12 Q Okay. And do you know who was involved in your
13 hiring?

14 A With specificity, no.

15 Q Did the First Lady have any involvement in your
16 hiring?

17 A She did.

18 Q Do you know if the First Lady was involved in hiring
19 Mr. Nussbaum at all?

20 A I can't answer that.

21 Q Do you know if the First Lady was involved in hiring
22 Mr. Foster at all?

23 A I presume she was. I don't know that directly.

24 Q Do you know if the First Lady was involved at all
25 with the hiring of Craig Livingston in your office?

1 A I don't believe she was. I do not know one way or
2 the other. I don't believe so.

3 Q Do you recall ever saying to anyone that the First
4 Lady wanted to have Craig Livingston in the position at the
5 Security Office at the White House?

6 A Me ever saying that?

7 Q Yes.

8 A I never said that.

9 Q Do you recall when you got your security clearance
10 when you were at the White House?

11 A Huh-uh. No.

12 Q Do you know who adjudicated your file?

13 A I do not.

14 Q Do you know if there were any tax problems that came
15 to anyone's attention in your file when you first came to the
16 White House in 1993?

17 A I decline to talk about my file. I've never seen
18 it. I don't know what's in it.

19 Q Did there come a time when you had some nanny tax
20 problems?

21 A There were allegations of those problems, yes.

22 Q And had you informed anyone in the counsel's office
23 about those tax problems?

24 A I did.

25 Q And who did you inform?

1 A Vince Foster.

2 Q Had you informed anyone else besides Mr. Foster?

3 A No. Well, I mean the answer is yes; when the
4 allegations hit the press, yes, I talked to Mr. Nussbaum.

5 Q And what did you tell Mr. Nussbaum?

6 A That the allegations were false.

7 Q And why was that?

8 A Why was that what?

9 Q Why were they false?

10 A They weren't true.

11 Mr. Coffield. I remember -- I can't remember with
12 specificity going through the scope of the investigation, but
13 I don't think it's going to wade into his tax problems with
14 his nanny.

15 Ms. Comstock. No, I am trying to find out who he talked
16 with about these problems.

17 BY MS. COMSTOCK:

18 Q Did you ever have any discussions with anybody in
19 the counsel's office about the suitability of Craig Livingston
20 for this position?

21 A I need to amplify an answer, I have been thinking
22 about your previous question. These allegations about nanny
23 problems came up at a time when Bernie Nussbaum was leaving
24 and Lloyd Cutler was present, so I also discussed them with
25 Lloyd Cutler.

1 Q Thank you for clarifying that.

2 A You asked a question?

3 Q Why don't I go back. You don't know who hired Craig
4 Livingston or how he came to have the position as Director of
5 White House Personnel Security?

6 A No, Craig Livingston had been identified as being
7 sort of the person for that post when I arrived.

8 Q Do you know who identified him as that person to be
9 in charge of that?

10 A No, I do not.

11 Q Do you know if it was somebody in the counsel's
12 office?

13 A I do not know.

14 Q Do you know if Bruce Lindsey was involved in his
15 hiring?

16 A I don't think Bruce Lindsey was, but I don't know.

17 Q At that time was Mr. Lindsey in charge of personnel?

18 A He was in charge of Presidential personnel, yeah.

19 Q Did there come a time when you had any discussions
20 with Mr. Livingston about any concerns that you had about his
21 background?

22 A Yes, there were.

23 Q And could you describe what those conversations
24 were?

25 Mr. Coffield. I don't think he can under the Privacy

1 Act.

2 BY MS. COMSTOCK:

3 Q Did you ever express to anybody any --

4 The Witness. Let me discuss something with my counsel.

5 [Witness confers with counsel.]

6 Mr. Goldberg. Would you read the previous question.

7 [The reporter read back as requested.]

8 BY MS. COMSTOCK:

9 Q I think we will stay away from anything that you
10 know for privacy matters.

11 Mr. Coffield. And his concern is, too, whether it enters
12 into a privileged area, too.

13 BY MS. COMSTOCK:

14 Q Why don't we stick to -- did you ever have any
15 discussions with anyone in the counsel's office about any
16 concerns that you had about Craig Livingston's suitability for
17 the position he was in at the White House?

