



NEWS CONFERENCE WITH ATTORNEY GENERAL

JANET RENO

RE: CAMPAIGN FINANCE

TASK FORCE

DEPARTMENT OF JUSTICE

WEDNESDAY, AUGUST 23, 2000

9:32 A.M. EDT

ATTY. GEN. RENO: Over the past four years, the Campaign Finance Task Force has been vigorously investigating allegations of wrongdoing in the 1996 election cycle.

I am pleased with the progress the task force has made, and I respect all of those who have contributed to the success.

Robert Conrad, the current head of the task force, is one person who deserves a good deal of credit for the success.

He is an excellent prosecutor.

I meet with him on a regular basis, and I am impressed with his judgment, his management of the task force, and his knowledge of the law.

He is an excellent prosecutor. There will always be disagreement among lawyers.

The Supreme Court often splits, five to four.

The arguments around this table where I have my staff meetings are vigorous, and that's the way I want it.

But I can tell you, my regard for Bob Conrad has only increased as I have dealt with him on this issue.

Like those before him, Bob believes that internal deliberations among prosecutors should not become public.

There are two basic reasons for this.

First, we should encourage candid, vigorous internal discussion as we determine how to proceed in any matter.

Participants should feel free to disagree. Release of internal recommendations threaten such a candid discussion.

Secondly, such a release of internal preliminary recommendations in a pending matter is not fair to those involved, and it undermines the fairness and the credibility of our entire criminal justice system. For example, today Bob Conrad has been tagged with being the only person in the Justice Department who thought I should appoint a special counsel.

Although I'm not going to get into who recommended what, I can tell you that that is not correct.

Earlier, someone released the fact that Bob had recommended that I appoint a special counsel to further investigate the falsity of certain statements the vice president made in an interview conducted by Mr. Conrad last April about the Hsi Lai Temple event and coffees held by the vice president and the president as part of the 1996 campaign. The recommendation did not involve the legality of those events themselves.

I have carefully reviewed the transcript of the vice president's interview, as well as related documents and materials.

The special counsel regulations provide for the appointment

of a special counsel when the attorney general determines that criminal investigation of a person or matter is warranted, that investigation would present a conflict for the Department of Justice or other extraordinary circumstances, and it would be in the public interest to appoint a special counsel.

Because further investigation is not likely to result in a prosecutable case under applicable criminal law and principles of federal prosecution, I have concluded that a special counsel is not warranted.

The transcript reflects neither false statements nor perjury, each of which requires proof of a willfully false statement about a material matter.

Rather, the transcript reflects disagreements about labels. I have concluded that there is no reasonable possibility that further investigation could develop evidence that would support the filing of charges for making a willful false statement.

The task force will, of course, continue its ongoing investigation into illegal fundraising activity and will be free to pursue all avenues of investigation, wherever they may lead.

Q Ms. Reno, how important in your decision was the materiality aspect, the fact that none of these events that were discussed were themselves illegal?

ATTY GEN. RENO: We have considered that, but basically, I came to the conclusion, as I have indicated, that no further investigation could produce facts that would permit, under our principles of federal prosecution, the filing of charges.

Q And why is that? What -- can you help us understand that a little better? In other words, because why?

ATTY GEN. RENO: Just to give you an example, for -- the vice president makes the statement in the transcript that

has been released that he may have attended one coffee.

And then he says, "I don't know what the record reflects."

He immediately turns to the record. At the conclusion of the interview, he asks his counsel to check the record and to clarify the record, and he produces that information as to the number of coffees he attended or he hosted, as best the record can reflect.

That, I don't think, would support in any way a charge of false statement, based on a statement that he may have attended one.

There are other issues with respect to what the question means. The vice president took the question to mean just coffees in the White House hosted by the president. Mr. Conrad intended it to cover coffees that might have been hosted or attended by the vice president.

That was clarified.

There is some indication why did -- why didn't he indicate that at first, but if you look at the transcript carefully, the vice president says, "Those coffees were on the other side of the house. That was the -- in the White House.

That was the president's coffees.

I hosted the coffees in the Old Executive Office Building." And so the number of coffees referred to will depend on the question.

And fundamental ambiguities in the question and how it's understood by the person answering the question make a perjury charge or a false statement charge impossible to prove.

Q Ms. Reno, does this mean that the task force will no longer consider any questions surrounding the Hsi Lai Temple event?

ATTY GEN. RENO: What I have tried to make clear is that this -- first of all, Mr. Conrad's recommendation did not go to the underlying events; it went just to the statements. And the task force is free to pursue the issues.

Q The task force can pursue any questions that it thinks appropriate about that temple event?

ATTY GEN. RENO: That's correct.

Q Will Mr. Conrad continue to head up the task force?

ATTY GEN. RENO: Yes, he will.

Q Has he accepted your decision?

ATTY GEN. RENO: I don't discuss conversations I have with lawyers, so that they can feel free to talk to me.

But as I indicated, based on my conversations with him about this issue, I have an even greater regard for him.

Q Will he have any difficulty, though, in pursuing the investigation? Will he feel that he has any conflict between what he believes should be done and what you have now told him will not be done?

ATTY GEN. RENO: He would have to make any comment that he wanted to make with regards to that.

Q Has he expressed any qualms about that to you?

ATTY GEN. RENO: I have indicated that he should make any comment. ' Q Ms. Reno, as sure as we're sitting here, you're going to be accused of making a political decision. They're going to say that your -- the chief of the task force and you both looked at a set of facts and the law and came up with entirely different conclusions.

How do you counter those accusations that this is a political decision made in the heat of the presidential

campaign?

ATTY GEN. RENO: The same way I've done it before.

I don't do things based on politics. I realize that politics will be hurled around my head.

I just sit there and duck as it comes, and continue to look at the evidence and the law and make the best judgment I can, after consultation with as many people as possible who have relevant information.

Q Has this process been fair to the vice president or anybody else -- (audio break) -- in a similar situation? Should this have been public to begin with?

ATTY. GEN. RENO: Well, as I indicated to you earlier -- What do you mean, should what have been public?

Q Your deliberations as to whether to appoint a special counsel --

ATTY. GEN. RENO: Oh, I don't think the deliberations should be made public. That's the whole point I was making here, that if you think -- if you think my decision should have been made earlier.

I try to make decisions based on what's right and make them as quickly as possible.

Q Ms. Reno, most of the paperwork on your earlier decision processes in the campaign finance matter, whenever questions arose about then-independent counsels, have now been made public. Will you make public any of this paperwork, including Mr. Conrad's original recommendation and any of the responses from other Justice people?

ATTY. GEN. RENO: I don't think that, for the reasons I indicated, that that should be made public.

These internal deliberations should be just that, and people should have confidence that their thoughts and

disagreements are not spread out across the world until final decisions are made.

Q But in the last few years, you have essentially caved on that belief when Congress has demanded the earlier documentation.

ATTY. GEN. RENO: I would hope that Congress would see the wisdom of what I'm trying to do, understand the risks that are taken when Congress intervenes in a pending matter, so that we can proceed with the Campaign Task Force investigation in a thorough way.

Q Ms. Reno -- (inaudible) -- Gore's answers concerning the Hsi Lai Temple and how you came down on that?

ATTY. GEN. RENO: The concern was that the vice president called it a fund-raiser and made references to it being finance-related.

The vice president defined -- and he defined early on -- his definition of a fund-raiser as an event at which money was raised there.

But then he went on, both with respect to the coffees and with respect to the Temple, to describe the role that the coffees and the Temple event played in raising money for the campaign.

Because if you read the transcript carefully, it refers to the fact that calls, events and coffees will be important.

He's asked, What is the role of these events in the raising of the \$108 million for the campaign?

And he describes that role. There's no ifs, ands or buts about it. He describes the role, that it's to build relationships, develop an understanding, answer questions, hear people's ideas and build a relationship so that later, you might go out and ask for a contribution.

It's the labels where they disagree. And I reached the

conclusion that the vice president had not, based on this record, failed to describe what the role in fundraising was.

Q How can you assure the American people that these decisions that you make, given the fact that he is the person supposedly most intimately involved with the details, that your conclusions are more accurate and stronger than his.

ATTY. GEN. RENO: More accurate than?

Q Or that you're right and that he's wrong.

ATTY. GEN. RENO: I have taken each one of the statements and gone through it to see whether you could develop evidence sufficient to prove it beyond and to the exclusion of a reasonable doubt by further investigation, and have concluded that you can't.

Q That's the opposite of Peter's question. Could you argue that this was never even a close call, given that the underlying conduct here, the temple fundraiser, or the temple event, and the coffees were not themselves illegal?

ATTY. GEN. RENO: I don't want to get into anything with relationship to the underlying events because that relates to the continuing investigation.

But in all of these factors, we have considered whether you could, with further investigation -- because everybody agrees now that based on the state of the record, you could not file charges now under any circumstances -- but if you could develop evidence sufficient to prosecute.

Q Ms. Reno, one of the most troubling aspects about what's been reported of the vice president's statements is his contention that he did not know that some of the money he raised in phone calls from his office was going into hard money accounts, that he thought it was all going to soft money.

How was that issue resolved?

ATTY. GEN. RENO: Well, we go back to that, and again, I don't want to comment on the underlying events. I just refer you to previous statements filed.

Q But there was an indication that the vice president was present in at least one meeting in which this money was divvied this way, that at least part of the money raised in these calls was going to hard money accounts.

ATTY. GEN. RENO: I would refer you to the filings with regards to that matter, but I don't want to discuss further any of the underlying events.

Q Because this is a continuing investigation?

ATTY GEN. RENO: That's correct.

Q How many of your advisers agreed with Mr. Conrad that an independent counsel might or should be brought in?

ATTY GEN. RENO: I can think of two.

Q Two besides Mr. Conrad?

ATTY GEN. RENO: Mm-hmm. (Affirmative.)

Q What's your thinking about the timing of this announcement? Did it occur to you that it might have more or less impact if you made this announcement prior to the convention, rather than after the convention?

ATTY GEN. RENO: I wanted to make it as soon as possible.

I did not want to interrupt or interfere with or influence in any way either convention.

Q But can you tell us --

Q Have you -- I'm sorry.

If I can just follow up on the timing there --

Q Yeah.

Q Does that mean that you consciously held off on a final decision until after the convention, or that you -- (laughs) -- made the decision earlier, but just held off announcing it?

ATTY GEN. RENO: No, I struggled over this. And I want to be as fair as I can. When do I reach the decision -- you are constantly keeping your ears open. You wake up one morning, and you think, "Let me check this. Let me check that."

I just want to be as thorough as I possibly can, make sure that I have heard from everybody, considered everything, and try to do it the right way.

Q Ms. Reno, on the timing of the announcement, how much -- what role did politics play in terms of whether or not you would actually appoint a special counsel and the difficulties of setting up an office in the middle of a presidential election?

ATTY GEN. RENO: What role did politics play --

Q Yeah. Do you -- in other words, did you factor into account that the logistical difficulties of setting up a new investigative unit to look into these issues as the campaign is going on and in the closing days of --

ATTY GEN. RENO: No, what I did was ask that threshold question that the regulations require.

Was investigation, a criminal investigation, warranted? And in this instance, the question was, was further investigation warranted?

I concluded that it was not, because I did not think that there was a reasonable possibility that further investigation would produce evidence sufficient to charge.

Q But you say you struggled over that decision. Can you tell how that review compared to earlier White House fundraising reviews, in terms of complexity of the issues, difficulty --

ATTY GEN. RENO: One was an apple, one was an orange, and one was a pear. (Soft laughter.)

Q When did you reach your decision? Yesterday?

ATTY GEN. RENO: Sometime over the weekend.

Q Ms. Reno, you've reached the conclusion that further investigation was not warranted because it was not likely to lead to charges.

But your critics for the last four years have maintained that there needs to be someone outside the department, someone -- not you, not any of your top advisers, who makes that fundamental threshold decision whether further investigation could lead to charges.

ATTY GEN. RENO: I think we're under principles of federal prosecution -- because remember, under the special counsel regulations, I appoint.

And I do not see how, under the criminal law and under the principles of federal prosecution, these statements could be determined to be either false statements or perjury.

To then appoint a special counsel would, I think, be inconsistent with the regulations.

But I think it would be, first of all, unfair to put people through an investigation.

And secondly, I don't think that since the special counsel is in effect my appointee, that I could justify and support the decision they made.

This goes to the heart of everything we care about in this

country, that you don't pursue a case where there is no basis for concluding that you can make a case. You don't put people through an investigation where you don't, based on the law and the principles that govern our conduct, think you can find the evidence that would justify further action.

Q When you talk about the careful reading of the transcript, was that more important to you than the advice of the people that you sought?

ATTY. GEN. RENO: I think it was all important. But the transcript is at the heart of it.

Q Ms. Reno, in the past, you've described the regulations as having three prongs, as I understand it.

Number one, the investigation has to be warranted.

Number two, if the department did the investigation, it would constitute a conflict of interest.

And number three, that it would be in the public interest to conduct an investigation.

Is it fair to say that even though the second prong, the conflict of interest, may have been a closer question, you didn't feel that number one or number three were satisfied?

ATTY. GEN. RENO: Well, first of all, you haven't -- the determination that a criminal investigation or further investigation is warranted is a condition of the other prongs.

It says, "The attorney general, or in cases in which the attorney general is recused, the acting attorney general, will appoint a special counsel when he or she determines that criminal investigation of a person or matter is warranted." That's the threshold decision that has to be made.

And then: "And, A, that investigation or prosecution of

that person or matter by a United States attorneys office or litigating division of the Department of Justice would present conflict of interest for the department or other extraordinary circumstances; and, B, the second prong, that under the circumstances it would be in the public interest to appoint an outside special counsel to assume responsibility for the matter."

I couldn't get past that threshold.

Q Was Mr. Gore's office notified directly today?

ATTY. GEN. RENO: I have not notified him.

Q Ms. Reno -- (off mike) -- change of subject -- (off mike). There has been a lot of discussion about this Carnivore project.

I was wondering if you could tell me how the process is proceeding for selecting a university for that, and when the Justice Department will name the university or college?

ATTY. GEN. RENO: We want to make the selection as fair and equitable as possible for all universities that want to be considered.

In order to do this, we will be posting tomorrow at 5:00 p. m. on the department's website a statement of work and specific expectations for the review. This will ensure that all the universities that want to be considered will be able to apply based on the same standards, and everyone, including privacy and industry experts, will understand exactly what we are expecting from the review process.

These standards will be posted on the website at www.usdoj.gov for 10 business days, and then there will be a two-day selection period for the Carnivore review team to get a recommendation to me for a decision.

I plan to have a final decision on a university by September the 15th.

We are committed to having an independent technical review complete by December 1. This process ensures a level playing field amongst all the universities that have expressed an interest, and ensures a greater openness and understanding of the task we are requesting the university to undertake.

Q We had thought that you would be announcing the university by now.

What set it back?

ATTY. GEN. RENO: I think we realized that we wanted to make sure that everybody had an equal opportunity and that there was a process in place that people understood.

Q Were you getting inundated by applications?

ATTY. GEN. RENO: I'll ask Carol (sp) to give you a --

Q But were there complaints about -- (inaudible)? Was that what triggered this?

ATTY. GEN. RENO: I don't know whether there were or not, but we wanted to ensure it.

Q Ms. Reno, going back to the decision, the Gore decision, one more time, can you give us a sense of whether FBI Director Louis Freeh weighed in? Without necessarily giving what his position was, did he weigh in specifically on this request?

ATTY. GEN. RENO: On all matters in which the FBI is involved that are sensitive, I always consult him.

Q And would you say his position changed over time?

ATTY. GEN. RENO: I would let him make any comment.

Q Can you tell us the initials of the organization that supported Mr. Conrad's -- (laughs)?

ATTY. GEN. RENO: No.

Q Ms. Reno, during the 24 hours after it was discovered that an independent counsel was looking at whether criminal prosecution of the president would be warranted on the Paula Jones/Monica Lewinsky matter -- during the 24 hours after that was discovered, and when it was discovered what the source of that leak was, did the Department contemplate a leak investigation, and is that -- if so, is that gone now?

ATTY GEN. RENO: We are reviewing the issue with the independent counsel to see what is appropriate.

And I think that would be the best comment I could make at this point.

Q Are you suggesting the possibility of a prosecution of the judge?

ATTY GEN. RENO: I'm not suggesting anything.

Q Ms. Reno, yesterday a highly respected scientist in the field of biowarfare spoke at the Center for Strategic and International Studies and painted a catastrophic picture of what can happen if there were a large-scale biowarfare attack in the United States by a terrorist or a foreign government, and said it was -- and recommended spending something like \$30 billion over the next 10 years in preparing -- at least preparing our medical services for such an eventuality.

You head a board which oversees first response to weapons of mass destructions used in the United States.

Have you reviewed Dr. O'Toole's report, or have you -- has anyone briefed you on this?

ATTY GEN. RENO: I've not been briefed on it, and I've not received a copy of the report yet.

But I look forward to reading it.

What I think is important to recognize, however, is that we have been focused on this issue. We have been working with the secretary of Health and Human Services to support her department in developing the capacity to deal with these issues.

During the TOPOFF exercise that occurred earlier in the year or last year -- when -- no, it was this year -- (soft laughter) --

Q Busy year!

ATTY GEN. RENO: -- we had an example of biowarfare in place. And it is something, along with other weapons of mass destruction, that we must be prepared to cope with.

Q One of the things Dr. O'Toole said was that during TOPOFF eventually the responders just reached a saturation point where they just had to say, "That's enough." Would you characterize the operation as reaching that point where, theoretically, the medical response was overwhelmed?

ATTY GEN. RENO: I think it might be appropriate to quote Adlai Stevenson, who said at one point, "The burdens of office stagger the imagination and convert vanity to prayer."

Q Ms. Reno -- (off mike) -- talking about this Gore matter being a struggle.

Was there ever a time when you decided that you felt that a special counsel should be appointed in that process?

ATTY. GEN. RENO: There were mornings I woke up and said, "Maybe I should appoint a special counsel."

Let me check this record.

Let me check that.

Let me see what we could do here.

" I try to question -- try to question myself, cross-examine myself.

Q What do the Justice Department guidelines say about revealing the existence of a grand jury? Was that a violation of 6(c)

-- (inaudible) --

ATTY. GEN. RENO: It would depend on the circumstances.

Q Well, there are circumstances where this has arisen in the past.

ATTY. GEN. RENO: Well, it would depend on the circumstances.

Q There's really a suggestion from some legal observers in that case that disclosing the existence might not be a problem, but obviously the target would be -- would violate 6(c).

Do you have any thoughts on that interpretation?

ATTY. GEN. RENO: I don't want to comment, but I think each depends on the circumstances.

Q Ms. Reno, what are the parameters of the review with Independent Counsel Ray's office in terms of what kinds of issues

are you trying to address in terms of the disclosure?

ATTY. GEN. RENO: Would not comment on it.

Thank you.

REPORTERS: Thank you.

Q Now, is this really our last time in this room?

ATTY. GEN. RENO: Yes, this is really our last time in this room? (Laughter.) Next -- well, the Thursday after Labor Day is what you all decided.

Q We!?

ATTY. GEN. RENO: Well, at any rate, we will be at the solicitor general's conference room next. And I understand you all -- I've got to schlepp up all the way over to the northwest corner to see you from now on. (Laughter.)

(Cross talk.)

ATTY. GEN. RENO: No, I enjoy seeing you as I walk by in the evenings, so I will have to find my way over there.

Q They put us as far away from you as they could.
(Laughter.)

END.