

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Folder Title:

House Committee on Government Reform and Oversight - Clinger [3]

Staff Office-Individual:

Counsel's Office-Paxton, Sally

Original OA/ID Number:

CF 959

Row:	Section:	Shelf:	Position:	Stack:
20	5	2	3	V

THE WHITE HOUSE

WASHINGTON

July 18, 1996

The Honorable William F. Clinger
Chairman
Committee on Government Reform and Oversight
2157 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

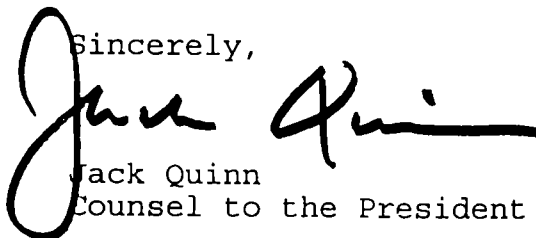
I appreciate our having been able to find a mutually acceptable way to handle the so-called "redactions" issue in our phone conversation today.

I understand that we will meet early next week to review the redacted documents, that you will be present throughout the session, accompanied by a staff member, and that Mrs. Collins or a designee and a member of her staff will also be welcome. We agreed, as well, that the Committee will not request redacted material, or any other material on the same topic as the redacted material, except to the extent that it was called for by the Committee's earlier subpoena. And, we understand that you reserve the right to request material, if any, that relates to Mr. Livingstone.

These agreements are, as I mentioned to you, particularly important in light of the fact that we are agreeing to provide access to material that is not only confidential, but also outside the scope of the Committee's document requests. I look forward to seeing you next week and putting this phase of the Committee's inquiry behind us.

Best regards,

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Quinn". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jack Quinn
Counsel to the President

CC: MRS. COLLINS

THE WHITE HOUSE
WASHINGTON

July 18, 1996

BY HAND DELIVERY

The Honorable William F. Clinger, Jr., Chairman
Committee on Government Reform and Oversight
United States House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Clinger:

We understand you have indicated an interest in the circumstances under which the White House identified and produced to your Committee Billy Dale's FBI file.

In the course of gathering documents responsive to your request for all White House records related to Billy Dale, in December 1995, Tom Taggart of the Office of Records Management (ORM) located a file that had been archived by the Office of Personnel Security (OPS) containing Billy Dale's FBI background file. Mr. Taggart notified then-Associate Counsel Natalie Williams of the file. Because we already had notified your staff that we did not understand the Committee to be requesting confidential personnel material that otherwise would be subject to the Privacy Act, Ms. Williams did not retrieve the file at that time. Mr. Taggart's communication with Ms. Williams on this subject is reflected in the attached document from ORM.

In mid-February, the Counsel's Office hired Wendy White as a Special Associate Counsel to assist in completing our response to your Committee's January 11, 1996 subpoena, which included another request for confidential personnel material. Ms. Williams informed Ms. White about the Billy Dale file maintained by ORM so that Ms. White would know to retrieve it should the Committee insist that we produce such material. When we reviewed with you the outstanding document issues at our meeting on February 15, 1996, we proposed that the matter of personnel material might be resolved in a manner that protected the privacy of the individuals involved, including Billy Dale, by your review of the material in camera. At that time, although Ms. Williams was aware that the FBI file existed, no one had reviewed it.

Hon. William Clinger, Jr.
July 17, 1996
Page 2

Our proposal to you was unanswered until May 2, 1996, when you implicitly rejected our request for sensitive treatment of personnel material by insisting that the White House either produce all documents responsive to the Committee's subpoena or formally assert executive privilege. On May 9, 1996, the President asserted a protective claim of executive privilege over all material called for by the Committee's subpoena that had not yet been produced, including the personnel material. At that time, the Billy Dale FBI file still had not been retrieved from ORM or reviewed by anyone from the Counsel's Office.

The protective assertion of privilege, a blanket invocation asserted in accordance with procedures adopted in the Reagan Administration, gave us an opportunity to formulate a recommendation on the assertion of executive privilege with respect to each particular document. We undertook this process with lawyers from the Department of Justice, who reviewed those materials we had preliminarily identified as being candidates for an assertion of privilege. Even before consulting with DOJ, however, we agreed that we would not recommend a claim of executive privilege over personnel material. Accordingly, there was no need to review this material with DOJ and we did not do so.

On May 21, 1996, Ms. White obtained the FBI file from ORM. No one reviewed the file before May 21, 1996, which was after the decision to produce personnel material already had been made. Under Ms. White's supervision, the file -- which included the form submitted to the FBI requesting Mr. Dale's previous reports -- was copied and produced to the Committee on May 30, 1996 with the other documents we had designated for production.

In his July 4, 1996 column in the New York Times, William Safire reports that the White House story has Ms. White removing the Billy Dale FBI file from the stack of documents we anticipated producing to the Committee before providing the stack for my review. As it turns out, the Billy Dale FBI file was not among the documents I reviewed because the stack was provided to me before Ms. White retrieved the file from ORM. Although we had discussions, as described above, about the production of personnel material generally, we had no discussion whatsoever about whether the Billy Dale FBI file should be produced.

Hon. William Clinger, Jr.
July 17, 1996
Page 3

At the request of your staff, enclosed is a statement from Ms. White describing her involvement in these matters. Please let me know if you have further questions.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Jane C. Sherburne". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jane C. Sherburne
Special Counsel to the President

Enclosures

cc: Hon. Cardiss Collins (w/enclosures)

Today on 12/27/95 I asked Paula Williams ^{background check} about Billy Dale's FBI report ^{that} ^{volting} he received with other files from Craig Livingstone. She said that this file involved personal & personnel privacy issues - would not be sent to the Committee nor would it be released. She is not interested in seeing file.

Tom Taggart Jr.

12/27/1995

July 18, 1996

STATEMENT OF WENDY S. WHITE
CONCERNING PRODUCTION OF BILLY DALE FBI FILE

I was hired as a Special Associate Counsel in the White House Counsel's Office to assist in the production of documents in response to the January 11, 1996 subpoena to the White House from the House Committee on Government Reform and Oversight related to the Travel Office matter. I started work on February 14, 1996. At that time, much of the work had been completed for the production; but there was more to do.

Shortly after I started, Natalie Williams, who had been working on the subpoena response, returned to private practice. Before she left, she provided me with certain information I needed in order to complete the production. During this transition period, she advised me that the Office of Records Management maintained a Billy Dale file responsive to the subpoena that should be retrieved from ORM if the Committee and White House reached agreement that the file should be produced for in camera review or otherwise.

On February 26, 1996, the White House produced the bulk of the remaining documents to the Committee, with a transmittal letter identifying certain outstanding issues, including the treatment of personnel material. In the letter, the White House invited the Committee to discuss this issue further to reach an accommodation. Since the issue of the treatment of personnel file was unresolved, I did not retrieve the Billy Dale file at that time.

On May 2, 1996, Chairman Clinger advised the White House that all outstanding documents responsive to the January 11, 1996 subpoena must either be produced or identified as subject to a claim of executive privilege. Consequently, on May 21, 1996, I had the Office of Personnel Security retrieve the Billy Dale file from the Office of Records Management. At my direction, the file was then copied and prepared for production. I gave the original file back to the Office of Personnel Security on May 23, 1996 to be returned to ORM. The White House produced the Billy Dale file to the Committee, together with the other documents, on the morning of May 30, 1996.

Wendy S. White

THE WHITE HOUSE
WASHINGTON

July 16, 1996

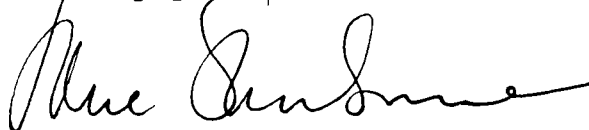
BY FACSIMILE

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clinger:

This letter is in response to your letter of July 15, 1996 to Mr. Terry Good in which we understand you to request copies of all WAVES requests for appointments by Anthony Marceca at the White House from January 20, 1993 to the present. The information responsive to this request is currently in a room that we have secured at the request of the Office of the Independent Counsel. When we have access to the documents, we will provide a response.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Honorable Cardiss Collins

THE WHITE HOUSE
WASHINGTON

July 16, 1996

BY FACSIMILE

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clinger:

This letter is in response to your letter of July 15, 1996 to Mr. Terry Good in which we understand you to request copies of all WAVES requests for appointments by Anthony Marceca at the White House from January 20, 1993 to the present. The information responsive to this request is currently in a room that we have secured at the request of the Office of the Independent Counsel. When we have access to the documents, we will provide a response.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Honorable Cardiss Collins

draft

RESOLUTION

Be it resolved that, pursuant to its authority under Rule 26 of the Standing Rules of the Senate, the Senate Committee on the Judiciary hereby authorizes its Chairman to issue to Anthony B. Marceca of Odenton, Maryland the subpoena attached as Exhibit 1 to this resolution, which commands Mr. Marceca to appear before the Committee to testify to what he may know relative to matters under Committee consideration and to produce certain documents within his possession, custody, or control.

Attachment 1

UNITED STATES OF AMERICA

draft

Congress of the United States

To Anthony B. Marceca522 Camelot CourtOdenton, MD 21113, Greeting:

Pursuant to lawful authority, YOU ARE HEREBY COMMANDED to appear before the _____ Committee on the Judiciary of the Senate of the United States, on Thursday July 18, 1996, at 10:00 o'clock a.m., at their committee room SD-226, then and there to ~~testify what you may know relative to the subject matters under consideration by said committee~~

~~produce the documents described in attachment A~~

Heretof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To any agent of the United States Senate to serve and return.

Given under my hand, by order of the committee, this 18th day of July, in the year of our Lord one thousand nine hundred and ninety-six.