18 A Yes, I discussed them with Vince Foster, deputy
19 White House counsel at the time.

20 Q And did Mr. Foster express an opinion on whether
21 Mr. Livingston was a suitable individual for the position of
22 heading up White House Personnel Security?

23 A No, he didn't -- you know, he didn't know Craig any
24 more than I did when I arrived, and he suggested that I -- I
25 can't remember exactly -- he suggested that I talk with

1 someone named Christine Varney who worked at the White House
2 who had worked with Craig in the campaign.

3 Q And did you do so?

4 A I did.

5 Q Okay. Can you tell us what Ms. --

6 A I'm sorry; I mean what I was discussing was stuff
7 contained in Craig's background and I don't believe I can
8 discuss that.

9 Q Did there come a time when you considered having
10 somebody else in that position?

11 A No, first of all, it wasn't my decision to make,
12 and, second of all, the only concerns I had concerned these
13 matters which were not -- I don't know how to describe them.
14 They were items of concern, but they were not killers as it
15 were. And once they were discussed, that was the end of
16 that.

17 Q Do you know whose decision it would have been to
18 change Mr. Livingston from that position?

19 A You're asking me to speculate. I don't know. I do
20 not know how Craig was identified for this job. It was done
21 before I got here. I do not know. You know, it would have
22 probably gone through normal channels in the White House,
23 okay? But at this point in time early in February or -- well,
24 it would have been a little bit later, those channels were
25 still in the process of being worked out.

1 Q Do you have any idea what channel this went through
2 to hire Mr. Livingston?

3 A I do not. I'm sorry.

4 Q And you didn't know who you needed to talk to if you
5 didn't want him to be in that position?

6 A Well, I mean obviously, I followed -- I talked to
7 Mr. Foster about these concerns. Okay? And that's where I
8 thought I was supposed to go.

9 Q Do you know if Mr. Foster ever raised this with
10 anybody above him?

11 A I do not know.

12 Q Did he ever say anything to you after that he had
13 talked to anybody else about Mr. Livingston?

14 A He did not. He did not.

15 Q Do you know if Mr. McLarty was ever consulted on
16 Mr. Livingston's suitability?

17 A I do not know. To my knowledge, he was not, but I
18 can't say that across the board. I just don't know.

19 Q Were you aware that reviewing background files was a
20 sensitive position in need of attention to detail and high
21 integrity?

22 A You bet.

23 Q Did Craig Livingston meet this description in this
24 position?

25 A Yeah, I think so.

1 Q What in his background made you think this was a
2 position that he was suitable for?

3 A What background are we talking about?

4 Q What about Craig Livingston made you feel that he
5 would be an appropriate person for this position?

6 A Craig Livingston had been identified for this
7 position before I got here. That decision was made by
8 others. I came to know Craig as an honest, hard working
9 person. I felt he had sufficient attention to detail to deal
10 with this job. Overall, I thought then and think now he's
11 done an okay job with it. I really have to say I don't
12 understand your question I'm trying to respond to.

13 Q What efforts did you take to make sure that Craig
14 had the proper training for this position?

15 A Craig had no experience in these matters. Neither
16 did I, and so we engaged in OJT, on-the-job training. He got
17 as many briefings as his schedule would allow to allow him to
18 learn security procedures. He worked intensively with
19 Ms. Gemmell, she was the former director of the office, and
20 learned as much from her as he could. He just did his best to
21 get up to speed. I helped him whenever and wherever I could.

22 Q Do you know who provided him with briefings?

23 A You'd have to ask him. I don't know. I think he
24 received some briefings from the Secret Service. I think he
25 received some briefings from the CIA. He may have gotten some

1 from the FBI. You'd have to ask him. But I know he was
2 fairly diligent in trying to get up to speed on the things he
3 should be doing.

4 Q Were you aware of him also working on advance at
5 this time at the White House?

6 A I don't recall him -- I mean, you'd have to tell me
7 what your definition of "advance" is.

8 Q Going on trips, working on setting up advance for
9 trips and making arrangements such as he had done during the
10 campaign.

11 A What time frame are we talking about here?

12 Q In 1993.

13 A He didn't do very much of that. He did some of
14 that. He also helped in arranging security for and assisting
15 in the conducting of events at the White House. He did some
16 advance work, but not very much, if I recall correctly.

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1 of manuals that you can get your hands on about how
2 backgrounds are conducted, the standards that you use, the
3 policy and procedures manuals.

4 Q Do you recall who gave those to you?

5 A I got -- you know, I can't recall specifically.
6 Some were there in the Security Office. Some were available
7 in the OEOB Library. Bits and pieces came in from the
8 agencies that we dealt with. I can't remember specifically.

9 Q I believe I had asked you if you had ever told
10 anyone that the First Lady wanted Craig in this position. But
11 I also wanted to ask you did the First Lady ever tell you that
12 she wanted Craig Livingstone in this position?

13 A No.

14 Q Could you describe what type of supervision you did
15 of Craig Livingstone in this position?

16 A I did not supervise Craig on a day-to-day basis. I
17 had another full-time job of my own. Craig was to run the
18 Office of White House Personnel Security. It was his job to
19 make that office and that function work. And we worked out
20 arrangements where he brought problems to me that he thought
21 had risen to the level that I needed to give them attention.

22 Q Can you describe what your other full-time job was?

23 A I was clearing presidential appointees, PASSs, PAs,
24 other presidential appointees, through the Office of the
25 Counsel to the President.

1 BY MS. COMSTOCK:

2 Q CGE 43814, it's a June 22nd, 1993 letter to Colonel
3 Michael Sherfield, Executive Secretary to the Secretary of
4 Defense, from Mr. Kennedy, again, and it's a request for
5 Mr. Marceca to be detailed to the White House.

6 Directing your attention to the first paragraph, it
7 says: "Craig Livingstone has requested that Special Agent
8 Marceca be detailed to the White House for 6 months at the
9 executive level."

10 Do you have any idea approximately what pay level
11 Mr. Marceca was going to be detailed to the White House at?

12 A No.

13 Q Do you have any recollection of what Mr. Livingstone
14 was being paid at the time?

15 A I don't remember precisely. I mean, I think it
16 was -- I just don't remember. I think it was like \$50,000
17 maybe. But that's a guess on my part. You would have to
18 refer to the personnel records.

19 Q And do you have any recollection of his -- the
20 assistants he had in his office, what their pay level was?

21 A Again, these are guesses, which I know I'm not
22 supposed to do, but the short answer is, I think they were in
23 the mid-20s, but I don't know. I just don't remember.

24 Q Okay. Again, do you recall if you typed up this
25 letter or put the information in this letter?

Original

1 RPTS STEWART
2 DCMN QUINTERO

3
4 COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
5 U.S. HOUSE OF REPRESENTATIVES
6 WASHINGTON, D.C.

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9 - - - - - x
10 In the matter of: :
11 WHITE HOUSE TRAVEL : DEPOSITION OF
12 : DAVID CRAIG LIVINGSTONE
13 - - - - - x

14
15 Friday, June 14, 1996

16
17 Washington, D.C.

18
19
20 The deposition in the above matter was held in Room 2203
21 Rayburn House Office Building, commencing at 4:15 p.m.

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1 A Yes, ma'am.

2 Q Then you would also -- you would sometimes have
3 interns working in there also?

4 A Yes,-- ma'am.

5 Q Now, when the vault -- if interns were in the vault,
6 did that require one of the four of you being in the vault
7 with them?

8 A No, ma'am.

9 Q So interns could be in the vault alone?

10 A That is correct.

11 Q Do you know when you got your security clearance in
12 1993?

13 A I believe March it was completed.

14 Q It was completed. Was that for the security
15 clearance as well as your pass or --

16 A At that time the White House considered the
17 completion of the BI and issuance of the ~~permit~~ ^{permanent} pass, which I
18 did not receive until later, to be your security clearance.