Chairman, Committee on the Judiciary

Attachment A

All documents, and all computer disks containing documents, regardless of format, including but not limited to, e-mail, electronic files, electronic backup and dump files, memoranda, correspondence, notes, records, reports, files, any material in any other medium, including drafts of the foregoing, that refer, reflect, or relate in any manner to the following:

- (1) the White House Personnel Security Office's "Project Update" or "Update Project;"
- (2) the White House Personnel Security Office's procedures for requesting, reviewing, maintaining, and safekeeping of background files;
- (3) access to the White House Personnel Security Office;
- (4) meetings between any member of the White House Personnel Security Office and members of the White House Counsel's Office, the Office of the Chief of Staff, the Office of the Counselor to the President, the Office of the First Lady, the Office of Administration and Management, the Office of the Vice President, the Office of Presidential Personnel, or any other component of the Executive Office of the President;
- (5) communications to or from the White House Personnel Security Office;
- (6) FBI, IRS, or other investigations, documents, files, records, or other material or information on or pertaining to any current or former employees of officials of the Executive Branch;
- (7) seeking or securing employment, a Presidential nomination or appointment, or detail in the Executive Branch since November 1, 1992;
- (8) work performed, or communications to or from, any political party, party officer, political campaign, or political organization since January 1, 1992; and
- (9) all records relating to any criminal complaints or charges against Mr. Marceca at any time.

THE WHITE HOUSE
WASHINGTON

July 16, 1996

BY HAND DELIVERY

The Honorable Orrin G. Hatch
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Chairman Hatch:

We have been informed by the FBI that you are interested in receiving copies of certain White House records that your staff reviewed at the FBI. Enclosed are the records we understand you requested. (CGE 046577-047834; 048229-048342.)

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

Enclosures

cc: Honorable Joseph R. Biden, Jr. (with enclosures)

FBI/DOJ

001



U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

July 15, 1996

Manus M. Cooney
Staff Director
Committee on the Judiciary
United States Senate
Washington, D.C. 20746

Dear Mr. Cooney:

By letter dated July 12, 1996, from you to Director
Freeh, you asked several questions concerning requests made by
the White House for background investigations or five-year
reinvestigations on White House employees.

I am providing the responses to questions one through
five since you requested this information by COB today. I will
be in touch with Melissa Riley for clarification with regard to
the remaining question.

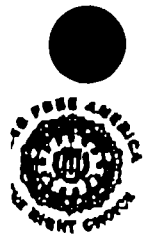
Please let me know if I can be of any further
assistance.

Sincerely yours,

John E. Collingwood
Inspector in Charge
Office of Public and
Congressional Affairs

Margaret R. Owens
By: Margaret R. Owens
Unit Chief

Enclosure



RESPONSES TO JULY 12, 1996 LETTER

- 1 - The date the FBI received a request for previous FBI background reports on Mr. Emery.

A review of Christopher Beauregard Emery's background investigation folder reflects that a request was received from the White House on September 22, 1993 for previous reports. A review of the informal work of the FBI on September 22, 1993, reflects that the FBI has not received any information regarding the activities of Christopher Beauregard Emery.

A review of the informal work papers maintained in the Special Inquiry and General Background Investigations Unit (SIGIU) (as it is now known) reflect that a second request for previous reports was made on January 6, 1994.

- 2 - The date the FBI forwarded copies of Mr. Emery's background investigation to the White House.

A review of Christopher Beauregard Emery's background investigative file reflects that on September 27, 1993, the FBI's Executive Agencies Subunit (EASU) (as it is now known), provided the White House with the March 11, 1986 Summary Memorandum reflecting the results of Mr. Emery's background investigation. Further, on January 7, 1994, the EASU

Further, on January 7, 1994, the SIGBIU provided the White House with another copy of the March 11, 1986 Summary Memorandum as well as a copy of the January 9, 1991 Summary Memorandum reflecting the results of the five year re-investigation.

- 3 - Provide the year(s) in which Mr. Emery was the subject of FBI background investigations.

A review of Mr. Emery's background investigation file reflects that a background investigation was received on February 10, 1986 and the Summary Memorandum was dated March 11, 1986. The five year re-investigation request was received on August 20, 1991 and the Summary Memorandum was dated January 9, 1991.

- 4 - Were all of Mr. Emery's FBI background reports forwarded to the White House?

Yes

If so, on what date(s)?

See answer to Number 2 above.

What office were the reports sent to?

The reports were provided to the White House Office of Security.

07/15/96 18:22 2202 324 8591

FBI OPCA

0003

5 - According to Mr. Emery, he submitted completed SF-86 forms to the White House in December 1993 to initiate an update FBI background investigation. Please advise me regarding the following matters:

(a) Did the FBI ever receive Mr. Emery's 1993 SF-86 form?

A review of the informal work documents maintained in the SIGBIU reveal that the White House submitted a form dated December 15, 1993 requesting a full field investigation for Mr. Emery. Notations on the form show it was received on January 5, 1994. Attached to the form was a consent form for a background investigation dated November 15, 1993 and signed by Mr. Emery as well as a completed SF-86 which was signed on December 11, 1993. (Four other forms were received at that time as well.) By informal communication to Mary Anderson, White House Office of Security dated January 7, 1994, Mr. Emery's SF-86 and consent form was returned to the White House along with the other four requests and support documents. That informal communication noted that the White House may not have received the latest five year reinvestigation Summary Memorandum which was being enclosed along with the 1986 Summary Memorandum. Further, the White House was advised that the FBI was not initiating a background investigation on Mr. Emery or the other four individuals.

(b) Please provide the date the SF-86 form was received by the FBI.

January 5, 1994

(c) Was an FBI background initiated for Mr. Emery in 1993?

No

(d) Was a background investigation completed on Mr. Emery in 1993?

No

If not, was the investigation initiated but terminated prior to completion?

No investigation was initiated.

(e) If the investigation was terminated, please provide any correspondence or notification the FBI received to terminate the investigation. Provide the date the notification for termination was received.

Since the investigation was not initiated there was no termination date.

6 - Please provide any materials the FBI has on any efforts on the part of the White House since January 20, 1993 to initiate any other updates of background investigations prematurely, including those referenced in Mr. Bourke's interview and any others.

Response to this inquiry will be provided separately.

THE WHITE HOUSE
WASHINGTON

July 14, 1996

BY TELECOPY

The Honorable Bill Archer
Chairman
Committee on Ways and Means
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Archer

This letter responds in part to your letter of July 2, 1996 to Jack Quinn.

Your letter asks a number of both general and specific questions about the practice and procedures of the White House in gathering IRS information for individuals in the White House. Specifically, your letter inquires about the possibility that the White House requested tax information on those individuals whose FBI files were mistakenly requested. We are not aware of any effort to obtain improperly personal tax information from the IRS.

Moreover, although the White House receives certain tax information as part of the background investigation into new employees and employees undergoing a reinvestigation, the IRS will not provide such information unless it has a current tax check waiver, which is only valid for 60 days after it is signed by the employee. As you requested, a copy of the tax check waiver form is attached.

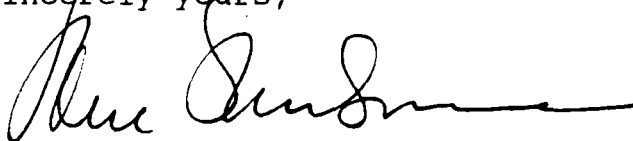
Since June 6, 1996, the White House has returned just over 400 FBI files to the FBI after determining they were mistakenly requested. As we no longer have these files, we are not in a position to answer many of your questions that require access to their contents. However, enclosed is a letter sent by Howard M. Shapiro, General Counsel to the FBI, to Senator Hatch which addresses many of your inquiries.

The White House is cooperating fully with the investigation of the Office of the Independent Counsel into the FBI files matter. The Independent Counsel has asked us to secure the relevant records and, as a result, they are not accessible to us for the purpose of responding to many of your questions.

Hon. Bill Archer
July 14, 1996
Page 2

To the extent that your questions concern current practices and procedures, we will provide you with more specific responses in the near future.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Jane C. Sherburne", written in a cursive style.

Jane C. Sherburne
Special Counsel to the President

Enclosures

cc: Hon. Sam M. Gibbons



U.S. Department of Justice

Federal Bureau of Investigation

Office of the General Counsel

Washington, D.C. 20535

June 25, 1996

Honorable Orrin G. Hatch
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C.

Dear Mr. Chairman:

I would like to thank you for asking me to testify before the Committee last week concerning my report on "The Dissemination of FBI File Information to the White House." This was important testimony for the FBI and I was pleased to have the opportunity to describe the reforms the FBI has made.

One issue that arose at the hearing was whether the FBI collects and disseminates "taxpayer" information obtained from the Internal Revenue Service (IRS) as part of the background investigation process. I want to assure you that, consistent with federal law, the FBI does not request, receive or disseminate such information. Further, based on review of the contents of the 406 folders returned to the FBI by the White House, no taxpayer information was disseminated by the FBI to the White House in response to the requests at issue. (The 407th folder remains in the possession of the Independent Counsel and was not reviewed.)

With the 1976 amendments to Title 26, U.S. Code, § 6103, which became effective January 1, 1977, tax returns and return information are afforded substantial privacy protections and are no longer subject to disclosure except in limited situations. I have been advised that since enactment of those amendments, the FBI does not request or receive any information from the IRS as part of the background investigation process. Prior to the amendments, the IRS would only advise if an individual's taxes were current or delinquent and, if delinquent, the years and dollars amount of any delinquencies. That

Honorable Orrin G. Hatch

information was included in the background summary reports prepared prior to 1977. I note that anything acquired lawfully prior to the 1976 amendments may still be disseminated in accordance with the previous statutory authority without violating the law. 26 C.F.R. § 301.6103(a)-1.

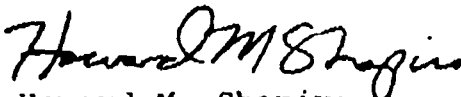
When the White House recently returned to the FBI the 406 folders containing the FBI background summaries, two of the folders did contain "Tax Check Reports" from the IRS. The documents in question are memoranda from the Director of the Office of Disclosure, IRS, to William H. Kennedy, III, Associate Counsel to the President. These documents were never part of the FBI files on these individuals, but were apparently added to the folders by White House staff after receipt from the IRS. Both reports are for years 1989-1991, show no failure to pay taxes by the individuals named in the reports, and indicate there were no criminal tax investigations or civil penalties for these years. Executed waiver forms from the individuals named are attached to each IRS report.

This information has not been further disseminated by the FBI. Further, I have ordered that all the copies be sealed and segregated from the file. I will discuss with the Independent Counsel how he wants these documents to be handled but, in any event, the FBI will make no use of them whatsoever.

Finally, among the material returned by the White House was a miscellaneous box of information. One folder in this box was identified as "IRS Returned March-April 1993." This folder contains five sheets of paper, each entitled "IRS Reports Returned." Each of these sheets of paper bears the names of numerous individuals and notations as to whether reports are complete or incomplete. It did not contain reports or any information provided by the IRS. Again, this material was not part of any file maintained by the FBI, but was among the papers surrendered to the FBI by the White House on June 6, 1996.

I hope the above information is helpful to you in your examination of this matter. Should you or your staff like a further briefing beyond what the FBI already provided, I would be happy to provide it.

Sincerely yours,


Howard M. Shapiro
General Counsel

TAX CHECK WAIVER

I am signing this waiver to permit the Internal Revenue Service to release information about me which would otherwise be confidential. This information will be used in connection with my appointment or employment by the United States Government. This waiver is made pursuant to #26 U.S.C. 6013(c).

I request that the Internal Revenue Service send the information to: President Clinton and the Office of the Counsel to the President, acting on behalf of the President.

The information I wish released is:

1. Have I failed to file any Federal income tax return which was required to be filed for any of the last three years?

If this waiver is received by the Internal Revenue Service before July 1, the "last three fiscal years" shall mean the latest three years for which information is available, since the return for the immediate last year may not yet have been processed.

2. Were any of these returns filed more than 45 days after the due date for filing (determined with regard to any extension of time for filing)?

3. Have I failed to pay any tax, penalty, or interest during the last three years within 45 days of the date on which the Internal Revenue Service gave notice of the amount due and demanded payments?

4. Has any penalty for negligence under section 6655(a) of the Internal Revenue Code been assessed against me this year or during the last three years?

5. Am I or have I ever been under investigation by the Internal Revenue Service for possible criminal offenses, and what were the results of such investigation(s)?

6. Has any civil penalty for fraud been assessed against me?

If the information which is to be released includes a "YES" answer to any of the above six questions, I authorize the Internal Revenue Service to release any information relative to that question.

THE WHITE HOUSE

WASHINGTON

To help the Internal Revenue Service find my tax records, I am voluntarily giving the following information:

MY NAME: _____ MY S.S.#: _____

PHONE NUMBER(S), HOME: _____ WORK: _____

I. IF MARRIED AND FILED A JOINT RETURN:

HUSBAND/WIFE NAME: _____

HUSBAND/WIFE SS#: _____

II. CURRENT ADDRESS: _____

III. NAMES AND ADDRESSES SHOWN ON RETURNS FOR THE LAST THREE FISCAL YEARS (IF DIFFERENT FROM ABOVE).

<u>YEAR</u>	<u>NAME</u>	<u>ADDRESSES</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

DATE: _____

(WAIVER INVALID UNLESS RECEIVED BY
IRS WITHIN 60 DAYS OF THIS DATE)

(SIGNATURE OF TAXPAYER AUTHORIZING THE
THE DISCLOSURE OF RETURN INFORMATION)

Before signing, please be sure that you have reviewed the terms
of this agreement listed on the reverse side.

THE WHITE HOUSE
WASHINGTON

July 14, 1996

BY FACSIMILE

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clinger:

Following is the salary information requested in
Paragraphs 3 and 12 of your letter of June 21, 1996:

Mari Anderson	2/15/93: \$24,000
	3/13/94: \$26,000
	4/24/94: \$30,000
Mary Childs	\$25,694
Jane Dannenhauer	\$70,254
Jonathan Denbo	9/19/95: \$22,500
	10/15/95: \$24,000
Nancy Gemmell	\$51,364
Edward Hughes	4/12/94: \$21,000
	1/1/95: \$24,000
	9/11/95: \$30,000
Kari Johnson	\$25,872
Craig Livingstone	2/8/93: \$45,000
	10/10/93: \$51,000
	1/8/95: \$57,500
	10/1/95: \$63,750
Anthony Marceca	detailee (salary not paid by White House)

Hon. William F. Clinger, Jr., Chairman
July 14, 1996
Page 2

Lisa Wetzl

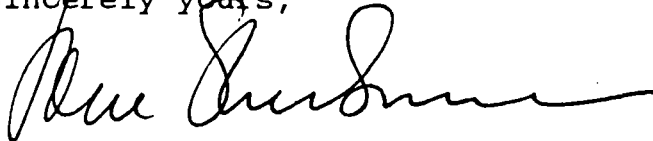
8/15/93: \$21,000
4/24/94: \$22,500
10/9/94: \$28,500

The salary history for William Kennedy is as follows:

2/10/93: \$98,000
12/5/93: \$110,000

We request that you treat this information as "Highly Confidential" in accordance with the protocols set forth in Ms. Williams August 9, 1995 letter to Mr. Larsen.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Honorable Cardiss Collins

THE WHITE HOUSE
WASHINGTON

July 14, 1996

BY FACSIMILE

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clinger:

Following is the salary information requested in
Paragraphs 3 and 12 of your letter of June 21, 1996:

Mari Anderson	2/15/93: \$24,000
	3/13/94: \$26,000
	4/24/94: \$30,000
Mary Childs	\$25,694
Jane Dannenhauer	\$70,254
Jonathan Denbo	9/19/95: \$22,500
	10/15/95: \$24,000
Nancy Gemmell	\$51,364
Edward Hughes	4/12/94: \$21,000
	1/1/95: \$24,000
	9/11/95: \$30,000
Kari Johnson	\$25,872
Craig Livingstone	2/8/93: \$45,000
	10/10/93: \$51,000
	1/8/95: \$57,500
	10/1/95: \$63,750
Anthony Marceca	detailee (salary not paid by White House)

Hon. William F. Clinger, Jr., Chairman
July 14, 1996
Page 2

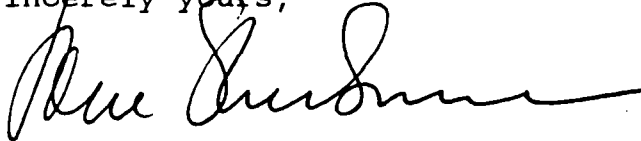
Lisa Wetzl	8/15/93:	\$21,000
	4/24/94:	\$22,500
	10/9/94:	\$28,500

The salary history for William Kennedy is as follows:

2/10/93:	\$98,000
12/5/93:	\$110,000

We request that you treat this information as "Highly Confidential" in accordance with the protocols set forth in Ms. Williams August 9, 1995 letter to Mr. Larsen.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Honorable Cardiss Collins

THE WHITE HOUSE
WASHINGTON

July 12, 1996

BY TELECOPY

William F. Clinger, Chairman
House Committee on Government Reform and Oversight
2157 Rayburn House Office Building
Washington, DC 20515-6143

Dear Mr. Chairman:

Thank you for meeting with us this morning to discuss the proposals set forth in my letter of yesterday about depositions of White House lawyers and redactions of privileged documents.

As to the upcoming depositions of White House Counsel lawyers, I think we have made real progress in establishing an orderly process for the Committee to obtain the information in which it has a legitimate interest. With counsel for the witnesses knowing in advance the subject matters to be covered, as well as those to be excluded, the depositions should proceed with a minimum of interruptions and delays.

My understanding, then, is that counsel for White House lawyers who the Committee intends to depose can expect to hear from the Committee about the general subject matters to be covered at the deposition -- e.g., the finding of the Watkins memorandum. Further, these witnesses will not be asked questions regarding communications with the Congress in connection with this and other congressional investigations or our activities in connection with the Independent Counsel's investigation. However, I accept your modification regarding questions directed at our internal White House preparation for congressional hearings: in that regard, the lawyer-witnesses will answer questions about whether they engaged in specific wrongdoing or impropriety with respect to the Committee's investigation.

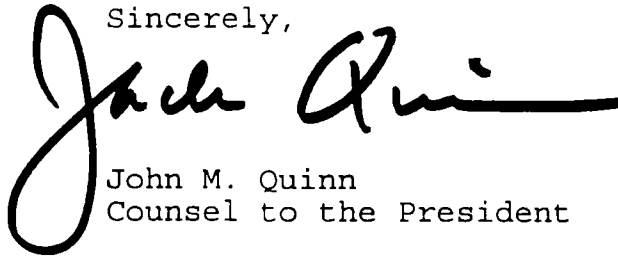
At our meeting today, I also restated our acceptance of your June 18 proposal to Mrs. Collins describing a process to resolve questions that a witness declines to answer because they implicate an executive privilege that has not been waived. To expedite that process, I committed to make our best efforts to respond to all such questions propounded in writing after the

deposition -- either with an answer or an assertion of privilege
-- within four days of our receiving the questions.

Finally, you indicated that you would like to reflect further on our suggestion that, as an alternative to Member-only review of redacted documents, we would designate a neutral third party to confirm the accuracy of the redactions in question. It is still my feeling that such a procedure -- where Members have the availability of a qualified, outside party -- offers the best and swiftest means to reach closure without a prolonged impasse on this last outstanding document issue.

Again, thank you, Mr. Chairman, for your time and effort in working with us to resolve these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "John Quinn". The signature is fluid and cursive, with a large initial "J" and a long, sweeping horizontal line at the end.

John M. Quinn
Counsel to the President

cc: Hon. Cardiss Collins

WILLIAM F. CLINGER, JR., PENNSYLVANIA
CHAIRMAN

BENJAMIN A. GILMAN, NEW YORK
DAN BURTON, INDIANA
J. DENNIS HASTERT, ILLINOIS
CONSTANCE A. MORNIELLA, MARYLAND
CHRISTOPHER SHAYS, CONNECTICUT
JOHN SCHIFF, NEW MEXICO
LINA ROS-LECHINE, FLORIDA
WILLIAM H. ZELIFF, JR., NEW HAMPSHIRE
JOHN M. MCNUGH, NEW YORK
STEPHEN HOHN, CALIFORNIA
JOHN L. MICA, FLORIDA
PETER BLUTE, MASSACHUSETTS
THOMAS M. DAVIS, VIRGINIA
DAVID M. MONTOSH, INDIANA
JOHN D. FOX, PENNSYLVANIA
HANDY TATE, WASHINGTON
DICK CHRYSLER, MICHIGAN
GIL GUTKNECHT, MINNESOTA
MARK E. BOLDER, INDIANA
WILLIAM J. MARTINI, NEW JERSEY
JOE SCARBOROUGH, FLORIDA
JOHN SHADDEGG, ARIZONA
MICHAEL PATRICK FLANAGAN, ILLINOIS
CHARLES F. BASS, NEW HAMPSHIRE
STEVE C. LATOURNETTE, OHIO
MARSHALL "MARK" SANFORD, SOUTH CAROLINA
ROBERT L. EHRLICH, JR., MARYLAND

ONE HUNDRED FOURTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

July 11, 1996

CARDISS COLLINS, ILLINOIS
RANKING MEMBER
HENRY A. WAXMAN, CALIFORNIA
TOM LANTOS, CALIFORNIA
ROBERT E. WISE, JR., WEST VIRGINIA
MAJOR R. OWENS, NEW YORK
EDOLPHUS TOWNS, NEW YORK
JOHN M. SHAW, JR., SOUTH CAROLINA
LOUISE MCINTOSH BLAUGHTER, NEW YORK
PAUL E. KANJORSKI, PENNSYLVANIA
DAHY A. CONNIT, CALIFORNIA
COLLIN C. PETERSON, MINNESOTA
KAREN L. THURMAN, FLORIDA
CAROLYN B. MALONEY, NEW YORK
THOMAS M. BARKETT, WISCONSIN
BARBARA ROSE COLLINS, MICHIGAN
ELEANOR HOLMES NORTON, DC
JAMES P. MORAN, VIRGINIA
GENE GREEN, TEXAS
CARME P. MEER, FLORIDA
CHAKA FATTAH, PENNSYLVANIA
BILL K. BREWSTER, OKLAHOMA
TIM HOLDEN, PENNSYLVANIA

BERNARD SANDERS, VERMONT
INDEPENDENT

MAJORITY—(202) 225-6074
MINORITY—(202) 225-6061

President William J. Clinton
The White House
Washington, D.C. 20500

Dear President Clinton:

As you are aware, the Committee on Government Reform and Oversight is conducting an investigation with respect to the White House Travel Office and related matters. This investigation is being conducted pursuant to the Committee's authority under Rules X and XI of the House of Representatives.

On Wednesday, June 26, 1996 the House Government Reform and Oversight Committee held a hearing during which it received testimony related to the hiring of David Craig Livingstone as Director of the Office of White House Personnel Security. The hearing panel included Bernard W. Nussbaum, William H. Kennedy III and David Craig Livingstone. Although Mr. Nussbaum accepted ultimate responsibility for Mr. Livingstone's appointment, he did not know who had originally hired Mr. Livingstone. Similarly, Mr. Kennedy accepted responsibility for approving the appointment of Mr. Livingstone, yet he did not know who had authorized the initial placement of Livingstone in the White House. Mr. Livingstone himself was unable to inform the Committee who had authorized his transition from the Inaugural Committee to Presidential advance work, to his appointment as Director of White House Personnel Security. Accordingly, the Committee is attempting to gather information on the hiring or appointment of Mr. Livingstone from other sources.

In order to enable this Committee to perform a thorough review of all events under investigation, I am requesting the production of all records created during the Clinton/Gore transition period relating to hiring David Craig Livingstone or Anthony Marceca for inaugural staff and/or White House employment. It is my understanding that there are documents, referred to as transition papers, which discuss recommendations for staff members or volunteers to be placed in positions within the administration.

President William J. Clinton
July 11, 1996
Page Two

I am hoping that the transition papers may shed some light on who participated in the hiring of Mr. Livingstone. I would ask that you please direct this request to the custodian of the transition papers for the Clinton administration and instruct that individual to immediately respond to the Committee. Thank you for your cooperation in this matter.

Sincerely,



William F. Clinger, Jr.
Chairman

cc: Representative Cardiss Collins

WC

THE WHITE HOUSE
WASHINGTON

July 10, 1996

BY TELECOPY

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

I appreciate the opportunity to meet with you tomorrow to discuss two issues that have arisen in connection with your ongoing investigations. In anticipation of our meeting, I want to outline my thoughts about how these issues might be resolved.

1. Depositions of White House Lawyers. The Committee seeks to depose several White House lawyers whose work has included preparing for your and other congressional hearings and responding to the Independent Counsel's investigations. We are prepared to proceed with these depositions pursuant to an understanding about scope and how privilege issues will be handled during the depositions.

Specifically, we propose the following:

As to scope, in advance of the depositions, the Committee would describe to counsel for the witnesses the general subject matters proposed to be raised in that witness's deposition (e.g., the finding of the so-called Watkins Memorandum). Of course, in accordance with the understandings we reached governing your review of the executive privilege documents, to the extent that any of these witnesses has factual knowledge about the FBI files matter and the circumstances surrounding the production of the Billy Dale FBI file he or she would be authorized to answer questions related to those subjects. However, also consistent with these understandings, the Committee would not ask questions about (i) White House preparation for congressional hearings, including communications with Members of Congress or congressional staff, or (ii) our work in connection with the Independent Counsel's investigations.

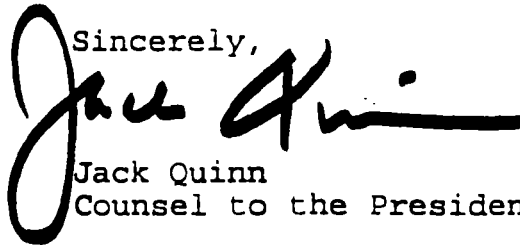
As to privilege issues, we agree to the proposal you set forth in your June 18, 1996 letter to Mrs. Collins -- that is, if, during a deposition, a question is posed that the witness believes may call for information implicating an executive privilege that has not been waived, the witness would decline to answer such question. Following the deposition, the Committee may elect to pursue the matter by submitting to the White House in writing the question that the witness declined to answer. This will permit an opportunity for the White House to determine whether a claim of privilege should be asserted.

I believe this proposal will provide an orderly way for the Committee to get the information that it needs while protecting the legitimate interests of the White House.

2. Redacted Documents. I understand that you would like to discuss a way to verify our representation to you that the material redacted from the documents provided to the Committee for in camera review is, in fact, not responsive to the Committee's subpoena. We are prepared to undertake such a process -- perhaps with a sample of such documents -- on a Members-only basis. An alternative we might consider would be to designate a neutral third party to confirm the accuracy of the redactions. I understand that such a mechanism has been used successfully by other Committees, and it may therefore be useful in this context as well.

I look forward to discussing these matters with you tomorrow.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Quinn". The signature is fluid and cursive, with a large initial "J" and a long horizontal stroke at the end.

Jack Quinn
Counsel to the President

cc: The Honorable Cardiss Collins

THE WHITE HOUSE

WASHINGTON

July 9, 1996

BY HAND DELIVERY

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clinger:

This letter is in further response to your letter of June 21, 1996.

Enclosed are documents we have identified thus far that are responsive to your requests bearing the Bates stamped numbers CGE 47835-48077, 48079-48125, 48128-48218, 48220-48228. As always, we request that you treat these documents as "Highly Confidential" in accordance with the protocols set forth in Ms. Williams August 9, 1995 letter to Mr. Larsen.

As you are aware, certain documents are unavailable to us for review at this time due to restrictions placed on us by the Independent Counsel. As soon as we are able to review these documents, we will provide additional responsive materials.

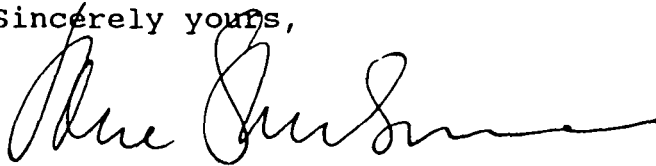
In response to Questions No. 4 & 5, attached to this letter is a list of employees, detailees and interns who have worked in the Office of Personnel Security. Information about the dates each received a security clearance is inaccessible at the present time.

Documents previously produced, or in this production, contain certain information about salaries of persons working in the Office of Personnel Security. We will provide additional information responsive to Question No. 3 shortly. —

Hon. William F. Clinger, Jr., Chairman
July 9, 1996

Finally, the request stated in Question No. 6 generated a great deal of confusion. We have enclosed a copy of the clarification we provided for your information.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Jane C. Sherburne', with a long, sweeping horizontal line extending to the right.

Jane C. Sherburne
Special Counsel to the President

cc: Honorable Cardiss Collins (w/enclosures)

Hon. William F. Clinger, Jr., Chairman
July 9, 1996

Attachment

Current and Previous Employees, Office of Personnel Security

Mari Anderson
Mary Childs
Jane Dannenhauer
Jonathan Denbo (started as employee 9/19/95)
Nancy Gemmell
Edward Hughes (started as employee 4/12/94)
Kari Johnson
Craig Livingstone
Anthony Marceca (detailee)
Lisa Wetzl (started as employee 8/15/93)

Interns

Summer 1993

Lisa Wetzl
Erin Bertocci
Luis Colon
Melissa Evantash

Fall 1993

Samantha Ziskind
Joseph Foudy

Spring 1994

Erik Aslaksen
Karen Felder
Edward Hughes

Summer 1994

Gina Gibson
Jonathan Denbo
Angel Hernandez
Charles Johnson

Fall 1994

Julie McCord
Salvatore Recupero
Christian Jacobus
Jill Mikulski

Hon. William F. Clinger, Jr., Chairman
July 9, 1996

Winter 1994
Myongrae Lee

Spring 1995
Devon Tervay
Christopher Allen

Summer 1995
Jessica Luterman
Emily Moulton
Benjamin Morrison
Robert Hsuing

Fall 1995
Michael Riccardi
Stacey Speigel

Winter 1995
none

Spring 1996
Jennifer Dowdell
Darren Hamrick

Summer 1996
Richard Orintas
Lawrence Yeatman

THE WHITE HOUSE

WASHINGTON

June 25, 1996

MEMORANDUM

TO: All Staff of the White House and Office
of Administration

FROM: Jane C. Sherburne
Special Counsel to the President

Wendy S. White
Associate Counsel to the President

RE: Clarification of House Committee Document Request
of June 21, 1996
(Memorandum to Staff dated June 24, 1996)

We have received a number of telephone calls concerning the scope of the above request. We have redrafted the request, in order to clarify what documents we believe are being sought, as follows:

All memos to and/or from Craig Livingstone, Anthony Marceca, William Kennedy, Bernard Nussbaum, Vincent Foster, Joel Klein, Lloyd Cutler, Abner Mikva, John M. Quinn, Jane Sherburne, Beth Nolan, Cliff Mauton, Christopher Cerf, Trey Schroeder, Ed Hughes, Jonathan Denbo, Mari Anderson or Ms. Lisa Wetzel regarding --

1. Procedures for the updating of White House passes;
2. Security clearance procedures and the use of FBI background files requested by or on behalf of the White House Office of Personnel Security; or
3. The operation of the Office of Personnel Security.

The request, as we understand it, does not require production of your Personal Data Statement & Questionnaire or communications with the Office of Personnel Security about individual matters. In addition, you need not produce at this time any routine requests for White House passes or requests for security clearances prepared in the ordinary course of business.

We understand that this request raises a number of issues. Please do not hesitate to call us for help in resolving them. (Jane Sherburne 6-5116 or Wendy White 6-7361).

AL

100

1 3

WILLIAM F. CLINGER, JR., PENNSYLVANIA
CHAIRMAN

BENJAMIN A. GILMAN, NEW YORK
JOHN D. BURTON, INDIANA
CHRISTOPHER HASTERT, ILLINOIS
STANLEY A. MCKEEL, MARYLAND
STEPHEN D. BISHOP, CONNECTICUT
JOHN D. SCHIFF, NEW MEXICO
LEAH R. ROSEN, FLORIDA
WILLIAM H. ZELIFF, JR., NEW HAMPSHIRE
JOHN M. MCWORTH, NEW YORK
STEPHEN HORN, CALIFORNIA
JOHN L. MICA, FLORIDA
PETER BLUTE, MASSACHUSETTS
THOMAS M. DAVIS, VIRGINIA
DAVID M. MCINTOSH, INDIANA
JON D. FOX, PENNSYLVANIA
KANDY TATE, WASHINGTON
DICK CHRYSLER, MICHIGAN
OS. GUTKNECHT, MINNESOTA
MARK E. SCUDER, ILLINOIS
WILLIAM J. MARTINI, NEW JERSEY
JOE SCARBOROUGH, FLORIDA
JOHN SHADDOCK, ARIZONA
MICHAEL PATRICK FLANAGAN, ILLINOIS
CHARLES F. BASS, NEW HAMPSHIRE
STEVE C. LATOURETTE, OHIO
MARSHALL "MARK" SANFORD, SOUTH CAROLINA
ROBERT L. EHRLICH, JR., MARYLAND

ONE HUNDRED FOURTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-8143

July 11, 1996

CAROL COLLINS, ILLINOIS
RANKING MEMBER
HENRY A. WAXMAN, CALIFORNIA
TOM LANTOS, CALIFORNIA
ROBERT E. WISE, JR., WEST VIRGINIA
MAJOR R. OWENS, NEW YORK
EDOLPHUS TOWNS, NEW YORK
JOHN M. SPYTT, JR., SOUTH CAROLINA
LOUISE MCINTOSH BLAUGHTER, NEW YORK
PAUL L. KAHN, PENNSYLVANIA
GARY A. CONNIT, CALIFORNIA
COLLIN C. PETERSON, MINNESOTA
KAREN L. THURMAN, FLORIDA
CAROLYN B. MALONEY, NEW YORK
THOMAS M. BARRETT, WISCONSIN
BARBARA ROBE COLLINS, MICHIGAN
ELEANOR HOLMES NORTON, DC
JAMES P. MORAN, VIRGINIA
GENE GREEN, TEXAS
CARRIE P. MEER, FLORIDA
CHAKA FATTAH, PENNSYLVANIA
BILL K. BREWSTER, OKLAHOMA
TIM HOLDEN, PENNSYLVANIA

BERNARD SANDERS, VERMONT
INDEPENDENT

MAJORITY—(202) 225-5074
MINORITY—(202) 225-4061

President William J. Clinton
The White House
Washington, D.C. 20500

Dear President Clinton:

As you are aware, the Committee on Government Reform and Oversight is conducting an investigation with respect to the White House Travel Office and related matters. This investigation is being conducted pursuant to the Committee's authority under Rules X and XI of the House of Representatives.

On Wednesday, June 26, 1996 the House Government Reform and Oversight Committee held a hearing during which it received testimony related to the hiring of David Craig Livingstone as Director of the Office of White House Personnel Security. The hearing panel included Bernard W. Nussbaum, William H. Kennedy III and David Craig Livingstone. Although Mr. Nussbaum accepted ultimate responsibility for Mr. Livingstone's appointment, he did not know who had originally hired Mr. Livingstone. Similarly, Mr. Kennedy accepted responsibility for approving the appointment of Mr. Livingstone, yet he did not know who had authorized the initial placement of Livingstone in the White House. Mr. Livingstone himself was unable to inform the Committee who had authorized his transition from the Inaugural Committee to Presidential advance work, to his appointment as Director of White House Personnel Security. Accordingly, the Committee is attempting to gather information on the hiring or appointment of Mr. Livingstone from other sources.

In order to enable this Committee to perform a thorough review of all events under investigation, I am requesting the production of all records created during the Clinton/Gore transition period relating to hiring David Craig Livingstone or Anthony Marceca for inaugural staff and/or White House employment. It is my understanding that there are documents, referred to as transition papers, which discuss recommendations for staff members or volunteers to be placed in positions within the administration.

President William J. Clinton
July 11, 1996
Page Two

I am hoping that the transition papers may shed some light on who participated in the hiring of Mr. Livingstone. I would ask that you please direct this request to the custodian of the transition papers for the Clinton administration and instruct that individual to immediately respond to the Committee. Thank you for your cooperation in this matter.

Sincerely,



William F. Clinger, Jr.
Chairman

cc: Representative Cardiss Collins

THE WHITE HOUSE
WASHINGTON

July 9, 1996

BY HAND DELIVERY

The Honorable William F. Clinger, Jr., Chairman
Committee on Government Reform and Oversight
United States House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Clinger:

In accordance with the representation I made yesterday in my letter transmitting the bulk of the White House records you requested from the FBI, enclosed is a copy of the Update Project file you also requested. (CGE 48229-48342.) I understand we have now provided you with all of the White House records you requested from the FBI. Please let me know if you have a contrary understanding.

Let me clarify the misapprehension reflected in your letter of today to Mr. Quinn. On June 6, 1996, the White House provided the FBI with three boxes of material, two of which contained primarily FBI files and a third that contained what appeared to be miscellaneous files. We did not examine the contents of the boxes other than to identify file labels so we were not able to determine whether the third box contained material in which the FBI would have an interest. Erring on the side of caution, we decided to provide the entire box to the FBI and the FBI agreed to provide us with a copy. Contrary to the assumption in your letter, we did not just receive this material yesterday (although the FBI inexplicably did provide us with another copy). Rather, the FBI provided us with a copy within a few days of June 6, 1996. Mr. Shapiro's letter transmitting this material is attached.

When contacted by the FBI on July 3, 1996, we were simply asked whether the White House had any objection to the production of certain White House records to the Committee. We were not told when the Committee had made its request or that the Committee was expecting to receive such material on July 3,

Hon. William F. Clinger, Chairman
July 9, 1996
Page 2

1996. In accordance with standard practice, we informed the FBI that we would produce these White House records to the Committee, which we now have done.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Jane Sherburne", with a long horizontal flourish extending to the right.

Jane C. Sherburne
Special Counsel to the President

cc: Hon. Cardiss Collins
Attachment

THE WHITE HOUSE

WASHINGTON

July 9, 1996

BY TELECOPY

The Honorable Dan Burton
2411 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

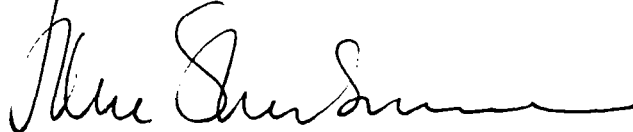
Dear Representative Burton:

This letter responds to your letter to the President received at the White House on June 25, 1996.

Your letter inquires as to whether IRS information was sought for certain former White House employees whose FBI files were mistakenly requested. We are not aware of any effort to obtain improperly personal tax information from the IRS. Moreover, although the White House receives certain tax information as part of the background investigation into new employees and employees undergoing a reinvestigation, the IRS will not provide such information unless it has a current tax check waiver, which is only valid for 60 days after it is signed by the employee. A copy of the tax check waiver form is attached for your information.

The White House is cooperating fully with the investigation of the Office of the Independent Counsel into the FBI files matter. As a result, we are not in a position to answer many of your questions because relevant records are not accessible. However, enclosed is a letter sent by Howard M. Shapiro, General Counsel to the FBI, to Senator Hatch which addresses many of your inquiries.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

Enclosures

cc: Hon. Cardiss Collins

WILLIAM F. CLINGER, JR., PENNSYLVANIA
CHAIRMAN

BENJAMIN A. GILMAN, NEW YORK
DAN BURTON, INDIANA
J. DENNIS HASTERT, ILLINOIS
CONSTANCE A. MORELLA, MARYLAND
STEPHEN D. WAXMAN, CONNECTICUT
JIM SCHIFF, NEW MEXICO
JOS. LEHTINEN, FLORIDA
H. ZELIFF, JR., NEW HAMPSHIRE
M. MOHUGH, NEW YORK
STEPHEN HORN, CALIFORNIA
JOHN L. MICA, FLORIDA
PETER BLUTE, MASSACHUSETTS
THOMAS M. DAVIS, VIRGINIA
DAVID M. MCINTOSH, INDIANA
JON D. FOX, PENNSYLVANIA
RANDY YATE, WASHINGTON
DICK CHRYSLER, MICHIGAN
GIL GUTENCHT, MINNESOTA
MARK E. SOUDER, INDIANA
WILLIAM J. MARTIN, NEW JERSEY
JOE SCARBOROUGH, FLORIDA
JOHN SHADEGG, ARIZONA
MICHAEL PATRICK PLANAGAN, ILLINOIS
CHARLES F. BASS, NEW HAMPSHIRE
STEVE C. LATOURETTE, OHIO
MARSHALL "MARK" SANFORD, SOUTH CAROLINA
ROBERT L. EHRlich, JR., MARYLAND

ONE HUNDRED FOURTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-8143

CAROLIS COLLINS, ILLINOIS
RANKING MEMBER
HENRY A. WAXMAN, CALIFORNIA
TOM LANTOS, CALIFORNIA
ROBERT E. WISE, JR., WEST VIRGINIA
MAJOR A. OWENS, NEW YORK
EDOLPHUS TOWNE, NEW YORK
JOHN M. SPRATT, JR., SOUTH CAROLINA
LOUISE MCINTOSH BLAUGHTER, NEW YORK
PAUL E. MANUROS, PENNSYLVANIA
GARY A. CONDT, CALIFORNIA
COLLIN C. PETERSON, MINNESOTA
KAREN L. THURMAN, FLORIDA
CAROLYN B. MALONEY, NEW YORK
THOMAS M. SARRETT, WISCONSIN
BARBARA ROSE COLLINS, MICHIGAN
ELEANOR HOLMES NORTON, DC
JAMES P. MOHRAN, VIRGINIA
GENE GREEN, TEXAS
CARRIE P. BEEK, FLORIDA
CHAKA PATTAH, PENNSYLVANIA
BILL K. BREWSTER, OKLAHOMA
TIM HOLDEN, PENNSYLVANIA

BERNARD SANDERS, VERMONT
INDEPENDENT

MAJORITY—(409) 895-6074
MINORITY—(202) 225-6051

July 9, 1996

Jack Quinn, Esquire
White House Counsel
The White House
Washington, D.C. 20515

Dear Mr. Quinn:

On Tuesday, July 2, 1996, Committee counsels spent approximately four hours at FBI Headquarters reviewing documents received from the White House following the discovery of the improper receipt of hundreds of FBI background files of prior administration officials. At the end of the review, Maggie Owens, the FBI legislative liaison, was asked to produce copies of selected Secret Service lists and other lists in their possession. Ms. Owens initially voiced a concern that the Independent Counsel might object to production of these files to this Committee and that no production could be made from the FBI without their approval. After receiving written and oral authorization from the Independent Counsel to produce these materials to the Committee, we were assured that delivery would be made as soon as the copies could be run through the copy machine. Ms. Owens said that she would try to produce the documents to the Committee by close of business on Wednesday, July 3, 1996.

Late Wednesday evening, Ms. Owens left a voice mail message for Barbara Olson that Jane Sherburne had instructed her not to produce any of the

Mr. Quinn
Page 2
July 9, 1996

requested copies of these documents in the FBI's possession. We were informed that Jane Sherburne instructed the FBI that these documents must be produced only with the approval of the White House Counsel's Office since they were "White House documents subject to the third party agency rule." No explanation was given for why these documents were suddenly called back by the White House as soon as the Government Reform and Oversight Committee requested copies. Nor was it explained how the White House squares its sudden repossession with the public announcements that the White House would not become involved in the investigation of its own improper receipt of FBI background files.

In response to this unexpected message, the FBI informed my staff that the Department of Justice met with the FBI on Wednesday and instructed them to call the White House before producing these documents to the Committee. Department of Justice attorney, Paul Coburn did not initially recall giving Ms. Owens any advice concerning the delivery of these files last Wednesday but stated that he may have told her about the "third party agency rule."

Last night, after receiving a copy of all documents back from the FBI, Ms. Sherburne copied a portion of the requested documents and had them delivered. The White House's production of these documents does not include certain documents that my staff recalls requesting from the FBI. As a result, I am renewing my request to the FBI to copy all documents we identified last week and to produce them to this Committee today. Obviously, your approval to the FBI is necessary for this production. Accordingly, I am requesting that you call Ms. Owens at the FBI today in order to facilitate this production.

Finally, as you are aware, the Committee on Government Reform and Oversight is reviewing the activities of Anthony Marceca surrounding his White House detail as well as all other contacts he had with White House personnel. Based on information received, we understand that Mr. Marceca completed applications for a Schedule C or Presidential Appointment during the time of his detail to the White House in 1993 and again after his detail ended in 1994.

Mr. Quinn
Page 3
July 9, 1996

We believe that one of the positions Mr. Marceca applied for was Inspector General and/or a United States Marshal presidential appointment.

It is our understanding that Mr. Marceca was interviewed for a presidential appointment with the White House Office of Personnel and that White House personnel spoke to an Assistant Secretary of the Department of the Interior concerning the possibility of Mr. Marceca's appointment at that agency. We also have information that Mr. Marceca had access to the White House as early as March, 1993 and the White House continued to request he have White House pass clearance at least through February, 1995.

Please produce all records of any kind concerning any application or request by or on the behalf of Mr. Marceca for any position within the White House or other federal agency. This production should include, but is not limited to, all letters of recommendation, records of meetings or interviews. Please provide all related documentation created as a result of any of the above-mentioned activities whether or not the requested action was approved or merely discussed concerning any activities of Mr. Marceca. This production should include, but is not limited to, information concerning background investigations or reviews conducted involving Anthony Marceca from January, 1993 to the present date. Please provide telephone logs and calendars of any individuals including those in Presidential Personnel, that scheduled or discussed interviews with Mr. Marceca. Specifically, include all records of any interview scheduled on or about January 26, 1994, as well as all other relevant dates.

Additionally, if Mr. Marceca had any involvement whatsoever concerning any official or unofficial investigation of the procurement practices of the White House Travel Office or of any aspect of the procurement of the services of UltraAir at any time, please produce all records pertaining to such activity.

Mr. Quinn
Page 4
July 9, 1996

Due to the necessity of a timely response, please provide all responsive records in your possession no later than close of business on Thursday, July 11, 1996.

Sincerely,


William F. Clinger
Chairman

cc: The Honorable Cardiss Collins
The Honorable Louis Freeh

THE WHITE HOUSE
WASHINGTON

July 8, 1996

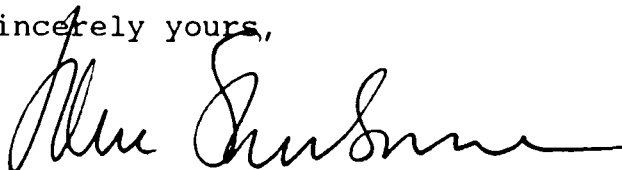
BY HAND DELIVERY

The Honorable William F. Clinger, Chairman
House Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Clinger:

Under cover of this letter, and pursuant to the Committee's request of June 28, 1996, we are providing documents numbered S1 0001-1446. We request that you treat these documents as "Highly Confidential" in accordance with the protocols set forth in Ms. Williams' August 9, 1995 letter to Mr. Larsen.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

Enclosures

(CC: COPY TO GOLDBERG)

THE WHITE HOUSE
WASHINGTON

July 8, 1996

BY HAND DELIVERY

John D. Bates
Deputy Independent Counsel
Office of the Independent Counsel
1001 Pennsylvania Avenue, N.W.
Suite 490-North
Washington, D.C. 20004

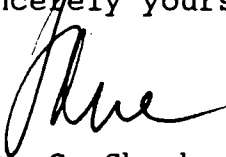
Dear John:

Pursuant to your request for the documents produced to the Senate Judiciary Committee at the request of Senator Biden, enclosed are documents stamped S1 #0001-1446.

We understand that your Office will treat these documents as confidential and entitled to all protection accorded by law, including Federal Rule of Criminal Procedure 6(e), to documents subpoenaed by a federal grand jury.

Please call me if you have any questions.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

Enclosures

THE WHITE HOUSE
WASHINGTON

July 8, 1996

BY HAND DELIVERY

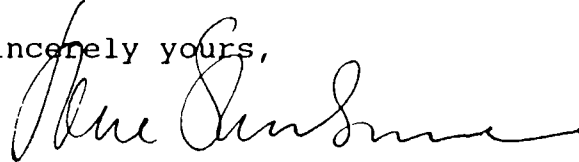
The Honorable William F. Clinger, Jr., Chairman
Committee on Government Reform and Oversight
United States House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Clinger:

We have been informed by the FBI that you are interested in receiving copies of certain White House records that your staff reviewed at the FBI. Enclosed are the records we understand you requested. (CGE 046577-047834.) We gather you also expressed interest in one of the Update Project files. We have asked the FBI to identify your request more specifically so that we can be sure we are providing you with the correct material. We hope to produce any additional material tomorrow.

As always, we request that you treat these documents as "Highly Confidential" in accordance with the protocols set forth in Ms. Williams August 9, 1995 letter to Mr. Larsen.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Hon. Cardiss Collins

THE WHITE HOUSE
WASHINGTON

July 5, 1996

BY FACSIMILE

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

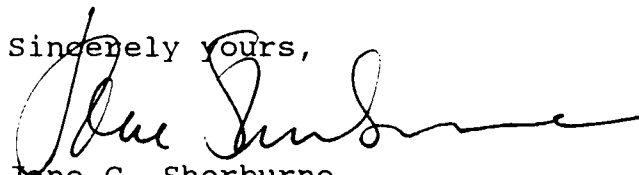
The Honorable John L. Mica
Chairman
Subcommittee on Civil Service
Committee on Government Reform
and Oversight
B371C Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Clinger and Chairman Mica:

We have received your letter of July 2, 1996 regarding the Personal Data Statement Questionnaire.

Your letter requests responses to a number of questions pertaining to the Questionnaire. Although we have undertaken to retrieve the necessary information and documents, due in part to the intervening July 4th holiday, we are unable to meet your deadline of today. We are preparing a response to your inquiry as promptly as possible.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Honorable Cardiss Collins
Honorable James Moran

THE WHITE HOUSE

WASHINGTON

July 5, 1996

BY TELECOPY

William F. Clinger, Chairman
House Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Clinger:

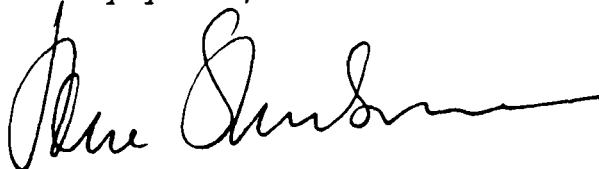
I am writing with a request regarding the contacting of current White House employees in connection with your Committee's investigation of the Travel Office and FBI files matters.

Although most of the individuals involved in the Committee's investigation are already represented by counsel, some of the current employees in which the Committee apparently has an interest are not. For those unrepresented employees, being contacted directly by your Committee staff has caused some uncertainty as to their obligations and rights.

In order to avoid unnecessary confusion and delay in responding to your Committee, I suggest that, if the Committee seeks information from the White House or a deposition of a current unrepresented White House employee, you direct a written request to my attention, rather than calling White House officials directly. We believe this will prove to be the most efficient and appropriate way for your Committee to obtain the information it needs from the White House for its inquiry.

Please let me know if this presents any problems.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Hon. Cardiss Collins

THE WHITE HOUSE
WASHINGTON

July 5, 1996

BY TELECOPY

William F. Clinger, Chairman
House Committee on Government Reform
and Oversight
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Clinger:

I am writing with a request regarding the contacting of current White House employees in connection with your Committee's investigation of the Travel Office and FBI files matters.

Although most of the individuals involved in the Committee's investigation are already represented by counsel, some of the current employees in which the Committee apparently has an interest are not. For those unrepresented employees, being contacted directly by your Committee staff has caused some uncertainty as to their obligations and rights.

In order to avoid unnecessary confusion and delay in responding to your Committee, I suggest that, if the Committee seeks information from the White House or a deposition of a current unrepresented White House employee, you direct a written request to my attention, rather than calling White House officials directly. We believe this will prove to be the most efficient and appropriate way for your Committee to obtain the information it needs from the White House for its inquiry.

Please let me know if this presents any problems.

Sincerely yours,



Jane C. Sherburne
Special Counsel to the President

cc: Hon. Cardiss Collins

WILLIAM F. CLINGER, JR., PENNSYLVANIA
CHAIRMAN

A. GILMAN, NEW YORK
JN. INDIANA
MASTERT, ILLINOIS
JACE A. MORELLA, MARYLAND
CHRISTOPHER SHAYS, CONNECTICUT
JOHN SCHIFF, NEW MEXICO
LEAH ROSENTHAL, FLORIDA
WILLIAM H. ZELIFF, JR., NEW HAMPSHIRE
JOHN W. MCCRAE, NEW YORK
STEPHEN HORN, CALIFORNIA
JOHN L. MICA, FLORIDA
PETER BLUTE, MASSACHUSETTS
THOMAS M. DAVIS, VIRGINIA
DAVID M. MCINTOSH, INDIANA
JOHN D. FOX, PENNSYLVANIA
RANDY TATE, WASHINGTON
DICK CHUTSLER, MICHIGAN
GIL GUTENBERG, MINNESOTA
MARK E. BOURDER, INDIANA
WILLIAM J. MARTINI, NEW JERSEY
JOE SCARBOROUGH, FLORIDA
JOHN SHADDECK, ARIZONA
MICHAEL PATRICK FLANAGAN, ILLINOIS
CHARLES F. BASS, NEW HAMPSHIRE
STEVE C. LATOURETTE, OHIO
MARSHALL "MARK" SANFORD, SOUTH CAROLINA
ROBERT L. EHRICH, JR., MARYLAND

ONE HUNDRED FOURTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

July 2, 1996

CARDINE COLLINS, ILLINOIS
RANKING MINORITY MEMBER
HENRY A. WAXMAN, CALIFORNIA
TOM LANTOS, CALIFORNIA
ROBERT E. WIRE, JR., WEST VIRGINIA
MAJOR R. OWENS, NEW YORK
EDOLPHUS TOWNS, NEW YORK
JOHN M. SPRATT, JR., SOUTH CAROLINA
LOUISE MCINTOSH BLAUGHTER, NEW YORK
PAUL E. KANJORSKI, PENNSYLVANIA
GARY A. CONDT, CALIFORNIA
COLLIN C. PETERSON, MINNESOTA
KAREN L. THURMAN, FLORIDA
CAROLYN B. MALONEY, NEW YORK
THOMAS M. BARRETT, WISCONSIN
BARBARA-ROSE COLLINS, MICHIGAN
ELEANOR HOLMES NORTON, DC
JAMES P. MORAN, VIRGINIA
GENE GREEN, TEXAS
CARRIE P. MEIK, FLORIDA
CHAKA FATTAN, PENNSYLVANIA
BILL K. BREWSTER, OKLAHOMA
TIM HOLDEN, PENNSYLVANIA

BERNARD SANDERS, VERMONT
INDEPENDENT

MAJORITY—(202) 225-5074
MINORITY—(202) 225-5081

President William J. Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

I appreciate your office's assistance in providing this Committee with a copy of Mr. David Craig Livingstone's personnel records. Unfortunately, this is the only item among many that I have requested on June 21 and 28, 1996, that has been provided to date. These files, and other evidence recently uncovered by this Committee regarding the employment and work history of Mr. Livingstone, appear to directly contradict statements by representatives of your Administration during several public appearances and by Mr. Livingstone himself in testimony before Congress.

It appears that Mr. Livingstone developed a significant level of experience over the course of his employment in your Administration and in previous presidential campaigns conducting opposition activities and "dirty tricks." In light of the serious questions raised by the misuse of sensitive Federal Bureau of Investigation background files by your staff, I hope that you and your former security director will be forthcoming with his entire background history.

Among the numerous inconsistencies to which this information is relevant:

- ◆ Mr. George R. Stephanopoulos, appearing on your behalf on a number of television programs, suggested that the late Vincent Foster was responsible for hiring Mr. Livingstone. That charge is unsubstantiated. Who sponsored Mr. Livingstone during the Presidential Transition for employment with the White House? What role did Eli Segal play in support of Mr. Livingstone's application? Who provided letters of recommendation on Mr. Livingstone's behalf to the Clinton White House?
- ◆ We also have received contradictory information concerning the date Mr. Livingstone received his own security clearance. Is it correct that although Mr. Livingstone was appointed on March 11, 1993, his security clearance was not approved until December of 1995? This contradicts Mr. Livingstone's sworn deposition when he was asked:

Question: "Do you know when you got your security clearance in 1993?"

President William J. Clinton
July 2, 1996
Page Two

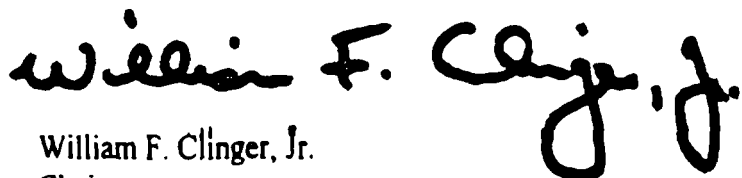
Answer: "I believe March it was completed."

If Mr. Livingstone did not receive a security clearance until December of 1995, why did four White House Counsels permit him to review sensitive FBI background files?

- ◆ It appears that Mr. Livingstone communicated directly with Mr. Stephanopoulos when seeking advancement while employed at the White House. This does not comport with Mr. Stephanopoulos' statements this past week that he barely knew Mr. Livingstone. About this same time, Mr. Stephanopoulos was quoted in the Pittsburgh Post-Gazette as saying, "[Mr. Livingstone] does a terrific job. . . And he knows how to cut through the bureaucracy and get things done." What role did Mr. Stephanopoulos play in hiring Mr. Livingstone and, considering their close personal relationship, is it appropriate to have Mr. Stephanopoulos serve as your spokesman on this matter?
- ◆ Mr. Livingstone's own resume describes his position in the Clinton/Gore campaign as "Senior Consultant to Counter-Event Operations, Clinton-Gore '92," where he says he successfully deployed several of the infamous 'Pinocchio' and 'Chicken George' media events. Not only do I question the need for such a dirty tricks operation in a presidential campaign, I question what in Mr. Livingstone's background qualified him for the highly sensitive position of Director of White House Security. What role did Mr. Stephanopolous play in supervising Mr. Livingstone in the Counter-Event Operations office? If Mr. Stephanopolous did not supervise this office, who did?
- ◆ The manner in which Mr. Stephanopoulos has responded to questions posed to him by the media appears to suggest that he has participated in a review of the FBI files issue with White House staff. Has the White House conducted its own inquiry into the matter, contrary to what I was previously told, or has Mr. Stephanopoulos simply been guessing when responding to the media? Have any White House staff participated in interviewing participants in the FBI story during the last several weeks?

These are serious questions which must be addressed before you or your spokesmen give partial or misleading answers to the American people. I would appreciate your assistance in answering these questions and in making Mr. Livingstone's full history available to the public.

Sincerely,


William F. Clinger, Jr.
Chairman

June 28, 1996

MEMORANDUM

TO: JODIE TORKELSON
FRANK REEDER

FROM: WENDY WHITE

RE: CRAIG LIVINGSTONE'S PERSONNEL FILE

On June 21, 1996, Chairman Clinger of the House Government Reform and Oversight Committee asked the White House Counsel's Office to provide the following information to the Committee:

"[P]lease provide all information on who hired Mr. Livingstone, who vetted his file and reviewed his background and who made any recommendations on Mr. Livingstone's behalf. Was Presidential Personnel Chief Bruce Lindsey involved in Mr. Livingstone's hiring? Was Chief of Staff Mack McLarty involved in Mr. Livingstone's hiring? Was White House Counsel Bernard Nussbaum involved in Mr. Livingstone's hiring? Was Senior Advisor George Stephanopoulos involved in Mr. Livingstone's hiring? Please identify all individuals who played any role in Mr. Livingstone's hiring?"

In order to respond to this request, would you please provide to me a copy of Mr. Livingstone's personnel file for review by our office.

Congress of the United States

Washington, DC 20515

June 28, 1996

The Honorable William F. Clinger, Jr.
Chairman
Committee on Government Reform and Oversight
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Clinger:

In the full Committee hearing on Wednesday, June 26, former White House Counsel Bernard Nussbaum asked that you correct the record regarding specific allegations you made about him on June 5, 1996.

According to an Associated Press story on that same day, you distributed to the press a form with Mr. Nussbaum's name preprinted on it and called it "a truly startling document from President Clinton's former White House counsel, Bernard Nussbaum." At your press conference, you told the country that Mr. Nussbaum had used the FBI to turn up information on former White House Travel Office employee Billy Dale. You also stated that he had lied to the FBI and could probably be prosecuted for committing a felony.

As a result of the Committee's investigation into the White House Travel Office, President Clinton has repeatedly apologized for mistakes his Administration has made. He has not, for instance, tried to defend the dismissal of Billy Dale by saying it's a matter of public record that Mr. Dale had transferred approximately \$54,000 in Travel Office funds into his personal bank account when employed at the Travel Office. Instead, the President recognized that Mr. Dale was wronged by the Administration's actions.

We are writing to ask that you follow the President's example and apologize to Mr. Nussbaum for the serious error you have made. As you know, Mr. Nussbaum testified under oath on Wednesday that--contrary to your allegations--he did not order copies of FBI files on Mr. Dale.

You responded to Mr. Nussbaum by saying that the "documents speak for themselves." Moreover, you dismissed Mr. Nussbaum's demand for an apology by suggesting that he was attempting to "demonize" you. We believe this is a wholly inadequate response.

You very publicly--and wrongly--accused Mr. Nussbaum of

possible criminal behavior. It is irrelevant whether this falsehood was innocent or intentional. What matters is that you now know you were wrong. The fair and decent course is for you to admit that you overreached and to apologize to Mr. Nussbaum. We request that you do so immediately.

Sincerely,

Cardene Collins
Henry A. Wapman

Tom Barnett

Tim Idles

Bob Allen

Jim Moran

Bob Wise

Carrie P. Meek

Karen A. Thurman

Chad Fattt

Paul E. Kargirer

Leese M. Slaughter

Wesley Brown

Carolyn B. Malony

Elyse E. Cummings

John Spratt

Tom Lantz

Barbara Lee Collins

B. L. Smith

2401 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0529
(202) 225-3976

DISTRICT OFFICE:
8436 WEST 3rd STREET
SUITE 800
LOS ANGELES, CA 90048-4183
(213) 651-1040

COMMITTEES
COMMERCE

GOVERNMENT REFORM AND OVERSIGHT

PHILIP M. SCHIRO
ADMINISTRATIVE ASSISTANT

Congress of the United States

House of Representatives

Washington, DC 20515-0529

HENRY A. WAXMAN
29TH DISTRICT, CALIFORNIA
June 27, 1996

Dear Colleague:

As you know, the House Government Reform and Oversight Committee held a 9 1/2 hour hearing yesterday on the White House Office of Personnel Security's collection of FBI files on previous employees of the White House as part of its Update Project.

Having had the opportunity to hear the testimony of witnesses who worked in the White House Office of Personnel Security, I wanted to share with you specific information that is relevant in our review of the Administration's actions in this matter.

As you know, the Update Project consisted of the Clinton Administration's reconstruction of the security files of "holdover" employees, detailees, agency representatives, and others who had access to the White House complex. This project was necessary because every departing Administration takes all of its security files on the thousands of people with access to the White House complex and turns them over to the National Archives with Presidential Papers. In addition to recreating these files, the White House Office of Personnel Security had to determine which holdovers were due for their required five-year FBI background reinvestigation.

Lisa Wetzl, a witness at yesterday's hearing, had been employed by the White House Office of Personnel Security and personally worked on the Update Project. Ms. Wetzl's testimony was largely overlooked by the press, but it will be especially helpful to Members who are seeking the truth about the office's inappropriate request of some FBI files.

Ms. Wetzl has been accused of no wrongdoing, and no questions have been raised about her character and integrity. Her testimony was competent, credible, unequivocal, and under oath. She is no longer employed at the White House and has no logical reason to perjure herself. Indeed, it makes no sense to me that Chairman Clinger, after receiving her deposition, did not ask her to testify and initially refused a request by the Minority that she be allowed to do so.

Ms. Wetzl was employed in the Office of Personnel Security from August 1993 until September 1995. This is significant

because she is the only person who worked on the Update Project whose employment coincided with the other individuals who worked on this project: Nancy Gemmell and Anthony Marceca.

Nancy Gemmell was the only career employee from the previous Administration who stayed on in the Office of Personnel Security with the change in Administrations. She guided Ms. Wetzl and Mr. Marceca on office procedures and began the work on the Update Project for the Clinton Administration prior to her retirement in August 1993. She had worked in the Office of Personnel Security since 1981. When she decided to retire, the Clinton Administration asked her to stay on until August 1993.

Anthony Marceca, an investigator with top security clearance for the United States Army Criminal Investigative Division, was detailed to the White House from August 1993 - February 1994. He arrived at about the time Ms. Gemmell retired and was the next person to work on the Update Project. According to Ms. Wetzl, Mr. Marceca was detailed primarily to work on the paperwork for FBI full field background investigations of new employees. She said that he began to work on the Update Project "at some point after he started."

Ms. Wetzl was responsible for completing the Update Project that Ms. Gemmell and Mr. Marceca had begun. She testified that since the Update Project had not been a priority in the office, she did not begin her work on it until the late fall of 1994, six months after Mr. Marceca returned to his job at the Army Criminal Investigative Division.

Ms. Wetzl is also the one who made the discovery that the Secret Service lists Ms. Gemmell and Mr. Marceca relied upon were out of date.

One of the two issues at the core of this investigation is the accuracy of the list of names of holdovers the Secret Service maintained and provided to the Office of Personnel Security.

In her sworn testimony yesterday, Ms. Wetzl stated that she knew Mr. Marceca was using a Secret Service list for the Update Project because of the "distinctive green and white computer paper" that contained the list of names he worked from.

She testified that Ms. Gemmell had also used a Secret Service list and that she had left it in the office vault when she retired. Ms. Wetzl said she knew "immediately" when she reviewed Ms. Gemmell's Secret Service list that it was out of date because it was "extremely long, and appeared to contain hundreds of names from past administrations."

Ms. Wetzl also cleared up the confusion many of us have had about the Secret Service lists: why did it seem that people were using different lists and how could the Secret Service list of names be inaccurate when the Secret Service claims that they are

regularly updated?

In her opening statement, Ms. Wetzl testified: "The list I used was provided to us by the Secret Service on a monthly basis, but we could ask for updated copies more frequently... It was well known around our office that the Secret Service lists included names of people who no longer had active passes... On many occasions, I would inform the women who worked in the Secret Service office who had provided us with the lists that their lists contained names that should no longer be there, or that persons were listed as working in the wrong office."

Ms. Wetzl also stated that she took it upon herself to contact supervisors of White House offices to request an accurate list of holdover employees because she could not rely on the accuracy of the Secret Service's list. On "many occasions" she notified the Secret Service with corrections. In fact, she testified that copies of memos she sent to the Secret Service notifying its staff of mistakes in the list are still at the White House Office of Personnel Security. These documents are under seal by order of Independent Counsel Kenneth Starr. It is my hope they will be released in the very near future.

The second issue at the core of this investigation is whether there was any intent to misuse FBI files for political purposes.

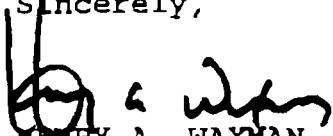
Ms. Wetzl also testified under oath that during her entire term in the Office of Personnel Security, she knew of no effort to use the FBI files as part of a smear campaign or to create an enemies list, and that no one ever asked or directed her to assemble information or to use any confidential information for any reason, political or otherwise.

Moreover, Ms. Wetzl told the Committee that to her knowledge no one in the office requested FBI files in the six months between Mr. Marceca's departure and the date she began to work on the project. Finally, she testified that a log system was in place for any removal of files from the office to the White House Counsel's office.

There will undoubtedly be additional questions that need to be answered in this matter. But if Ms. Wetzl's testimony is accurate, and there is no evidence that suggests otherwise, then it is clear that the Update Project was handled ineptly. What the sworn testimony also makes clear, however, is that the project was not motivated by political reasons, that the information in the FBI files was not used in any political way, and that access to the files was more limited than has been publicly suggested. In short, Ms. Wetzl's sworn testimony reveals that the office's employees made very serious mistakes, but no testimony in yesterday's hearing indicated that the staff was involved in intentionally unethical or illegal activity.

I hope this information is helpful to you as you continue to follow the developments of this important issue. Please contact Pat Delgado of my staff if you would like to have a copy of Ms. Wetzl's statement or if you need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "H. A. Waxman", written over the printed name.

HENRY A. WAXMAN
Member of Congress