19 Q Do you know -- in March of 1993, did you receive a
20 permanent pass?

21 A No, I don't believe I got my permanent pass until
22 October of 1993, or thereabouts.

23 Q So in March of 1993 you only had a temporary pass?

24 A Yes, ma'am.

25 Q Do you know who participated in your vetting?

1 A Mr. Kennedy, Bill Kennedy.

2 Q Do you recall if Mr. Kennedy had any problems with
3 any matters in your background?

4 A Yes, he did discuss some issues with me.

5 Q Could you describe what those were?

6 A My drug use, and he basically gave me what he called
7 a "Come to Jesus" opportunity to talk to him about any issues
8 in my life that he should be aware of. And I related to him
9 ~~what~~ ^(some) situations in my life that I considered less than
10 favorable and I wanted him to be aware of them.

11 Q Could you describe what those were?

12 A Yes. When I was in college I worked at the Sears
13 store. I think this is in 1981 or '2. I worked as a sales
14 clerk and I was brought in by the supervisor to discuss, as I
15 recall it, an improper exchange of an item which I had
16 purchased. I believe the issue was I was supposed to go to
17 the supervisor since I had purchased it myself, and the
18 discussion was they didn't think that was -- I had followed
19 proper procedures, and I was let go.

20 Q Any other matters?

21 A I also told them I was at another job where I was a
22 contract employee where I was asked about my education. The
23 woman I had worked for had thought I had gone to a particular
24 school, and because I was engaged in conversation with her
25 daughter and someone who worked at the company, she questioned

1 me about it and checked my file and discovered I had not gone
2 to that school.

3 I did not tell her I went to the school to get employment
4 there, nor did I put that on an application with her, but she
5 thought the fact I would bring it up in a conversation like
6 that was incredible, and did not renew my contract. When I
7 discussed that issue with her prior to my employment at the
8 White House, she asked me if I learned my lesson and if I had
9 misrepresented my education to anyone else since then, and I
10 said, no. And she said she considered the matter resolved.

11 And from what I understand from Mr. Kennedy, he said that
12 they had mentioned it in the FBI, but -- or someone had
13 mentioned it in the FBI, considered I did good work and said
14 it was an anomaly. And I wanted to be as forthright as I
15 could with Mr. Kennedy about it, so I did talk to him about it
16 before he hired me.

17 Q You had mentioned your drug use to Mr. Kennedy, or
18 he had talked to you before about it? I am sorry, which was
19 it?

20 A During the course of my FBI interview, the FBI
21 investigator asked me about drug use and asked me if I had
22 used drugs within the last 5 years, if I remember the question
23 right. And I had said, no. And he said, you understand that
24 the White House wants to know if you had ever used drugs? So
25 I said the answer to that would be that I had used different

1 types of drugs up until about 1985, as I recall answering the
2 question.

3 Q Did Mr. Kennedy talk to you about looking for other
4 kinds of work in the context of this conversation that you had
5 with him in the White House?

6 A I am sorry, I don't understand the question.

7 Q In this conversation that you had with Mr. Kennedy,
8 did he raise the issue of working in another capacity at the
9 White House besides the job in this Office of Personnel
10 Security?

11 A No.

12 Q Did there come a time when you were asked to work
13 on -- I guess you did, on backgrounds or security clearances
14 of others at the White House?

15 The Reporter. Excuse me, I need an audible response.

16 The Witness. I didn't know she was finished.

17 BY MS. COMSTOCK:

18 Q Did there come a time when you were asked to work on
19 background and security clearances?

20 A Yes.

21 Q Do you recall when you began working on those types
22 of things?

23 A No, not the specific day, sometime in 1993.

24 Q Do you know if it was before or after your
25 background was completed when you had your security clearance?

1 A I believe it was after.

2 Q Do you know if anyone else at the White House
3 weighed in on your being hired or not for your position in
4 personnel security?

5 A What exactly do you mean by "weighed in"?

6 Q If anyone recommended you or wanted you in that
7 position?

8 A I believe the first person that told me about the
9 job was Ms. Christine Varney.

10 Q Do you know if anybody else at the White House had
11 commented favorably or unfavorably about your having that
12 position?

13 A No.

14 Q Was this a position you had wanted to get at the
15 White House or is this the position you sought at the White
16 House?

17 A No, I don't think I specifically wanted this job.

18 Q Did you discuss that with Mr. Kennedy, about looking
19 for other opportunities in the White House?

20 A I don't recall.

21 Mr. Turk. I just would like to note for the record that
22 a lot of this was covered in Mr. Livingstone's last deposition
23 by the committee and it is 5 o'clock. I told you before you
24 began that we need to leave by 6:30. You can choose to use
25 that time however you choose, but if you spend the time

Original

1 RPTS COLCHICO

2 DCMN KRISTOFFERSEN

3

4

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

5

U.S. HOUSE OF REPRESENTATIVES

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WASHINGTON, D.C.

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In the matter of:

11

WHITE HOUSE TRAVEL

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DEPOSITION OF
BERNARD W. NUSSBAUM

14

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Wednesday, June 12, 1996

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Washington, D.C.

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The deposition in the above matter was held in Room 2154,

21

Rayburn House Office Building, commencing at 10:05 a.m.

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1 Foster at the time, was to see to it that we would try -- to
2 see that we would hire or we would have come to the White
3 House a person that we both had a great deal of confidence in
4 to run that process. And that person was a former partner of
5 Mr. Foster's and Mrs. Clinton's, William Kennedy. And William
6 Kennedy was asked to come to the White House to be in charge
7 of the security clearance process, the background check
8 process, to run that important area.

9 We had great confidence in Mr. Kennedy's abilities and
10 his character and his intelligence and confidence, which
11 exists to this day, and so what I tried to do was to make sure
12 that I had somebody in charge of that process who I, you know,
13 thought highly of. And I, you know -- and that's why we
14 brought Mr. Kennedy to the White House.

15 You know, I also was aware that on the lower levels there
16 were career people in the White House Security Office,
17 Personnel Security Office, as well as in the Federal Bureau of
18 Investigation and the Secret Service, all of whom -- some of
19 whom, you know, would be retained, and they would function in
20 accordance with procedures which historically existed, in
21 accordance with procedures that were followed in prior
22 administrations, in the Bush administration, the Reagan
23 administration and prior administrations. And, you know, I
24 had great trust and faith in the career employees, you know,
25 to do their job in a fair manner.

1 But I did appoint Mr. Kennedy, who in return reported to
2 Mr. Foster, who in return reported to me, to be in overall
3 charge of that process.

4 Q [REDACTED] You said there were certain guidelines that
5 were established, and I wanted to ask you if ~~there~~^{there} were
6 guidelines. [REDACTED] I am going to limit this to what you
7 discussed about the new appointees. Were these guidelines,
8 ~~guidelines~~ that had been passed on to you from previous White
9 House counsel, or were these guidelines that you or you
10 directed others under you to devise?

11 A I understood that we were going to follow the
12 procedures that previous White Houses followed -- White Houses
13 followed, that we were doing -- following basically the same
14 procedures that they did in both requesting background reports
15 on potential appointees -- I was more focused on potential
16 appointees than people who had, quote, access to the White
17 House.

18 I understood, of course, that people who had access to
19 the White House would be checked out before they could come to
20 the White House. But I was -- myself, I was focused more on
21 appointees, but I believe in both cases, with respect to
22 access to the White House and with respect to the appointment
23 process, we were following basically the same procedures that
24 prior administrations had followed.

25 Q And one of the documents that was produced to us

1 BY MS. OLSON:

2 Q You have just said that Mr. Kennedy's job was to
3 determine access for the new appointees and the vetting of the
4 new appointees.

5 A That's correct.

6 Q Did Mr. Kennedy's duties include the individuals
7 from previous administrations that were remaining at the White
8 House?

9 A Mr. Livingstone was the head of the White House
10 Security Personnel Office. Mr. Livingstone reported to
11 Mr. Kennedy.

12 I don't think that office technically, the White House
13 Security Personnel Office, was technically part of the White
14 House Counsel's Office. I think it was on a different budget,
15 in fact.

16 But it was clear that Mr. Livingstone, the head of that
17 office, reported to Mr. Kennedy. And Mr. Livingstone was
18 responsible for White House security, and that includes
19 making -- you know -- and then reported to Mr. Kennedy.

20 White House security is making sure that people are not
21 walking around the White House who don't have access to the
22 White House, who would present a security risk to the
23 President or the people at the White House. You don't want
24 felons and drug addicts and alcoholics running around the
25 White House, and so every White House has had that security

1 function. Mr. Livingstone, the head of the White House
2 Security Office, was in charge of that. He then reported to
3 Mr. Kennedy.

4 Q Who established his reporting to Mr. Kennedy, if you
5 know?

6 A I believe -- it is my understanding that that was --
7 we adopted that from prior administrations, that in prior
8 administrations, the head of the White House Security Office,
9 Personnel Security Office, reported to the Counsel's Office,
10 in effect. And so what we were doing is, as we were doing in
11 all of these situations, is really not trying to reinvent the
12 wheel ourselves and not setting into motion new procedures but
13 basically following the procedures that we understood were
14 followed in prior administrations.

15 Q When you came into the White House as counsel to the
16 President, did you have the benefit of the advice of any prior
17 counsels to review those kinds of procedures?

18 A I met with all the prior counsels to the
19 President -- not all. I met with Mr. Gray. I met with
20 Mr. Fielding. I met with Mr. Cutler. But we had no specific
21 discussion -- no discussion with respect to these specific
22 procedures. We talked about more general matters.

23 Q And that was obviously my follow-up question. Do
24 you ever recall discussing personnel files and obtaining those
25 kinds of files or -- FBI background files procedures?

1 A No.

2 Q Did they ever give you any documents, that you are
3 aware of, concerning those topics for your use?

4 A No.

5 Q You mentioned Craig Livingstone. Did you hire him?

6 A No.

7 Q Do you know who hired Mr. Livingstone?

8 A I presume he was hired by the Chief of Staff's
9 Office, which was staffing the White House.

10 Q Did you know him prior to him starting at the White
11 House?

12 A No, I did not.

13 Q [REDACTED] Do you know if he had any relationship with
14 Bill Kennedy prior to starting at the White House?

15 A I believe he did not. He was -- he was in place, if
16 I recall correctly, prior to -- Kennedy didn't come on day
17 one, which is January 20th, 1993. Kennedy came 3 weeks later,
18 about 3 weeks later, if I recall correctly, because I remember
19 Foster and I having discussions about how important it was
20 getting somebody in that position as soon as we could, but we
21 didn't have somebody on day one. So he came 3 weeks later.

22 It's my recollection that Livingstone was already head of
23 the White House Personnel Security Office. Remember, that
24 office itself is not part of the White House Counsel's Office,
25 so I didn't have any responsibility for staffing that office.

1 I had responsibility for staffing my office.

2 When Kennedy came, he then met Mr. Livingstone. That's
3 my understanding.

4 Q ~~When~~ Did you have any discussions with Mr. McLarty
5 or anyone else during that period concerning Mr. Craig
6 Livingstone's background?

7 A I recall no such discussions, no.

8 Q Were any problems concerning his security clearance
9 ever brought to your attention?

10 A No.

11 Q Are you aware of any criminal record or background
12 pertaining to Mr. Craig Livingstone?

13 A No.

14 Q I have a document. I will go ahead and mark this as
15 Deposition Exhibit No. 2. It is a May 12th, 1993, form that's
16 a memorandum to the FBI liaison from Bernard Nussbaum. It is
17 CGE 18298. This particular document is the Darnell Martens
18 request for a name check by the FBI. I would just ask if you
19 have seen this document or similar documents?

20 [Nussbaum Deposition Exhibit No. 2
21 was marked for identification.]

22 Mr. Mazur. I am not sure what you mean by "similar
23 documents."

24 Ms. Olson. It is a form.

25 BY MS. OLSON: