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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. resume	[Personally Identifiable Information] [partial] (3 pages)	01/00/1994	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
John Podesta (Subject Files)
OA/Box Number: 17336

FOLDER TITLE:
Resumes/Clinton Administration [1]

2018-0662-S
rs3146

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

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b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

JP

THE WHITE HOUSE
WASHINGTON

[redacted]

DATE: 12/1

File

TO: Susan Brophy

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

let's discuss

jdp

[redacted]

[redacted]

THE WHITE HOUSE

WASHINGTON

December 1, 1994

94 DEC 1 A10 : 02

MEMORANDUM FOR JOHN D. PODESTA

FROM: G. TIMOTHY SAUNDERS
Acting Executive Clerk

SUBJECT: Request for New Commission for Under Secretary of State Tim Wirth

As you know, Timothy E. Wirth was appointed by the President, by and with the advice of the Senate, to be **Counselor of the Department of State on April 22, 1993, a Level III position.** We understand that he has assumed one of the 5 new Under Secretary of State slots (for Global Affairs) provided by the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236, Title I, Part C, sec. 161, 4/30/94 (the "Act")); also Level III positions. Susan Brophy's memo to you of 6/30/94, advises that Mr. Wirth has contacted her to assist him in obtaining a new commission with his new title and states that Mr. Wirth "does not feel that he should be treated any differently than a White House Commissioned Officer whose title has changed."

It is not at all uncommon for the Congress by statute to transfer appointees within a Department or alter their title subsequent to their appointment. When this occurs, the statute usually includes a transition provision similar to the one contained in the Act, section 161(c) of which states:

> Any officer of the Department of State holding office on the date of the enactment of this Act **shall not be required to be reappointed to any other office, at the Department of State at the same level performing similar functions**, as determined by the President, by reason of the enactment of the amendments made by this section . . .

We have **numerous** examples of PAS appointees being transferred to another position by statute (or a title being changed by statute) subsequent to initial appointment **without the issuance of a new commission.**

Unfortunately, we are aware of no precedent for the issuance of a new commission for a PAS appointee (appointed by and with the advice and consent of the Senate) **after such appointee was transferred to another position by statute.**

Indeed, there is simply no authority for the President to issue new commissions to any of the appointees whose positions were changed (or whose titles were altered) by the Act. **They have not been reappointed by and with the advice and consent of the Senate.** Indeed the Act makes clear that its intent is in fact not to require their reappointment.

Further, **a PAS appointee commission is similar to a White House Office commission in physical appearance only.** Most PAS appointees are truly "Officers of the United States," as defined in Article II, section 2, clause 2 of the Constitution. The commissions for such Officers are the evidence of their appointment. White House "commissioned officers" are advisers -- not officers in the Constitutional sense. Unlike a White House "Commissioned" Officer who might be granted a new commission after a change in title, the Officers who are reassigned pursuant to the authority granted by the Act are not required to be reappointed.

Thus, the issuance of a new **commission** to Mr. Wirth reflecting his new title would clearly be without basis. **Only if Mr. Wirth was nominated to the new office and confirmed by the Senate would the President be authorized to issue him a new commission appointing him as Under Secretary of State.**

Obviously, the next question becomes, what could be issued to Mr. Wirth. Certainly, whatever it is, it could not be a commission. The language on the document could **not indicate that the President was "appointing"** Mr. Wirth to his new office.

However, anything issued at this point to Mr. Wirth would be setting a new precedent and we can anticipate receiving many additional requests if some sort of "document" is issued to him.

THE WHITE HOUSE
WASHINGTON

January 26, 1994

TO: TONY LAKE
SANDY BERGER
ALAN KRECZKO
NEAL WOLIN

FROM: John Podesta

If Neal moves on to bigger and better things, Jeff would be a terrific replacement.

JEFFREY D. NUECHTERLEIN

Dewey Ballantine
1775 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
202-862-4551

404 Jefferson Street
Alexandria, VA 22314
703-549-1091

EMPLOYMENT

1992-93 — **CLINTON-GORE PRESIDENTIAL TRANSITION OFFICE**, Washington, D.C.
Staff. Principal area of responsibility: International Trade. During the Presidential campaign, I served as an informal advisor on international trade issues.

1992-present — **DEWEY BALLANTINE**, Washington, D.C.
Associate. Principal Practice Area: International Trade.
Represent the U.S. semiconductor and steel industries in proceedings before U.S. Executive Branch agencies and the U.S. Court of International Trade.

1991-present — **GEORGE MASON UNIVERSITY, International Institute**, Arlington, VA .
Adjunct Professor. Teach two courses to masters degree candidates: International Trade Relations; Legal Regulation of International Transactions.

1990-91 — **OFFICE OF THE GOVERNOR OF VIRGINIA**, Richmond, VA.
Special Assistant for Policy. Principal Policy Areas: International Trade, Foreign Affairs, Economic Development, Transportation, Natural Resources.

1989-90 — **SENATE JUDICIARY COMMITTEE**, Washington, D.C.
Counsel, Subcommittee on Technology and the Law. Principal Policy Areas: International Trade and American Competitiveness, Antitrust, Intellectual Property, Telecommunications, Separation of Powers, Judicial Nominations.

1987-89 — **COVINGTON & BURLING**, Washington, D.C.
Associate. Principal Practice Areas: International Arbitration, European Community Integration, Antitrust, General Litigation.

1981-85 — Law Clerk: **DAVIS POLK & WARDWELL**, New York, NY; Washington, D.C.; London, England; **BOODLE, HATFIELD & CO.**, London, England; **BRACEWELL & PATTERSON**, Washington, D.C.; **KIRKLAND & ELLIS**, Washington, D.C.; **SUTHERLAND, ASBILL & BRENNAN**, Atlanta, GA.

1978-79 — **WHITE HOUSE STAFF**, Washington, D.C.
Office of Congressional Relations (part-time). Authored the *Presidential Paper on the Panama Canal Treaties*.

1975-77 — **U.S. DEPARTMENT OF STATE, Office of Congressional Relations and Office of the Director General of the Foreign Service**, Washington, D.C.
Staff Assistant (part-time). Responsibilities included assisting Ambassador Ellsworth Bunker with the Panama Canal Treaties ratification effort.

EDUCATION

UNIVERSITY OF VIRGINIA SCHOOL OF LAW, Charlottesville, VA.
J.D., 1986.

OXFORD UNIVERSITY, Oxford, England.
D. Phil., 1985, in Political Science.
B.A./ M.A., 1983, in Philosophy, Politics, and Economics.
Doctoral Dissertation: *Executive and Legislative Checks on the United States Federal Judiciary*. British Overseas Research Scholarship; U.S. Rotary Scholarship.

UNIVERSITY OF VIRGINIA, Charlottesville, VA.
B.A. with Honors, 1979.
Honors Program: Department of Government and Foreign Affairs.
Thesis: *The 1978 Panama Canal Treaties: The Record of the Carter Administration.*
Omicron Delta Kappa; Raven Society.

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PROFESSIONAL ACTIVITIES

Guest Lecturer on Foreign Affairs, International Trade, and American Politics at Harvard University, Universitat Kaiserslautern (Germany), Queen's University (Canada), and the National Defense College (Canada).

Carnegie Endowment for International Peace and the Institute for International Economics, Commission on Government Renewal. Senior Consultant (1992).

John F. Kennedy School of Government, Harvard University, Project on Status of Forces Agreements Among the Former Soviet Republics. Presented Paper to Russian military officers in Moscow (1991-92).

Center for Foreign Policy Development, Brown University, Project on Mutual Security in Europe. Participant in panel discussions in Hungary and Poland (1990-91).

The American Council on Germany and Atlantik-Brucke, American-German Young Leaders Conference. Delegate (1991).

Multipilkatoren Young Leaders Conference. Delegate in Germany (1991).

PROFESSIONAL ASSOCIATIONS

Council on Foreign Relations (Term Membership).
Virginia and Washington, D.C. Bars.
Board of Governors, International Practice Section, Virginia State Bar.

PERSONAL

Born (b)(6)

THE WHITE HOUSE

WASHINGTON

January 26, 1994

MEMORANDUM FOR PHIL LADER
JAN PIERCY

FROM: JOHN PODESTA JP

SUBJECT: MARY SHAPIRO

You asked me to check a few sources on likely reaction to Mary Shapiro. You raised two concerns: (1) whether the agricultural community would view her primary expertise in financial futures negatively and (2) whether her statements about SEC/CFTC merger would be a source of concern.

The former doesn't seem to be much of a problem. Three of the four current Commissioners have agricultural backgrounds. The aggies seem to feel pretty well taken care of.

With respect to merger (and a related issue of a tilt towards the New York and away from the Chicago markets), you should expect a negative reaction. Although Mary worked at the CFTC and for the Futures Industry Association, the current take on her (whether fair or not) is that she is aligned in her views with the SEC and New York perspective on these issues.

cc: Bob Rubin
Bruce Lindsey

resume file

[redacted]

THE WHITE HOUSE
WASHINGTON

DATE: 1/10/94

TO: JAN PIERCY
JOSH STEINER (TREASURY)

FROM: **JOHN D. PODESTA**
Assistant to the President and Staff Secretary

[redacted]

[redacted]

Fr JDP to
Josh Steiner Treasury Rm 4905
Jan Piercy
1-10 From 2211 & by JDP moved stuff

MAYER, BROWN & PLATT

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FACSIMILE:
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JOSEPH W. BARTLETT
212-554-3650

December 16, 1993

PERSONAL

John Podesta,
Counsel to the President
White House
Washington, D. C. 20560

Dear John:

Following my letter of November 15, if the President is looking for someone to take a short term appointment as Chairman of the RTC, I would be happy to have my resume in the hopper (another copy enclosed). I have not been involved with the savings and loan industry since the mid-70s when I served on the board of Northeast Federal Savings & Loan, later acquired by Worcester Federal. Therefore, I am, in that sense, untainted. I am a Democrat, of course, one of the last surviving members of the Johnson Administration, where my reputation was as an implementer and chief operating officer. My legal experience includes the chairmanship of a publicly traded real estate investment trust in the early '70s. I am familiar with the issues and I know my way around Washington, or at least I used to.

Sincerely,

Joe

Joseph W. Bartlett

JWB/JT
042\36067637

Curriculum Vitae
JOSEPH W. BARTLETT

Partner, Mayer, Brown & Platt.

Academic and Civic:
Member, Council on Foreign Relations; Member, Board of Trustees and Finance Committee, Montefiore Medical Center; Director, Cyrk, Inc.; Director Travis DataTrak, Inc.; Adjunct Professor, New York University School of Law.

Formerly:
Of Counsel, Gaston & Snow; Partner, Gaston & Snow; President of Stanford Law Review; Order of the Coif; Acting Professor of Law, Stanford Law School; Instructor in Law, Boston University Law School; Board of Visitors of Stanford Law School; Board of Visitors, Harvard Graduate School of Education; Board of Visitors, The Fletcher School of Law and Diplomacy.

Federal Government:
Law Clerk, Chief Justice Earl Warren, United States Supreme Court (1960 term); Undersecretary (promoted from General Counsel), United States Department of Commerce, 1967-1968; Chairman, Health, Education & Welfare Task Force on Universal Social Security Coverage, 1979.

State Government:
Counsel to the Commissioner of Administration, Commonwealth of Massachusetts 1964-1965.

City Government:
Special Counsel to Boston Redevelopment Authority 1969-1970.

Books:
The Law Business: A Tired Monopoly (Rothman, 1982); Venture Capital: Law, Business Strategies, and Investment Planning, (Wiley, 1988, Supp. 1989, 1990, 1991, 1992, 1993, 1994); Corporate Restructuring: Reorganizations and Buyouts, (Wiley, May 1991, 1992, 1993).

Numerous articles in major publications.

Education:
Phillips Academy, Andover, MA, 1951
Harvard College, Cambridge, MA, 1955, A.B.
Stanford Law School, Stanford, CA, 1960, L.L.B.

MAYER, BROWN & PLATT

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JOSEPH W. BARTLETT
212-554-3650

November 15, 1993

John Podesta,
Counsel to the President
White House
Washington, D. C. 20560

Dear John:

If we had only won in 1972, by now you would be a has been like me, versus a palace adviser.

In anticipation of the possibility you will be hanging in with the President for a full eight years but that some of the sub-cabinet appointees will find other things to do towards the end of the first term, would you drop my resume in whatever repository that exists for reference in the case of future personnel decisions. Once we get the last of the litter solidly ensconced in college, I will again be free to follow my muse and pursue whatever new directions might lie in front of me. Congratulations on your position.

Best regards.

Sincerely,

Joe

Joseph W. Bartlett

JWB/JT-Enc.

Curriculum Vitae

JOSEPH W. BARTLETT

Partner, Mayer, Brown & Platt.

Academic and Civic:

Member, Council on Foreign Relations; Member, Board of Trustees and Finance Committee, Montefiore Medical Center; Director, Advanced Telecommunications Corporation; Director Travis DataTrak, Inc.; Adjunct Professor, New York University School of Law.

Formerly:

Of Counsel, Gaston & Snow; Partner, Gaston & Snow; President of Stanford Law Review; Order of the Coif; Acting Professor of Law, Stanford Law School; Instructor in Law, Boston University Law School; Board of Visitors of Stanford Law School; Board of Visitors, Harvard Graduate School of Education; Board of Visitors, The Fletcher School of Law and Diplomacy.

Federal Government:

Law Clerk, Chief Justice Earl Warren, United States Supreme Court (1960 term); Undersecretary (promoted from General Counsel), United States Department of Commerce, 1967-1968; Chairman, Health, Education & Welfare Task Force on Universal Social Security Coverage, 1979.

State Government:

Counsel to the Commissioner of Administration, Commonwealth of Massachusetts 1964-1965.

City Government:

Special Counsel to Boston Redevelopment Authority 1969-1970.

Books:

<u>The Law Business: A Tired Monopoly</u> (Rothman, 1982); <u>Venture Capital: Law, Business Strategies, and Investment Planning</u>, (Wiley, 1988, Supp. 1989, 1990, 1991, 1992, 1993); <u>Corporate Restructuring: Reorganizations and Buyouts</u>, (Wiley, May 1991, 1992, 1993).

Numerous articles in major publications.

Education:

Phillips Academy, Andover, MA, 1951
Harvard College, Cambridge, MA, 1955, A.B.
Stanford Law School, Stanford, CA, 1960, L.L.B.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
MARKET REGULATION

November 22, 1993

Joseph W. Bartlett, Esq.
Mayer, Brown & Platt
787 Seventh Avenue
New York, New York 10019-6018

Re: Emerging Growth Stock Exchange

Dear Mr. Bartlett:

Thank you for your letter of September 9, 1993, to Chairman Levitt, enclosing your proposal for an emerging growth stock exchange. Your position paper highlights significant issues facing small businesses today. As you may know, the Securities and Exchange Commission ("SEC") has implemented a number of initiatives intended to support the goal of increasing small business access to capital consistent with investor protection. Our small business initiatives adopted last August included raising the size limit of an offering under the simplified Regulation A process from $1.5 million to $5 million and setting up a simplified registration system for small businesses. In the first year since these changes were adopted, the volume of Regulation A offerings nearly quintupled, with more than $275 million in Regulation A filings to date. Since the new simplified SB-2 registration form has been put into place, we have had over $2.6 billion of securities filings under that form, which compares with only $882 million under the predecessor S-18 form. We are continuing to examine ways to achieve this important goal and appreciate the insights you have provided.

Your exchange proposal also raises important regulatory questions, including those related to exchange registration requirements under Sections 5 and 6 of the Securities Exchange Act of 1934 (15 U.S.C. Sections 78e and 78f). Until you further develop your exchange proposal, however, we are unable to provide you with a more detailed response on such issues. If you wish, once you have developed a more concrete proposal, we would be pleased to discuss the matter further with you.

TESTIMONY OF

J. CARTER BEESE, JR. COMMISSIONER
U.S. SECURITIES AND EXCHANGE COMMISSION

CONCERNING S.384, "THE SMALL BUSINESS LOAN SECURITIZATION AND SECONDARY MARKET ENHANCEMENT ACT OF 1993"

BEFORE THE
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFIARS
UNITED STATES SENATE

SEPTEMBER 9, 1993

U. S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

TESTIMONY OF
J. CARTER BEESE, JR., COMMISSIONER
U.S. SECURITIES AND EXCHANGE COMMISSION
CONCERNING S. 384,
"THE SMALL BUSINESS LOAN SECURITIZATION AND
SECONDARY MARKET ENHANCEMENT ACT OF 1993"
BEFORE THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS
UNITED STATES SENATE
SEPTEMBER 9, 1993

Chairman Riegle and members of the Committee: I appreciate the opportunity to testify today on behalf of the Securities and Exchange Commission ("Commission") regarding S. 384, the "Small Business Loan Securitization and Secondary Market Enhancement Act of 1993."

The Commission fully supports the goal of increasing small business' access to capital, consistent with investor protection. Small businesses are recognized as a major source of new jobs for the American worker, 1/ prompting heightened interest in facilitating small business' expanded access to capital. We support S. 384 in its effort to stimulate the small business lending market by reducing, removing or modifying a broad array of regulations that might be impeding the development of securitization and an established secondary market for small business loans, while maintaining investor protections and sound markets. S. 384 complements efforts undertaken by the Commission during the last two years to facilitate the financing of small businesses. As more fully discussed in the text, the Commission's efforts have included initiatives to reduce regulatory impediments to the securitization of small business loans, through an exemption of such financings from the Investment Company Act of 1940 ("1940 Act" or "Investment Company Act") 2/ for investment grade asset-backed financings, and the extension of shelf registration to such offerings.

1/ *See,* U.S. Small Business Administration, THE STATE OF SMALL BUSINESS 213 (1992).

2/ 15 U.S.C. § 80a-1.

S. 384 builds on the framework for securitization that was developed in the Secondary Mortgage Market Enhancement Act of 1984 ("SMMEA") 3/ for use in the mortgage markets, which has been a highly effective means of increasing the flow of capital to those markets. The Commission is hopeful that S. 384 will likewise serve to increase the credit available to small business. At the outset, however, we note that many of the provisions of S. 384 are outside the responsibility of the Commission, and as to those matters, we defer to the views of the appropriate regulatory authority.

Introduction

Over the last several years, the issue of small business' continued and expanded access to funds to finance operations, innovation and growth have been of growing concern. 4/ These concerns are further accented as funding from traditional sources has become more limited. 5/ Venture capital firms, traditionally an important source of capital for pre-initial public offering small business, have provided decreasing levels of funds. From 1983 to 1987, these firms invested over $15 billion in small businesses, with new investments by venture capital firms reaching a peak of nearly $4 billion in 1987. After

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3/ 15 U.S.C. 77r-1.

4/ *See, e.g.*, Udayan Gupta, *Venture Capitalists Raised 75% More Money Last Year*, WALL ST. J., Jan. 29, 1993, at B2, col. 3; Udayan Gupta, *Venture Funds Regain Appetite For Start-Ups*, WALL ST. J., Sept. 21, 1992, at B1, col. 6; Brent Bowers, *Effort Grows to Help Tiny Firms Get Equity Financing*, WALL ST. J., Mar. 16, 1992, at B2, col 3.

5/ Evidence over the last 3 years shows a decline in overall commercial and industrial lending by banks, from $645 billion in June, 1990, to $597 billion in June, 1993. *See* Federal Reserve Board of Governors, FEDERAL RESERVE BULLETIN, Table 1.26 (Various Issues). In addition, The Federal Reserve Board of Governors' Division of Monetary Affairs reports that, while domestic commercial banks have comfortable to strong capital levels, these banks are not applying such capital to business lending either because it has been difficult to find attractive lending opportunities or because such lending would require an unacceptable increase in risk. *See* Federal Reserve Board of Governors, AUGUST 1993 SENIOR LOAN OFFICER OPINION SURVEY ON BANK LENDING PRACTICES (NATIONAL SUMMARY), August 25, 1993.

1987, levels of venture capital decreased annually, reaching a low of less than $1.4 billion in 1991. In addition, investment of venture capital has shifted toward financing later stages of business operations. While venture capital firms increased investment to $2.5 billion in 1992, the level of these investments continues to be considerably below the amount raised in the late 1980s. 6/

In view of the importance of small business to the U.S. economy, the Commission commends Congress' determination to press for increased funding in this area. S. 384, introduced by Senator D'Amato, is an affirmative measure directed toward removing regulatory barriers which may be impeding development of small business loan securitization. S. 384 is intended to amend the securities laws to enhance investment in small businesses without compromising investor protection. Similarly, S.479, introduced by Senator Dodd, would amend the 1940 Act to streamline the regulation of venture capital pools in a manner consistent with the protection of investors. I will briefly address S. 479 after discussing the specific provisions of S. 384.

Discussion of S. 384

The provisions of S. 384 that would amend the federal securities laws are modeled after SMMEA. As discussed below, like SMMEA, S. 384 proposes modest changes to the Securities Exchange Act of 1934 ("1934 Act") 7/ to facilitate the development of a forward trading market in "small business related securities."

Section 2 of S. 384 would add a definition of the term "small business related security" to Section 3(a) of the 1934 Act. The definition of "small business related

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6/ All venture capital calculations are based on figures in *Venture Capital Disbursements Rise,* VENTURE CAPITAL J., June 1993. While there is no uniform definition of "small business," one of the Small Business Administration's definitions includes any company which, together with its affiliates, does "not have net worth in excess of $6 million, and does not have average net income after federal income taxes (excluding any carry-over losses) for the preceding 2 years in excess of $2 million." 13 C.F.R. § 121.802(a)(2), *amended* in 57 FR 62477 (1992).

7/ 15 U.S.C. § 78a et seq.

security" in S. 384 would be similar to the definition of "mortgage related security" contained in Section 3(a)(41) of the 1934 Act, which was added by SMMEA. A small business related security would be defined as a security that is rated in one of the four highest rating categories by at least one nationally recognized statistical rating organization ("NRSRO"), and that represents an interest in, or is secured by an interest in, one or more promissory notes evidencing the indebtedness of a small business, which has been originated by certain types of lenders. These approved lenders are insured depository institutions, credit unions, insurance companies, and other similar institutions supervised and examined by a federal or state authority. 8/ A "small business" is defined as a business meeting the criteria for a "small business concern" under Section 3(a) of the Small Business Act.

The definition of "small business related security" would require that such a security be "investment grade," although the bill does not use that term, and would be analogous to Section 3(a)(41) of the 1934 Act, which requires that a mortgage related security be rated in one of the two highest rating categories by an NRSRO. In light of various provisions of S. 384 that grant favorable treatment to small business related securities, it is appropriate to require that such securities meet minimum standards of credit quality. 9/

Sections 3, 4, and 5 of S. 384 contain provisions designed to facilitate the forward trading market for small business related securities. These sections of the bill would amend, respectively, Sections 7(g), 8(a), and 11(d)(1) of the 1934 Act, all of which restrict the extension or maintenance of credit for the purpose of purchasing or carrying securities. Under these provisions, as amended by SMMEA, a bona fide agreement for delayed

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8/ Finance companies, which have been increasingly active in the business lending market, would not, however, appear to be included in S. 384's Section 2(a) definition of "small business related security" or its Section 10(c) definition of "small business loan investment conduit."

9/ We note, however, that the term NRSRO has never been defined and that NRSROs, in their capacity as rating agencies, are not subject to direct regulation by the Commission or other forms of federal regulation.

delivery of a mortgage related security against full payment of the purchase price thereof upon such delivery, within 180 days after the purchase, does not constitute an extension or maintenance of credit for the purpose of the prohibitions contained in those sections. The Board of Governors of the Federal Reserve System ("FRB"), in the case of Sections 7(g) and 8(a), and the Commission, in the case of Section 11(d)(1), are given the authority to limit the effect of these provisions by enacting a rule providing for a period shorter than 180 days, although no such rules have been enacted to date.

S. 384 would amend Sections 7(g), 8(a), and 11(d)(1) to afford small business related securities the same treatment as mortgage related securities. Thus, S. 384 would allow parties to enter into agreements for the delayed delivery of small business related securities -- in other words, forward market transactions -- without such transactions being subject to the 1934 Act's restrictions on the extension and maintenance of credit to purchase securities. These sections of the bill are designed to make it easier for issuers of small business related securities to obtain commitments to purchase such securities before all of the underlying loans are originated. The Commission supports these provisions of S. 384, especially because, as under SMMEA, the FRB and the Commission would be given the authority to limit their effect, by shortening the 180-day period, to counter any perceived abuses. To date, the Commission has not found it necessary to exercise this authority.

Section 7 of S. 384 would amend Section 106 of SMMEA, which preempts certain state legal investment and blue sky laws with respect to mortgage related securities. As amended by S. 384, Section 106 of SMMEA would effect a like preemption of state law with respect to small business related securities. S. 384 would provide that persons and entities would be permitted to invest in small business related securities to the same extent that such persons or entities would be permitted, under state law (such as banking or insurance law), to invest in U.S. government or agency securities. The bill would further provide that small business related securities are to be treated as securities issued by the

United States for the purpose of any state law that limits investment by any person or entity to securities issued by the United States. Finally, the bill would provide that small business related securities are exempt from any state securities registration or qualification requirements to the same extent as U.S. government or agency securities. S. 384 would provide that any state could override any of these preemptions of its laws by enacting a statute for such purpose within 7 years after the enactment of S. 384.

The Commission has no objection to the preemption and override provisions contained in Section 7 of S. 384. We would urge the Committee, however, to hear the views of the North American Securities Administrators Association and its members, as well as state banking and insurance regulators, on the subject of the preemption of state legal investment and blue sky laws.

Section 6 of S. 384 would amend 12 U.S.C. 24, the Home Owner's Loan Act, and the Federal Credit Union Act to provide that national banks, federal savings associations, and federal credit unions may invest in small business related securities, subject to whatever regulations are promulgated for this purpose by the appropriate regulatory agencies for such depository institutions. Similarly, section 9 of S. 384 directs the Secretary of Labor, in consultation with the Secretary of the Treasury, to promulgate an exemption from the restrictions contained in Sections 406 and 407 of the Employee Retirement Income Security Act of 1974, as well as Section 4975 of the Internal Revenue Code, in order to allow employee benefit plans to invest in small business related securities, subject to any limitations the Secretary of Labor deems appropriate.

Sections 6 and 9 of the bill would remove or limit certain legal limitations on permissible investments by federal depository institutions and employee benefit plans as such limitations apply to small business related securities.

Section 8 of S. 384 would ease the capital requirements under the Federal Deposit Insurance Act applicable to insured depository institutions with respect to small business loans and small business related securities. For insured depository institutions that sell small business loans with recourse, S. 384 would provide that such institutions would be required to maintain capital in respect of such loans not in excess of an amount sufficient to meet the institution's reasonable estimated liability under the recourse arrangement. For insured depository institutions that invest in small business related securities, S. 384 would provide that such securities are to be treated, for the purpose of the applicable risk-based capital requirements, as similarly rated mortgage-backed securities. Section 8 of the bill would direct each appropriate federal banking agency to promulgate regulations implementing the provisions regarding insured depository institution capital requirements.

Finally, Section 10 of S. 384 would direct the Secretary of the Treasury to promulgate regulations that provide that "small business loan investment conduits" and investors therein shall be taxed in a manner similar to the manner in which REMICs and investors therein are currently taxed. The Secretary would be directed to take into account, in issuing the regulations, the congressional purpose of facilitating the securitization of small business loans. Section 10(c) of S. 384 would define "small business loan investment conduit" as any entity whose assets substantially consist of obligations of small businesses, which obligations were originated by an insured depository institution, credit union, insurance company, or similar institution which is supervised and examined by an appropriate Federal or State authority. This definition appears to be broader than that of "small business related security" found in section 2 of S. 384, in that an issuer of a small business investment loan conduit would be able to hold obligations of small businesses other than promissory notes, unlike an issuer of small business related securities.

Sections 6, 8, and 9 of S. 384 raise important issues regarding the soundness of financial institutions, while Section 10 raises issues regarding the appropriate tax status of small business related securities issuers. While the Commission has no objection to these portions of S. 384, we note that these matters involve policy questions beyond the scope of the Commission's jurisdiction and, accordingly, we defer to the views of the regulatory authorities primarily responsible for their administration.

Effects of S. 384

S. 384 would remove a number of legal and regulatory barriers that could limit the expansion of the market for the securitization of small business loans, both on the supply and demand side. As such, it certainly should ease the process of securitization. A separate issue is the degree to which a secondary market for small business loans will develop. That issue will be determined by the marketplace and the unpredictable factors that drive that marketplace. Among these factors will be the market's ability to overcome hurdles regarding standardization of lending documents and underwriting criteria employed in connection with loan originations.

Finance companies have already demonstrated the applicability of securitization to small business loans. To date, the two public offerings of securities backed by pools of small business loans have been made by finance companies. 10/

Although banks have not yet entered the small business loan securitization market, S. 384 may facilitate their entry into this market. However, this may not occur immediately. An August 25, 1993 report prepared by the Board of Governors of the Federal Reserve System's Division of Monetary Affairs reflects that domestic commercial banks have comfortable to strong capital levels but are not applying such capital to business lending

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10/ In March of 1993, Fremont Financial Corporation ("Fremont") completed a $200 million public offering of asset-backed certificates which were supported by a pool of small business loans originated by Fremont. The pool of small business loans comprised a substantial majority of Fremont's portfolio of small business loans. These loans are primarily revolving and short-term (2 years) in nature and are secured by business assets including accounts receivables, inventory, machinery, equipment and, to a lesser extent, real estate. In April of 1993, The Money Store completed a public offering of more than $75 million of asset-backed certificates. These certificates were backed by payments on the unguaranteed portion of a pool of partially guaranteed SBA loans. The loans were originated by lenders that were affiliated with The Money Store. Approximately 94% of the loans were secured by first liens on owner-occupied real estate, but additional collateral, including personal assets, machinery and equipment was also required in some cases.

either because it has been difficult to find attractive lending opportunities or because such lending would require an unacceptable increase in risk. 11/ While securitization may not, at the current time, be attractive to depository institutions, the experience of finance companies, together with the incentives provided by S. 384, may encourage banks to become more active in this market in the future.

Facilitating securitization of small business loans may also provide additional capital to institutions interested in expanding their small business lending activities. This, in turn, could lower costs to borrowers. To the extent additional capital becomes available to small businesses as a result of securitization and the development of a secondary market, the Commission is hopeful that there will be a beneficial effect on costs of capital to small businesses.

The Small Business Incentive Act of 1993

I now briefly will discuss S. 479, which also seeks to enhance small business' access to capital. While S. 384 promotes the vehicle of securitization, S. 479 endeavors to remove or reduce unnecessary regulatory burdens which may hamper venture capital investment in small businesses.

The Commission supports the amendments proposed in S. 479 12/ and believes they will contribute to the development of a financing vehicle that could be a new source of small business financing, and will help streamline the regulation of existing venture capital pools. The legislation creates a new financing vehicle, the qualified purchaser pool, and modifies the regulation of several investment vehicles that invest in small business, including private investment companies and business development companies ("BDCs"). Many venture capital

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11/ *See* footnote 5, supra.

12/ *See* Testimony of Marianne K. Smythe, former Director, Division of Investment Management, U.S. Securities and Exchange Commission, Hearing Concerning The Small Business Incentive Act of 1993 Before the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs, 103d Cong., 1st Sess. (March 4, 1993).

pools find it difficult to operate under the 1940 Act, which imposes a number of rigorous requirements ranging from registration to restrictions on capital structure and dealings with affiliated persons. These restrictions, while not unduly burdensome to conventional investment companies, can pose significant operating barriers to venture capital pools. For example, many venture capital pools employ leverage as an integral part of their overall investment strategy. Venture capital pools also typically have close business ties with their portfolio companies. Under the 1940 Act, such arrangements would be severely limited under its leverage restrictions and prohibitions on affiliated transactions.

At present, venture capital pools can avoid regulation as an investment company under the 1940 Act only if they do not publicly offer their securities and have no more than 100 investors, regardless of their sophistication (the "private investment company exception"). S. 479 creates a new exception for so-called "qualified purchaser pools" that would be free from regulation and registration under the 1940 Act so long as the pool's securities are held by sophisticated or so-called "qualified" purchasers. The proposal is designed to promote capital participation in venture capital funds by recognizing that sophisticated investors can appreciate the risks associated with pooled investment vehicles. Pools relying on this exemption would have greater access to the capital markets because they could make public offerings with no limit on the amount of the offering or on the number of investors, and, in turn, could increase their investment in small business. Investors in these pools should benefit from the increased liquidity of the new pools' securities.

The legislation would also modify the existing private investment company exception to eliminate a complex test used to calculate the current 100-investor limit. The exception forces private investment companies, including venture capital pools, to be particularly careful when offering their securities to corporate investors. When a corporation acquires 10% or more of a private investment company's securities, that company's shareholders may be counted toward the 100-investor limit. If a private investment company exceeds that ceiling, it is immediately subject to full regulation under the 1940 Act. The proposed legislation would simplify this calculation and effectively eliminate current constraints on corporate investment in private venture capital pools. 13/

The 1940 Act also regulates the operation of BDCs, which are closed-end funds that invest in and provide significant managerial assistance to small and developing businesses. BDCs were made possible in 1980 when the 1940 Act was amended to accommodate certain types of public venture capital pools. The ensuing regulatory framework, while less restrictive than that governing traditional investment companies, still poses some serious barriers to operations not encountered by private venture capital pools. 14/

The legislation is designed to make it easier and less costly for BDCs to offer securities and invest in small businesses by (1) creating a new class of very small companies in which BDCs could invest without being required to make available "significant managerial assistance," (2) permitting BDCs to acquire more freely the securities of portfolio companies from persons other than the portfolio companies and their affiliates, thereby expanding the channels through which BDCs would be permitted to acquire small business securities, and (3) permitting greater flexibility in their capital structure (by relaxing the asset coverage requirement and permitting multiple classes of debt).

S. 479 also includes two proposals affecting "single state" investment companies: BIDCOs and intra-state closed-end funds. Under one proposal, BIDCOs, which are creatures of state law and are designed to provide capital to businesses within a particular

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13/ The Division of Investment Management recommended both the new qualified purchaser pool exception and the change to the private investment company exception after completing its study of the 1940 Act. See Division of Investment Management, SEC, PROTECTING INVESTORS: A HALF CENTURY OF INVESTMENT COMPANY REGULATION 117-118 (1992).

14/ BDCs have not proved to be particularly popular. In 1992, there were only 49 active BDCs with about $2.4 billion in assets.

state, would no longer have to apply to the Commission for exemptive relief from the 1940 Act. The second proposal raises the offering limit for intra-state closed-end funds from $100,000 to $10 million.

Finally, S. 479 would raise the Commission's exemptive authority under Section 3(b) of the 1933 Act from $5 million to $10 million. 15/

The Commission enthusiastically supports this legislation as it is intended to make it easier for small business to raise capital, while maintaining investor protections.

Recent Commission Initiatives in the Area of Small Business.

In addition to these important legislative initiatives, the Commission has taken several steps in the past year to facilitate the flow of capital to small business. Regulations under the Securities Act of 1933 ("1933 Act"), 16/ the 1934 Act and the 1940 Act were amended to remove unnecessary barriers to the registration and sale of securities.

1940 Act Rule 3a-7 -- Exemption for Structured Finance Vehicles

The Commission acted to exempt structured finance vehicles (sometimes also called asset-backed arrangements) from the 1940 Act, thus freeing these innovative products to be a source of capital to small business. Structured finance issuers pool income-producing assets, and issue securities backed by those assets.

The structured finance market has grown dramatically over the last decade. In 1981, there were just 17 structured finance issuances totalling $1 billion. 17/ In 1992, securities of structured financings publicly offered in the United States totalled approximately $428.6 billion, accounting for approximately 50% of total public securities offerings (debt and

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15/ 15 U.S.C. § 77c(b).

16/ 15 U.S.C. § 77a et seq.

17/ David Kogut, *Corporate Finance 1985: The Red Hot Year*, INV. DEALERS' DIG., Jan. 13, 1986, at 23.

equity) and 57% of total debt securities offerings. 18/ Most of this activity, in volume terms, relates to offerings of securities by government-sponsored enterprises like Fannie Mae and Freddie Mac.

Despite this enormous growth, the 1940 Act constrained the development of the structured finance market. Structured finance vehicles technically meet the definition of investment company (and would, unless exempted, be subject to 1940 Act regulation) because they issue securities and are primarily engaged in investing in, owning, or holding securities. 19/ Structured financings, however, are unable to operate under many of the 1940 Act's requirements.

To avoid coverage under the 1940 Act, structured financings either must fit within one of the Act's exceptions to the definition of investment company or seek exemptive relief from the Commission. Many financings rely on the exception in section 3(c)(5), which generally is available for issuers engaged in the business of acquiring notes or loans covering specified merchandise and services or interests in real estate. 20/ The section 3(c)(5) exception is limited to financings involving certain types of assets, and most importantly for small business capital formation, would not permit securitization of all loans made to small business. 21/

18/ Calculations based on data in *How Sweet It Was!* INV. DEALERS' DIG., Jan. 11, 1993, at 14, 16-18.

19/ *See* Investment Company Act § 3(a), 15 U.S.C. § 80a-3(a) (definition of investment company).

20/ 15 U.S.C. § 80a-3(c)(5).

21/ *See* Division of Investment Management, SEC, *The Treatment of Structured Finance Under the Investment Company Act,* PROTECTING INVESTORS: A HALF CENTURY OF INVESTMENT COMPANY REGULATION 68-73 (1992).

To remove unnecessary barriers, last year the Commission adopted a rule conditionally exempting structured financings from regulation under the 1940 Act. 22/ The conditions of the rule seek to delineate the operational distinctions between registered investment companies and structured finance vehicles, permit the continued evolution of the structured finance market, and address investor protection concerns. 23/

1933 Act -- Expansion of Shelf Registration

The Commission also expanded the availability of 1933 Act Rule 415, the "shelf registration rule," to a greater number of structured finance transactions. 24/ The "shelf registration" procedure provides issuers eligible to use Form S-3 with the flexibility to access the public securities markets on demand, without having to obtain additional clearance from the Commission staff. The Commission revised Form S-3 specifically to permit companies to register investment grade asset-backed securities without regard to their reporting history. 25/ Before the revision, the benefits of Form S-3 and shelf registration for delayed offerings generally were not available to issuers of non-mortgage related investment grade asset-backed securities. As a result, for example, investment grade securities backed by small business loans or credit card receivables generally could not be registered for sale on a delayed basis, and sold as market conditions warrant. The revisions to Form S-3 removed unnecessary regulatory obstacles to the raising of capital and should reduce the costs of securitizing a variety of financial assets, including pools of small business loans. By utilizing proven techniques of securitization that have been developed in

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22/ Investment Company Act rule 3a-7, 17 C.F.R. § 270.3a-7. *See* Exclusion from the Definition of Investment Company for Structured Financings, Investment Company Act Release No. 19105 (Nov. 19, 1992), 57 FR 56248 (Nov. 27, 1992).

23/ *Id.*

24/ 17 C.F.R. § 230.415. *See* Simplification of Registration Procedures for Primary Securities Offerings, Securities Act Release No. 6964 (Oct. 22, 1992), 57 FR 48970 (Oct. 29, 1992).

25/ *Id.* at 48976.

connection with mortgage-backed securities, the Commission has sought to enhance significantly liquidity for lenders to small businesses.

Other Commission Small Business Initiatives

1933 Act -- Amendment of Regulation A

Regulation A under the 1933 Act exempts small public offerings from the registration provisions of that Act. 26/ Last year, the Commission amended Regulation A to raise the size limit for an offering using this simplified process from $1.5 million to $5 million. 27/ In the year since this change was adopted on August 13, 1992, the volume of Regulation A offerings nearly quintupled to $200 million, compared with $42 million before the Commission's action. 28/ At the same time, the Commission took action to allow an issuer to use a "test the waters" document to assess interest in its securities before complying with the mandated disclosure requirements. 29/

The Commission also amended Rule 504 of Regulation D to allow companies not yet registered under the 1934 Act to offer up to $1 million of unrestricted securities each year through a general solicitation without federal registration or a federal requirement that the offering be registered in the relevant states. Previously, Rule 504 did not permit the general solicitation of investors. Further, unless the securities were registered with the relevant states, they were not freely transferable by the investor, and the issuer was limited to offering $500,000 of unrestricted securities each year. Since the amendments to Rule 504 in

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26/ 17 C.F.R. §§ 230.251-263.

27/ Small Business Initiatives, Securities Act Release No. 6949 (July 30, 1992), 57 FR 36442, 36468 (Aug. 13, 1992).

28/ Comparing filings made under Regulation A during the periods of August 13, 1992 through August 13, 1993, and August 13, 1991 through August 13, 1992, respectively.

29/ *Id.* at 36476, 36496, 36470.

August 1992 through June 1993, more than 1300 offerings involving nearly $400 million have been made, most of which came from small business. 30/

Small Business Registration

The Commission adopted an integrated registration and reporting system under the 1933 Act and the 1934 Act for use by "small business issuers." 31/ For purposes of this system, small business issuers generally include those issuers with annual revenues of less than $25 million and whose public float (the market value of voting securities held by non-affiliates) does not exceed $25 million. 32/ The Commission dramatically simplified the registration statement previously used for small business offerings, and removed the size limit of $7.5 million per offering (or for repeated offerings during the succeeding twelve months following an initial public offering). Since the new "SB-2" form replaced the old S-18 and offering limits were removed in August 1992, 260 offerings covering a total of $2.67 billion have been registered with the Commission by small businesses. This integrated system also allows small business to satisfy their periodic reporting requirements under the Exchange Act on new simplified forms designed expressly for small businesses (Forms 10-KSB and 10-QSB). 33/

Conclusion

S. 384 represents an effort to facilitate the small business lending market by reducing, removing or modifying a broad array of regulations which might be impeding the development of securitization and a more established secondary market for small business loans.

30/ During calendar year 1991, there were 1,259 Rule 504 offerings covering $377 million worth of securities. For calendar year 1992, there were 1,470 Rule 504 offerings for $434.7 million.

31/ *Id.* at 36450.

32/ *Id.* at 36472.

33/ *Id.* at 36473, 36498.

The Commission believes that the investor protections provided by the federal securities laws are not affected by S. 384. 34/ S. 384 proposes modest changes to the 1934 Act, modeled on SMMEA, to facilitate the development of a forward trading market in small business related securities. Like SMMEA, S. 384 confers on the Commission and the FRB the authority to change the margin and security delivery provisions to address abuses that may arise. To date, the Commission has not had to resort to such rulemaking.

We note that issuers of small business related securities would continue to be required to register such securities under the 1933 Act, unless an exemption from such registration were applicable. Furthermore, small business related securities would not be "exempted securities" under the 1934 Act, and therefore only registered broker-dealers, who are subject to regulation and supervision by the Commission, could act as dealers in such securities. 35/ Finally, the antifraud provisions of the federal securities laws would continue to apply to all transactions in small business related securities.

Based on its experience with SMMEA, the Commission's authority to act to address abuses that may arise, and the continuing application of registration and anti-fraud provisions of the federal securities laws to offerings of small business related securities, the Commission supports the proposed amendments to the federal securities laws included in S. 384.

Thank you for inviting the Commission to present its views to the Committee regarding S. 384. I would be pleased to respond to any questions that the members of the Committee may have.

34/ The Commission is aware of a trend in registered structured financing transactions toward marketing efforts directed at retail investors. We are mindful of the suitability concerns relating to this development.

35/ However, the Commission notes that it may be possible for national banks (which are exempt from broker-dealer regulation pursuant to the 1934 Act) to participate in the underwriting of small business related securities as a result of the decision in Securities Indust. Ass'n v. Clarke, 703 F. Supp. 256 (S.D.N.Y.) vacated, 885 F. 2d (2d Cir. 1989), cert denied, 493 U.S. 1070 (1990).

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(1) ***Good News For Directors of Delaware Companies: Section 102(b)(7) Appears To Work As Planned.*** We have earlier noted the parry and thrust, with political overtones, occurring between the Delaware Chancery and Supreme Courts on the one hand and the Delaware Legislature on the other, all as a result of the *Van Gorkom* decision.[1] In *Van Gorkom*, it will be recalled, the independent directors of the target corporation were held personally liable for negligently approving a merger (at a price substantially above the then-trading price of the target securities) on the grounds they had not, in effect, done their homework on the ramifications of the transaction. There was no hint of personal self interest on the part of the Board. The decision sent shock waves through the corporate bar, and particularly directors of Delaware companies. If negligence were a viable cause of action in shareholder litigation against directors' personal pocketbooks, the value of a seat on a Delaware Board becomes substantially diminished. More importantly, the worth of the Delaware corporate franchise was cast in doubt. Organizers of new corporations would look elsewhere for the domiciliary state, if the directors of Delaware companies could be so casually sued. The legislature, protecting the Delaware franchise as the state of choice for corporate franchises, rapidly enacted an antidote to the *Van Gorkom* holding - Section 102(b)(7) of the Delaware General Corporation Law, which provides that Delaware corporations may adopt a charter provision which exculpates directors from liability in the event of a shareholder lawsuit unless a director has participated in a violation of his duty of loyalty (or certain other, quite narrowly defined transgressions, including bad faith and/or intentional misconduct).[2] The statutory language presumably meant that, unless a director profited personally in one way or another as a result of the transaction in question (or the violation was egregious), the director could not be held to respond in damages as a result of a shareholder lawsuit. Various cynics felt that the Delaware legislation would simply cause 'strike suit' plaintiffs' counsel to refine their pleadings so as to characterize the complained of activity as a violation of the directors' duty of loyalty.[3] The cynics were lent support by dicta in a subsequent opinion of the Delaware Supreme Court.[4] But, the Chancery Court has recently, in two cases, interpreted the statute in the spirit in which it was (presumably) written.[5] If all the complaint alleges is "gross negligence", it is vulnerable to a motion to dismiss. The cases do not relieve the directors entirely from their duty of care; indeed, the opinions talk about the directors' obligation to use "due care" in performing their duties. If gross negligence is not actionable, however, there is some question as to what "due care" means - some sort of recklessness standard perhaps, the Delaware courts borrowing from the federal law governing private actions under Rule 10b-5 where "*scienter*" (translated to mean and include reckless conduct) is a vital element of the plaintiff's proof.[6]

(2) ***The SEC's Proposals To Enhance The Access of Small Business Firms To Sources of Capital.*** The SEC has put together a package of rules, and recommendations for legislative change, designed to enhance the access of small business firms to sources of capital.[7] While most of the Commission's "Small Business Initiatives" focused on '33 and '34 Act regulations and filings, the Commission has made legislative proposals which will allow registered investment companies to expand their participation in, among other things, illiquid placements. The Commission is responding to a dropoff in venture capital activity and, according to the Small Business Administration, a dropoff in the number of new business formations. The Commission's accent is on loosening the rules by which a small firm may avail itself of the public securities markets.

The most noteworthy aspect of the SEC's "Small Business Initiatives" is not what they really *do* for now as a practical matter, but what they *signal* as the SEC's initiatives treat "small

Also In This Issue

- *The SEC's Proposals to Enhance the Access of Small Business Firms To Sources of Capital ... A Solution to the Problems of Busted IPOs*
- *Does Mark IV Indicate Campbell Rides Again?*
- *Inside Transactions: The Board Must Meet More Than Once*

business issuers" as being a discrete category of issuer for disclosure purposes, whether under the '33 or the '34 Act. Under the current regulatory scheme small businesses, by and large, were treated the same as medium and large issuers. Little relief was given from the burdensome information requirements, and when it was the focus was largely on the investor -- *e.g.*, whether the investor fit into a narrow range of accredited investors or on the size of the *offering* (not the issuer) -- *e.g.*, S-18. Even more significantly, the information requirements imposed on Exchange Act filings were not calibrated to the size of the business,[8] so that after a public offering an issuer generally had to comply with the disclosure standards of Regulation S-K and Regulation S-X. The new initiatives at last, though ever so tentatively, include the size of the issuer as a variable in the calculus of disclosure requirements. Thus, Regulation D, Section 504, has been amended so as to allow an offering of up to a million dollars in securities by an issuer in any given twelve month period without limitation on the number of offerees or purchasers or regulation of the content of the information provided to potential shareholders.[9] Prior to this amendment, the effective limit had been $500,000 (although there was an ostensible $1 million cap for offerings registered in a state which vetted the disclosure document). Once issued under Rule 504, the securities will be unrestricted securities.

The SEC also has loosened up the restrictions on Regulation A, a short form registration procedure for relatively modest issues. The limit was $1.5 million and the SEC has raised that, to the fullest extent of its authority under Section 3(b) of the '33 Act, to $5 million. And, a certain amount of prospecting for interest prior to a Regulation A offering is now allowed. Finally, a Regulation A offering may employ the SCOR (Small Corporate Offering Registration) offering circular, a form (Form U-7) adopted by the North American Securities Administration Association for certain Rule 504 offerings, which simplifies matters by contemplating a Q&A format.

Further, the Commission has simplified the requirements of '33 Act registration statements for small business (as defined to mean businesses with revenues of $25 million or less and with a public float of less than $25 million)[10] by adopting Form SB-2 and Rule __, which will take the place of Form S-18, the principal reform being that the $7,500,000 limit on use of the form for primary offerings is limited. Moreover, as mentioned above, the disclosure requirements for "small business issuers" have been integrated for *all* '33 and '34 Act filings.[11] Specifically, as long as an issuer remains a "small business issuer" it may tailor its narrative disclosures and financial statements to new Regulation SB standards, rather than the more rigorous standards of Regulation SK and Regulation S-X.[12] The Commission has also proposed, in a companion release, to reduce disclosure burdens on non-reporting small business issuers even further by allowing them to follow the question and answer format of revised Regulation A even after they become reporting issuers so long as they do not register more than $5 million of securities in any given fiscal year and do not elect to file a report on the new small business issuer forms.[13]

Regulation A, even though it does provide some convenience to small issuers assaying an IPO, is not in wide use. Filing a registration statement only to await SEC comments before going effective is time-consuming and expensive, whether the comments are coming from the SEC's regional office or from the staff in Washington. Moreover, whether the offering is under Regulation A in the SCOR format, Form S-18, Form SB or Form S-1, the threat of liability drives time-consuming due diligence reviews, plus exhausting road shows, during the pre-effective period as company management touts the stock to institutional investors. If the market collapses on the eve of the effective date, then an IPO can prove to have been highly imprudent regardless of the "reforms" the SEC applies to the process. Further, the costs of being a public company - *e.g.*, SEC filings, annual meetings, responding to shareholder inquiries, defending law suits from aggrieved shareholders - are substantial. The balancing advantages, of course, are (i) liquidity, (ii) because of liquidity, capital at somewhat cheaper prices, and (iii) creation of a currency with which to make acquisitions and reward key employees. Liquidity, however, only occurs with the advent of sufficient float in the after-market to make the public shareholders liquid as a matter of economic fact rather than academic theory. If there isn't enough stock out and/or if it isn't distributed into enough hands and with significant broker interest, there will be no efficient trading market and the whole point of the exercise will be lost. A notional public company will have the burdens of public company status but few of the benefits. It would be interesting, indeed, to see some statistics on the survival rate of the (arguably) premature public companies - those who go public on the basis of Regulation A or S-18 or by merging with an already public shell, all without the support of an established underwriter. We are prepared to guess a lot of money is lost (and not much has been made) by investors in self-underwritten offerings and/or offerings underwritten by investment bankers who are here today and gone tomorrow - i.e., issuers who don't meet the standards of what might be called the "legitimate" investment banking fraternity as to revenues, size of the offering, breadth of distribution and so forth.[14] The overall economic impact of the Commission's reforms, in other words, are predicted to be relatively marginal, a prediction reinforced by the express hostility of the state securities commissioners to the initiative.[15]

One change, however, may prove to be quite significant. As stated, the changes in Rule 504 will allow public offerings "up to a million dollars in [any] 12 month period by a non-Exchange Act reporting company". Such quasi-IPOs would not, by definition, be subject to liability under Section 11 of the '33 act, and, in the Commission's language, "securities sold under this provision will be available for immediate resale by non-affiliates of the issuer"[16]. Moreover, there is no federal requirement that a state blue sky administrator register the offering or the disclosure document. (This does not mean, however, that states will ignore the offering; indeed, the hostility of the state administrators to the SEC proposals may mean heightened obstacles on the state level). As earlier argued, the benefits of a "504-IPO" may be nugatory if there is no real trading in the security; however, there are specific circumstances in which the new "504-IPO" opportunity may be extremely useful.

Thus, for example, in the last nine to twelve months, a number of initial public offerings have collapsed because the market flattened out for all IPOs. Either the institutions buying IPOs were surfeited or the after-market performance of various IPOs cast a pall amongst potential buyers. As a consequence, as often happens in periods like these, a number of development stage companies which had 'bet the company', so to speak, on the success of an IPO were left in the lurch. Many of the disappointed issuers are now scrambling desperately for private financing to pay the costs--both in real cash and in lost time and opportunity cost--of the aborted IPO process.

The problem, however, is that an initial public offering does involve the public offering of the issuer's securities even though it never closes. And, if a private placement comes, as it often must, upon the heels of an aborted IPO, there is a possibility that the two offerings will, under the Commissions' 1962 release,[17] be "integrated" as if the two were one "offering." Thus, the IPO -- which entailed an "offering" during the pre-effective, or red herring, phase -- contaminates the private offering, meaning that an unregistered placement of securities, on the heels of a busted IPO, will be an unregistered public offering and, therefore, a violation of Section 5 of the '33 Act. There are mollifying circumstances, to be sure -- often the placement entails a different class of security, sold to different investors ... not the retail customers which the underwriters had hoped to arrange but (perhaps) existing shareholders who are being asked to come to the rescue. Nonetheless, the spectre of integration remains, with the consequent possibility that the company (and perhaps its directors) will be liable for recessionary damages if and when the development stage company ultimately fails.

At this juncture, a "Rule 504-IPO" may be just the ticket. Thus, the company arranges financing for less than $1 million to enable it to survive until the threat of integration goes away. Granted that the prior general solicitation and advertising inherent in the broken IPO will warrant that the putative private placement is, indeed, a public offering; but, since there is no constraint in Rule 504 on general solicitation and advertising, the issuer does not care whether the offering is public or not. As will be recalled, Section 5 of the '33 Act makes it unlawful to accomplish any trade unless a registration statement is in effect or unless the security or transaction is exempt. A post-IPO private placement, integrated backwards with the IPO, cannot be exempted under Section 4 because it is not a transaction "not involving any public offering." However, Section 504 is derived from Section 3(b) of the '33 Act, which enables the Commission to exempt "securities" (read here "transactions") if the aggregate amount issued in an offering does not exceed $5 million. Consequently, a transaction exempt under Section 3(b) cannot, whether or not the same is a public offering, run afoul of Section 5, integration or no integration.

A word of caution. As with all solutions that are too good to be true, all the SEC or the Congress have to do is stem the flood by changing the rules.

(3) *Does Mark IV Indicate Campbell Rides Again?*

The Eighth Circuit Court of Appeals recently affirmed the Tax Court's decision in *Mark IV Pictures, Inc.*[18], a decision some may read as an indication that the Court of Appeals is rethinking its recent reversal of the Tax Court's decision in the notorious *Campbell* case.[19] However, according to our partner Alan Van Dyke, such alarm appears to be misplaced. Thus, unlike *Campbell*, which involved the transfer of a profits interest in a partnership, the *Mark IV* case involved the transfer of a capital interest in a partnership in exchange for services, a transaction that has long been regarded as taxable.[20] Accordingly, the case does not break new legal ground, although it appears that the taxpayers may have been done in by the deadly combination of ineptly drafted transactional documents and an inflexible Tax Court.

The taxpayers in *Mark IV* were the general partners in five limited partnerships that produced, distributed and exhibited motion pictures with religious themes. The general partners would either develop or acquire story ideas, and would then prepare scripts for the motion pictures. Limited partnerships would then be formed to produce and distribute the pictures. All of the partnerships were organized under Iowa law. The general partners contributed the scripts and other related rights, and the limited partners contributed cash. The general partners received a 50% interest in each of the partnerships. The general partners also were entitled to receive fees and expense reimbursements from the partnership for services rendered in the production, distribution and exhibition of the pictures. The Internal Revenue Service contended that the general partners received in exchange for services a 50% interest in the capital contributed by the limited partners. The taxpayers argued that the partnership interest was received in exchange for property (the scripts and related rights), that the partnership interests were profits interests, rather than capital interests, and that the partnership interests had only speculative value at the time the general partners received them.

The Tax Court held that the partnership interests were received for services, rather than for the scripts and other rights, because the taxpayers could not prove that the value of such rights was equal to the value of the partnership interest received, and because the taxpayers could not prove that the other fees they received from the partnerships were adequate compensation for the services rendered. Thus, the Tax Court held that in each case the *entire* partnership interest was received in exchange for services. It is interesting to note that the Tax Court's conclusion as to the inadequacy of the fees paid to the taxpayers relied heavily on the fact that the fees received by the general partners were not the result of arm's-length bargaining with the partnerships and were not paid pursuant to a written contract. The Tax Court's conclusion that a lack of arm's-length bargaining as to the level of fees would result in the recipient, who determined the level of fees, being under-compensated seems counterintuitive.

The Tax Court then rejected the taxpayer's argument that it received only a profits interest in the partnership. The partnership agreement was ambiguous, stating both that the general partners were entitled to 50% of all liquidation proceeds and that liquidation proceeds were to be distributed in accordance with Iowa law, which provided that the limited partners were entitled to a return of their capital contributions before the general partners were entitled to receive liquidating distributions.[21] The Tax Court determined that the general partnership interests were capital interests because the general partners had a right (apparently theoretical) to receive partnership assets upon liquidation of the partnership immediately after its formation, even if in fact they would not be entitled to receive any assets under Iowa law upon such a liquidation.[22]

In apparent contradiction of its analysis of the liquidation provisions of the partnership, the Tax Court then held that the value of the general partnership interests was equal to 50% of the aggregate capital contributions made by the limited partners during each taxable year in question (reduced by contributions made by the general partners in their capacity as limited partners).

In an opinion that was very deferential to the Tax Court's findings of fact, the Court of Appeals affirmed the decision. However, the Court of Appeals substituted its own rationale for concluding that the general partnership interests were capital interests, determining that under the partnership agreements the general partners would have been entitled to 50% of the partnerships' assets upon a liquidation immediately after their formation, notwithstanding the provision in the partnership agreements that subjected liquidating distributions to the requirements of Iowa law. In reaching this conclusion, the Court of Appeals relied on various statements in the offering circulars for limited partnership interests which indicated that the general partners were entitled to receive 50% of capital distributions and liquidation proceeds from the partnerships.

One comes away with a number of conclusions. First, the Tax Court and appellate decisions make no new law, but merely apply the noncontroversial proposition that the receipt of a capital interest in a partnership in exchange for services is a taxable transaction. Second, it pays to be precise when drafting partnership agreements and offering circulars. The venerable rule that ambiguities are resolved against the drafter was visited upon the taxpayers here with a vengeance. Third, however skeptical one may generally be about the veracity of expert testimony, one suspects that the taxpayers would have achieved a better result had they put on expert testimony regarding the value of the rights they contributed to the partnership and the adequacy of the fees they received. Perhaps the amounts at issue were too small to bear such an expense. Ultimately, one must conclude that it pays to be well-advised from start to finish.

(4) ***Inside Transactions: The Board Must Meet More Than Once.*** Recently several Delaware judges, and in particular Chancellor Allen, have been providing substantial assistance to lawyers and their clients involved in transactions involving Delaware corporations by writing discursive opinions (sometimes called "road map" opinions) setting out the writer's quasi-authoritative opinions on

corporate governance. Since Delaware is the 'gold standard' on corporate issues generally, 'road map' cases are helpful throughout the United States.

In a highly visible action, *Cinerama Inc. v. Technicolor Inc.*[23] (decided in June of 1991 and just now reported), Chancellor Allen included a well stated summary of the standard of review courts will apply when judging claims against the directors of Delaware corporations for breach of duty. The opinion is worth discussing in some detail in view of its breadth and Allen's influence on developments in the law in this area.

Certain pertinent facts should be noted at the outset: Thus, Allen's opinion was rendered after 47 days of trial; Allen, in fact, was hearing two cases combined into one. The first, brought on behalf of Cinerama, the beneficial owner 4.4% of Technicolor stock, sought appraisal rights as a result of the squeeze-out merger in which MacAndrews & Forbes had acquired Technicolor. Significantly, the appraisal ultimately determined the fair value of Technicolor stock as of the date of the merger to be $21.60 a share and the price received by the Technicolor shareholders was $23.00 a share.

For present purposes, the more important part of Allen's opinion has to do with the breach of duty counts ... the question whether the Technicolor directors acted with appropriate care in light of the *Van Gorkom* decision[24] in considering the MacAndrews & Forbes offer. Although, in light of the finding on value, Allen's reasoning is dictum, Allen breathed life back into *Van Gorkom* in that he suggested that, had anything hung on his decision, there was a "material possibility" he would have decided the "board ... did not satisfy its obligations to take reasonable steps in the sale of the enterprise [or] to adequately inform itself before it authorized the execution of the merger agreement." Allen noted the board did not conduct an auction nor insist on a pre or post-agreement "market check" mechanism. And, the board did agree to a lock-up option in favor of MacAndrews & Forbes.[25] However, as distinct from *Van Gorkom*, the Board had the benefit of a fairness opinion from Goldman Sachs which (despite the plaintiff's allegations) appears to have been prepared with the necessary thoroughness. Moreover, as opposed to *Van Gorkom*, there was no plausible claim the independent members of the board were dominated by an insider. The single factor seeming to have sparked Allen's concern that the *Van Gorkom* standard was not satisfied was the fact that the Board only met once on the issue. There was extended discussion (and some dissent apparently); but at the end of what appeared to be a relatively lengthy meeting, the Board approved the transaction. This was a large part of the *Van Gorkom* factual template as well – The board met precipitously and acted too fast.

The lesson taken away from this likely-to-be-influential opinion is one often stressed by your editor (and many others): More board meetings are better than fewer meetings; more documents in circulation are better than fewer documents in circulation: haste makes not only waste but also creates the possibility of ultimate liability. Had the appraisal case come out where the plaintiff Cinerama alleged it should have come out -- somewhere around $60 a share – one might have a good deal of sympathy for the plight of the Technicolor directors today.

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1 *Smith v. Van Gorkom*, 488 A.2d 858(Del. S. Ct. 1985)

2 Section 102 (b)(7) authorizes a Delaware corporation to include in its charter:

> "A provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under section 174 of this Title, or (iv) for any transaction from which the director derived an improper personal benefit."

See Veasey, Finkelstein & Bigler, "Delaware Supports Directors with a Three-Legged Stool of Limited Liability, Indemnification, and Insurance," 42 *Bus. Law*. 399 (1987).

3 See Bartlett, *Corporate Restructurings, Reorganizations and Buyouts* §8.2(j) 3.85

4 *Mills Acquisition Co. v. MacMillan, Inc.*, 559 A.2d 1261 (Del. S. Ct. 1989)

5 *In re Data Products Corp. Shareholder Litigation*, ____A.2d ___ (Del. Ch. 1991) and *John Hancock Capital Growth Management Inc. v. Aris Corp.*, ____A.2d ______ (Del. Ch. 1990). See Bigler "Director Liability: Charter Provision Permits Dismissal of Shareholder Litigation", 6 *INSIGHTS* 26 (Apr. 1992).

6 If the directors actually attend meetings, do some homework and exercise a judgment, a "due care" standard may be satisfied even though the judgment is demonstrably wrong with the benefit of hindsight. *Stamp v. Touche Ross & Co.*, No. 1-89-3214 (Ill. Rays. 1992). As Woody Allen is quoted as saying "Eighty percent of life is just showing up."

7 Early in the year SEC Chairman Richard Breeden clearly signaled that the Commission would issue rules "that would significantly increase flexibility in structuring early stage securities transactions." Remarks of Richard Breeden, National Press Club, February 18, 1992. Since then, the SEC adopted most of the rules discussed in the text by amending Regulation A and Rule 504 and incorporating "an integrated disclosure system for 'small business issuers.'" SEC Release No. 33-6949. It also issued a release proposing a series of rule changes that would reduce disclosure obligations of small issuers even further and proposed the adoption of the "Small Business Incentives Act of 1992."

8 To be sure Form S-18 allowed first time registrants using that form to file less comprehensive financial statements than would be required under Regulation S-X and the first 10-K filing by an S-18 issuer could include financial statements based on Form S-18 standards. However, the difference between S-18 and S-X financial statements were not so significant as to be meaningful for most issuers.

9 In a companion release the Commission proposed to change the information requirements for Rule 505 or Rule 506 offerings under Regulation D, so that non-reporting issuers would not be required to prepare audited financial statements just because they were making such an offering. also, non-reporting issuers would, under the proposals, be allowed to use revised Regulation A standards of disclosure (including the Q and A format) if the offering would otherwise meet the requirements of Regulation A.

10 "Small business issuers" include both U.S. and Canadian issuers; investment companies are excluded. Regulation SB contains "transition rules" for determining when its standards apply: a small business issuer

retains its status as such "until it exceeds the revenue limit or the public float limit at the end of two consecutive years."

11 Thus, a small business issuer may also register securities on Forms S-2, S-3 and S-8 (assuming the eligibility requirements of those forms were otherwise met) and use Regulation SB-level disclosure.

12 In the new disclosure scheme, [Pick up text of existing footnote 7 and add the following:] In terms of narrative disclosure, Regulation SB is only a somewhat slimmer version of Regulation SK. Financial statements under Regulation SB generally conform to old Form S-18 standards (year-end audited balance sheet, two years of audited statements of income, cash flows and changes in stockholders' equity and interim unaudited financial information), but these less detailed statements may be filed for as long as the issuer remains a small business issuer. Even after the issuer is required (or elects) to conform its financial statements to Regulation S-X generally, Regulation S-X standards do not apply to periods when the issuer was a small business issuer. The Commission also has proposed rules to waive financial statement requirements for certain significant acquisitions by small business issuers when audited statements for the target are not available and to allow small business issuers to make public offerings within 90 days of a year-end without audited financial statements for the fiscal year.

13 See Release No. 33-6950. This proposing release would require, however, that newly-reporting issuers file audited financial statements.

14 Similar concerns prompted the Commission to exclude blank check companies from using Rule 504. See Release 33-6950.

15 In fairness, it should be noted that the editor has been plumping for an alternative system for increasing efficiencies in the private equity markets for emerging growth companies - but, so far, without interest from the SEC or the Stock Exchanges. (See

16 SEC '33 Act Rel. 33-6924 (March 20, 1992)

17 (1962)

18 *Mark IV Pictures Inc. v. Comm'r.*, 60 T.C.M. 1171 (CCH 1990), aff'd 92-2 U.S. Tax Cases (CCH) 50,365 (8th Cir. 1992)

19 *Campbell v. Comm'r.*, 59 T.C.M. 236 (CCH 1990), rev'd, 943 F.2d 815 (8th Cir. 1991).

20 *See* Mckee, Nelson & Whitmire, *Federal Taxation of Partnerships and Partners* ¶5.01 (2d ed. 1990); Willis, Pennell & Postlewaite, *Partnership Taxation* §45.01 (4th ed. 1989).

21 It is typical for a partnership agreement to specifically provide that partners who contributed capital to a partnership are entitled to a return of that capital before the holder of a profits interest is entitled to any distribution.

22 Note that the holder of a profits interests is also entitled to receive partnership assets upon liquidation, to the extent there are undistributed profits at the time of liquidation.

23

24 *Smith v. Van Gorkom*, 448 A.2d 858 Del. Sup. Ct.(1985).

25 No one should know better the impact of these procedural failings than Perlman, the owner of MacAndrews and Forbes, because the failures of the *Revlon* board to behave was what put Perlman in business.

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JOSEPH W. BARTLETT
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December 27, 1993

Robert Colby
Deputy Director
United States
Securities and Exchange Commission
Washington, D.C. 20549

Dear Mr. Colby:

Thank you very much for your letter of November 22, commenting on my suggestions concerning a limited access 'dating service' for the private placement of securities in emerging growth companies. I am, of course, aware of the SEC's recent initiatives to ease the regulatory burden on small business. I, like several others, routinely comment on new developments in the venture capital/small business universe and I have commented on the initiatives you cite; I enclose a copy of the first cut of my commentary (taken from a newsletter I edit); one of my partners and I are preparing a somewhat more detailed examination of the SEC initiatives for publication this spring in a legal journal. I will forward a copy when available.

The fact is, to someone like myself who has practiced in this area for close to 30 years and written what is (for lack of an alternative) the standard treatise, the SEC's activities in this area are relatively trivial. Regulation A is not now, nor will it ever be, in my opinion, a useful method for making the private placement market efficient for small business. The fact that a number of small offerings have used the SB-2 registration form versus S-18 is, in part, a function of a frothy IPO market and, in part, a function of the fact that the SEC lifted the dollar cap on S-18 offerings ... no big deal in any event. The IPO process remains roughly the same whatever SEC form is used ... a 'bet your company' event for most small businesses.

Finally and to your point that my proposal raises important regulatory problems under § 5 ... of course it does. Such is the entire point of the proposal. An exemption for the exchange mechanism from § 5 would be required; without an exemption from § 5, the exchange proposal does not work at all. The fact is, however, as experienced practitioners are aware, § 5 is currently violated routinely throughout the United States, presumably with the tacit acquiescence of the SEC. The so-called venture capital clubs, university-affiliated dating services and investment banker-sponsored conferences which have mushroomed in the last decade constitute (i) auctions of unregistered securities to unscreened investors through general solicitation and advertising and (ii) unregulated versions of the mechanism I urge be legitimized and regulated.

My concrete proposal is as follows:

- That the Commission sponsor a task force to flesh out the details of my proposal ... to see if it works, in other words. If it works, I submit the effect on new capital formation - for the kind of small business our government should be attempting to foster - will be dramatic.

- I would like an opportunity to argue my point, or at least to enhance it, in person, because I think I can quickly make converts of you and your people.

May I hear from you?

Sincerely,

Joseph Bartlett

Joseph W. Bartlett

JWB/JT-Enc.
42001442\36070545

bcc: Edward H. Fleischman
Prof. Joseph Grundfest
Alan Patricof
John Podesta
The Honorable Arthur Levitt
Mark H. Gitenstein
Jerry Oppenheimer

Bo Cutter:
Any interest in bringing Jonathan to the NEC?
John Podesta

Jonathan M. Silver

Jonathan Silver is the Assistant Deputy Secretary of the United States Department of Commerce. Mr. Silver works in the Office of the Secretary and is responsible for policy and program development on a wide range of issues. Currently, he serves as the Department's point person on health care, trade and technology information systems, infrastructure development, the auto industry and small business.

Mr. Silver also led the Department's participation in reinventing government and on portions of the NAFTA agreement. He is a frequent spokesman for the Department before business and trade groups.

Before joining the Federal government, Mr. Silver was a Managing Director and the Chief Operating Officer of Tiger Management, Inc., one of the largest (now $7.0 billion in assets) and most successful private investment funds in the United States. In addition, he was Executive Vice President of John Blair Communications, the nation's second largest television marketing and sales organization and Chief Operating Officer of Tucker Communications, a leading publisher of weekly newspapers. Mr. Silver began his business career at McKinsey and Company, an international business management consulting firm, where he led a variety of strategic planning, organizational development and cost control studies for a wide array of major corporations and financial institutions.

Mr. Silver's public sector experience includes having served as a member of the United Nations Scientific, Educational and Cultural Organization (UNESCO) delegation to the United Nations and as a delegate to the International Labor Conferences. In both 1984 and 1988, Mr. Silver held senior posts in major Democratic Presidential campaign efforts.

Mr. Silver has also served on the board of Veritas, Visions, and the Urban Coalition.

Mr. Silver is a graduate of Harvard University and holds a graduate degree in public policy and international trade from the Institute of Political Studies in Paris. In addition, he did doctoral coursework at the Graduate Institute of International Studies in Geneva. Mr. Silver has received both Fulbright and Rotary graduate fellowships and speaks English, French and Spanish fluently.

1/94

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PROFESSIONAL
<u>EXPERIENCE</u>

1992-Present **UNITED STATES DEPARTMENT OF COMMERCE** Washington, D.C.
Assistant Deputy Secretary

-Responsible for development and implementation of a wide range of Departmental policy initiatives. Serves as Secretary's point person and head working teams on health care reform, infrastructure development, reinventing government initiative, the automobile industry, financial issues and small business.
-Department liaison and representative to National Economic Council and Domestic Policy Council interagency groups.
-Frequent spokesperson for Department and surrogate for Secretary of Commerce.

1991-1992 **TIGER MANAGEMENT, INC.** New York, NY
Managing Director and Chief Operating Officer

Tiger is one of the nation's largest hedge funds, with over $7.0 billion in assets now under management. Tiger invests in publicly traded securities and other financial instruments on most international exchanges and participates in private placements.

<u>Investments</u>
-Senior media analyst: total 1991 return to portfolio 37%
-Member, senior executive group responsible for asset allocation and modeling
-Successfully negotiated private equity stakes in emerging market companies
<u>Administration</u>
-Member, executive management group which successfully marketed fund to institutions and private investors and grew assets by $1 billion in one year.
-Line responsibility for all daily operations, including portfolio administration, marketing, systems, accounting and general administration.
-Rebuilt entire back-office function. Eliminated 8-year reconciliation backlog.

-Redesigned employee compensation plans, established comprehensive professional, corporate and personal insurance/medical benefits plan
-Lead negotiator with outside counsel and federal and state regulators.

1989-1991 **JOHN BLAIR COMMUNICATIONS, INC.** New York, NY
Executive Vice President, Administration, Planning and Development

Blair is a major marketing and representation firm in the media industry.

Responsible for day-to-day administration of Blair's operating divisions (2), field offices (19) and personnel (600). Chaired executive planning committee. Senior, lead negotiator on acquisitions/joint ventures.

-Marketing Blair services to senior management of most major American television station groups.
-Designed company's first comprehensive internal planning process (created new revenue centers; developed internal transfer price/cost model).
-Reorganized sales and research departments (reduced expenses 21% with no loss of revenue).
-Streamlined back-office systems (consolidated/upgraded MIS function; introduced LAN's; revised General Ledger package and billing interface).
-Structured company's first co-venture deal (multi-million dollar electronic information processing business).
-Initiated first corporate-wide training program.

1988-1989 **TUCKER COMMUNICATIONS, INC.** Cross River, NY
Chief Operating Officer

Chief operating executive of weekly newspaper and specialty magazine group, with full P&L responsibility. Successful reorganization of company in turnaround. Restored company to profitability. Day-to-day management of retail and classified sales, marketing, circulation, production, G & A. Major accomplishments include:
-57% increase in net operating income per month.
-28% increase in gross revenues per month.
-15% increase in total paid circulation.
-20% reduction in personnel.

1984- **MCKINSEY AND COMPANY, INC.** New York, NY
1988 Engagement Manager

Project responsibility for McKinsey and client teams in:

Strategic Planning/New Business Development
-Identified $250 million U.S. market entry opportunity for multi-billion dollar European consumer products company. Valued potential acquisitions assessed potential markets and profit streams.
-Designed financial strategy for nation's largest retail broker; analyzed business unit and product profitability. Negotiated internal transfer pricing agreements.
Marketing
-Reorganized corporate sales and marketing function of world's largest automobile manufacturer; devised new vehicle segmentation scheme; restructured fleet sales strategy.
-Created new sales and audience development strategies for several major New York theaters.
Cost Control
-Reduced administrative/legal expense of nation's most profitable property/casualty underwriter by $50 million; created new financial/administrative controls; renegotiated fee structures with outside contractors.
-Reduced expense base of a major money center subsidiary by 35% ($15 million) with no loss of revenue.

1983- **JOHN GLENN PRESIDENTIAL COMMITTEE** Washington, D.C.
1984 National Campaign Staff/Regional Political Director

Organized and ran 18-state political organization for major presidential campaign. Hired/directed field staff and volunteers. Spoke as surrogate for candidate to over 200 groups.

1982- **UNITED STATES EDUCATION, SCIENTIFIC**
1983 **AND CULTURAL ORGANIZATION (UNESCO)** Geneva, Switzerland
Special Assistant to UNESCO Representative to the United Nations

Delegate to UN International Labor Conference, UNESCO representative to UN Conference on Human Rights. Led diplomatic teams conducting agency impact studies.

1980- **MANPOWER DEMONSTRATION RESEARCH CORPORATION**
1981 Special Assistant to Executive Vice President New York, NY

Researched/wrote/edited staff papers on manpower development, job training and national employment policy.

EDUCATION

1981- 1982	**INSTITUTE UNIVERSITAIRE DE HAUTES ETUDES INTERNATIONALES**	Geneva, Switzerland
	-Doctoral coursework on international economic policy issues.	
1979- 1980	**L'INSTITUT D'ESTUDES POLITIQUES**	Paris, France
	-C.E.P. (M.A.-honors) in International Affairs	
1975- 1979	**HARVARD UNIVERSITY**	Cambridge, Mass.
	-B.A. (honors) in Government	

HONORS
Fulbright-Hayes Graduate Fellowship; Swiss Universities Exchange Grant; Rotary International Graduate Fellowship; Harvard College Scholarship (for academic excellence); John Harvard Scholarship (for academic excellence).

SKILLS & INTERESTS
Former Board of Directors, Visions (an institute for the blind and visually impaired); Veritas (foundation which funds programs to combat drug an alcohol dependencies); Post Graduate Center for Mental Health (counseling for indigent). Fluent French, Spanish. Tennis, weight-lifting. Empire furniture.

THE WHITE HOUSE
WASHINGTON

DATE: 12/13/93

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TON, D.C.

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93 DEC 10 P3:34

TO: JACK QUINN

December 8, 1993

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

Do you know Herman?
Former Metzenbaum chief counsel.
Terrific guy; very knowledgable.
He was a candidate for
Shattuck's job at State.
He could be very helpful if
you use outsiders for projects/
input.
John

12/13
resume
not copied

he Vice President will be going
the enclosed resume excerpt
istently involved in legal and
nd the former Soviet Union for
ident could use what knowledge
and from related domestic and
provide whatever assistance I
-- my work with The Human Rights bureau of the State
Department, I already have a security clearance.

I enclose a summary of my activities in Central and East Europe, as well as a more complete resume.

Yours truly,

/S/

Herman Schwartz
Professor of Law

John -
Many thanks. And as I said, if any interesting commissions, task forces, etc., come along, keep me in mind.
Happy Holidays
H

enc.

cc: John Podesta, Secretary to the President

4400 Massachusetts Avenue, N.W., Washington, D.C. 20016-8084
Telephone: (202) 885-2600 Fax: (202) 885-3601

[redacted]

THE WHITE HOUSE
WASHINGTON

DATE: 12/8

TO: IRIS BURNETT
USIA

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

[redacted]

IRIS –
I talked to Joe about FRANCIS. He's great. You guys should figure out a way to hire him.

John

[redacted]

FRANCIS A. LUZZATTO

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EXPERTISE:

- **The ability to design innovative technical assistance programs**
- **The experience to lead effective human service organizations**
- **The judgement to balance strategic, political, and operational considerations**
- **The ability to package and present programs to the public**

EMPLOYMENT OVERVIEW

Citizens Democracy Corps, Inc. — 1990-93
Director Clearinghouse/Communications
Senior Program Officer

Independent Consultant (selected clients) — 1988-90
Citizens Democracy Corps
The German Marshall Fund of the United States
Biden-Pell/Development Education Program/USAID
Famine Early Warning System/Africa Bureau/USAID
Chad Mission/Africa Bureau/USAID

DNC/Dukakis Presidential Campaign — 1988
Liaison to returned Peace Corps Volunteer groups

NDPL and Associates, Inc. — 1985-88
Vice President/Programs

Peace Corps — 1973-78/1983-85
Office of Training and Program Support, Policy & Planning
Co-Director (interim position held prior to Carter appointee, 1977)
Office of Multilateral and Special Programs, Director
Special Assistant to the Director

ACTION, the Federal Volunteer Agency — 1971-73/1978-82
The Community Energy Project, Director
Office of Citizen Participation, Director International Programs*
Office of Planning and Placement Policy, Director*

The Office of Economic Opportunity — 1968-71
VISTA Manpower Planning Branch, Chief
VISTA Program Development Division, Director

Capitol Head Start, Inc./United Planning Organization — 1966-69
Deputy Director/Director of Special Projects/VISTA

Howard University — 1964-66
Instructor

* Peace Corps-related functions

RECENT ACTIVITIES RELATED TO

CENTRAL AND EASTERN EUROPE AND THE FORMER SOVIET UNION

1989 - 1993

Developed and directed the Citizens Democracy Corps (CDC) Clearinghouse, a comprehensive region-wide program information system on U.S. assistance to the Central and Eastern Europe (CEE) and the New Independent States (NIS) of the former Soviet Union. The CDC Clearinghouse covers every country in the region from Albania to Uzbekistan.

Participated in the design of two specialized technical assistance programs, the Business Entrepreneur Program and the Citizens Volunteer Program, to assist countries in the region strengthen their democratic institutions and develop market economies. These CDC programs were designed to tap the pro bono, in-kind and volunteer resources of U.S. institutions, businesses and senior-level professionals.

On behalf of the CDC, designed and published an annual, comprehensive three-volume *COMPENDIUM* on the role 700+ U.S. nonprofit organizations are playing in the region. Designed and published a series of country-specific directories for every country in the region and over 35 specialized Resource Lists for distribution in the region and in the U.S.

Published *The New Independent States: Activities of U.S. Nonprofit Organizations* in conjunction with USIA and its October 1993 conference, Partnerships for Progress: Democracy and the Market Economy.

Published a series of program-related *CDC Reports* on university governance, municipal management and the development of non government organizations in CEE.

On behalf of the German Marshall Fund of the United States (GMF), prepared the initial design for Environmental Partnership for Central Europe which allows U.S. foundations and U.S. environmental organizations to better coordinate their efforts to increase their assistance to the environmental sector in CEE.

Developed a program to introduce young Hungarian opposition leaders (representing FIDESZ) to democratic institutions in the U.S. Issues covered included: national and local coalition-building, monitoring government services and policies, maintaining a free press, and supporting a non government sector in a post communist society.

Assessed need to institute a clearinghouse on private grant-making for CEE-related programs on behalf of a consortium of major U.S. foundations including the German Marshall Fund and the Rockefeller Brothers Fund.

SELECTED ACTIVITIES

Served as a long-term consultant to USIAD's (Biden-Pell) Development Education Program which urges grantees to convey the importance of Third World development to the U.S. public.

Initiated the Information Collection and Exchange (ICE), the Peace Corps' technical information and publishing arm, with a start-up grant from the Rockefeller Brothers Fund. ICE collects field-generated technical information and publishes technical manuals for dissemination to volunteers and the international development community. ICE has been cited as a major milestone in the history of Peace Corps.

Proposed to the Overseas Development Council (ODC) that Peace Corps Volunteers collect Third World village-level energy data. Proposal led to foundation funding and a joint Peace Corps/ODC energy program which produced some of the first reliable village-level energy consumption/production data used by international energy programmers and planners.

As a follow-up to the ODC survey, negotiated an Interagency Agreement with the Agency for International Development (USAID) to initiate Peace Corps' Renewable Energy Program. This first agreement led to additional interagency agreements with USAID in other program areas.

On a *pro bono* basis, drafted legislation for a Philippine National Volunteer Service Program for consideration by a committee of the Philippine legislature.

Proposed and authored an amendment to the Peace Corps Act (sponsored by Senator Charles Percy) which allows Peace Corps to give grants to volunteer service programs in the developing world.

Proposed and designed Locally Recruited Volunteers (LRV), a nation-wide system to recruit community-based and minority volunteers into Volunteers in Service to America (VISTA).

Designed a variety of innovative volunteer recruitment and placement systems for both domestic and international programs, including the Program for Local Service (PLS), a early demonstration of the National Service idea.

Designed and directed FACE (Fitchburg Action to Conserve Energy), a highly successful ACTION-supported community-wide energy conservation demonstration program in Fitchburg, Massachusetts in the fall of 1979.

Initiated and directed the Community Energy Project (CEP), an ACTION program which provided technical assistance to over forty interested communities nation-wide in how to adapt the FACE campaign approach to their unique resources.

With a grant obtained from the John A. Hartford Foundation, initiated a national public-private partnership between ACTION and the United Way of America as a follow-up to the CEP/FACE model.

PERSONAL DATA

EDUCATION: Swarthmore College, 1954; Bachelor's Degree, Carnegie-Mellon University, 1959; Master's Degree, Boston University, 1960.

LANGUAGES: Fluent in French and Italian; conversant in Portuguese; some knowledge of Spanish.

TRAVEL: Extensive travel on assignment in Central and Eastern Europe, Africa, Asia, Latin America, and the Caribbean. Periodic residence in Brazil, France and Italy. Extensive work-related travel throughout the United States.

AFFILIATIONS: Returned Peace Corps Volunteers/Washington, National Council of Returned Peace Corps Volunteers and Friends of VISTA (Executive Committee).

COMMISSIONS: Served on Presidential Task Force on Energy Conservation, 1980; Presidential Task Force on International Health, 1977; and U.S. Delegation to International Secretariat for Voluntary Service, Geneva, 1973.

COMPUTER LITERACY: Conversant with uses of computer-based communications and database information systems. Expertise in word processing programs.

SELECTED PUBLICATIONS

Designed methodology and edited COMPENDIUM: U.S. Nonprofit Assistance to Central and Eastern Europe and the Commonwealth of Independent States, and a series of 21 country-specific Assistance Directories on the same subject. Citizens Democracy Corps, 1990-93.

Initiated and edited a series of program publications which include the following reports:

LOCAL GOVERNMENTS IN TRANSITION: Observations and Recommendations on Hungary written by the Hon. Gerald Baliles and the Hon. Booth Gardner. Citizens Democracy Corps, 1993.

UNIVERSITIES IN TRANSITION: Observations and Recommendations for Hungary and Czechoslovakia written by Derek Bok, President Emeritus, Harvard University. Citizens Democracy Corps, 1992.

Published NIS E-Mail Directory: A listing of E-Mail Addresses in the Former Soviet Union and the Baltics. Citizens Democracy Corps, 1992.

Wrote international portion of "Citizen Participation: ACTION & The Peace Corps." AMERICA'S TRANSITION: Blueprints for the 1990s, edited by Mark Green and Mark Pinsky. The Democracy Project, Inc., 1989.

Wrote principal chapter on how the Peace Corps program evolved during its first twenty-five years. Making A Difference: The Peace Corps at Twenty-Five. Weidenfeld & Nicolson, 1986.

Initiated and edited Appropriate Technologies for Development, a series of Third World development manuals based on the practical experience of Peace Corps Volunteers and their counterparts. Peace Corps, 1975-78.

Edited The Peace Corps Program and Training Journal, a professional periodical concerning Third World development issues. Peace Corps, 1974-78.

Wrote "Escape from the Nazis," an article based on childhood recollections. Outlook, The Washington Post, 1987.

References will be supplied upon request

THE WHITE HOUSE
WASHINGTON

Jonathan Lash
President
World Resources Institute
7th Floor
1709 New York Avenue, N.W.
Washington, DC 20006

8/18/93

Jon Lash —

You mentioned an opening for a corporate type of the Commission. Still looking?

John Podesta

Genentech, Inc.

1747 Pennsylvania Avenue NW
Suite 1223
Washington, DC 20006
(202) 296-7272
FAX (202) 296-7290

July 13, 1993

Mr. John D. Podesta
Assistant to the President
and Staff Secretary
The White House
Washington, D.C. 20500

Dear John:

It is my understanding that there may be one or more vacancies on the President's Council on Sustainable Development. I would like to take the liberty of suggesting Ms. Lisa Conte, Chief Executive Officer of Shaman Pharmaceuticals. I believe that Lisa would be an insightful contributor to the work of this important Council.

Lisa is the founder of a biology based firm whose research into human pharmaceutical products starts with plants from the rain forest. She has already raised tens of millions of dollars and has two promising products in advanced human clinical trials. Of greatest relevance to sustainable development has been the agreement of Shaman to plow money back into the advancement of indigenous peoples to compensate them for their contributions to the discovery process. If successful, Shaman could serve as a model of how developing countries and regions could be given incentives to conserve and preserve their biodiversity.

In addition to the material about Lisa Conte that I have enclosed, I should note that Lisa took a leadership role in working with Genentech and Merck in forging the agreement on the Biodiversity Treaty. I have seen first hand her skills as a communicator. Over the past several months, I have been a part of meetings with Lisa and Secretaries Bentsen, Shalala, Reich, Brown and CEA Chair Tyson. In each and every instance she was able to concisely communicate useful and relevant information to the policy formulation process. You would receive no less of a benefit in the event that the President appointed her to his Council on Sustainable Development.

Thank you again for all of your courtesies.

Sincerely,

David

David Beier
Vice President, Government Affairs

DB/saw
enclosures

Shaman
PHARMACEUTICALS, INC.

213 East Grand Avenue
South San Francisco CA 94080-4812 USA
(415) 952-7070
FAX (415) 873-1463

LISA CONTE

BIOGRAPHICAL DATA

Lisa Conte is founder, President and Chief Executive Officer of Shaman Pharmaceuticals, Inc., a Northern California company working to discover and develop new classes of traditional pharmaceuticals derived from plants.

Prior to founding Shaman, from 1987 to 1989, Conte was a vice president at Technology Funding, Inc., a venture capital firm, where she was responsible for the analysis and management of healthcare industry investments. Her activities at Technology Funding included deal-finding, research, investment and monitoring. She completed five investments during that tenure and was active on two boards.

From 1985 to 1987, Conte conducted risk and strategy audits for start-up healthcare companies at Strategic Decisions Group, a management consulting firm. While studying for her M.B.A., Conte interned at Eli Lilly & Company and worked with an internal venture capital group to identify promising new biotechnology companies.

Conte received an A.B. in Biochemistry from Dartmouth College, an M.S. in Physiology/Pharmacology from the University of California, San Diego and an M.B.A. from the Amos Tuck School, Dartmouth College.

Conte lives with her husband and infant son in Portola Valley, California, outside San Francisco. She is an avid skier, fly fisher and runner.

Shaman Pharmaceuticals Inc

213 East Grand Avenue, S. San Fran CA 94082
[redacted] Tel: 415/952-7070
Fax: 415/873-0896

KEY PERSONNEL: Lisa Conte: President and CEO
Gary Fischer: VP and CFO
Michael Tempesta: VP, Chemistry and Discovery
Steven King: VP, Ethnobotany and Conservation
Rozanne Rapozo: CFO
Gianfranco Rutili: VP, Development
Richard F. Hector: Director, Biological Sciences
Thomas Carlson: Director, Ethnobiomedical Field Research

EMPLOYEES: 34 employees

HISTORY: Founded in 1989

STOCK-FINANCIAL HISTORY: Filed for IPO—2.5 mil shares of common stock at $13-$15/share (12/92)

PRIVATE PLACEMENTS: $4 mil first round venture financing (4/90)
$7.6 mil second round financing (1/92)
$10 mil venture financing (8/92)

PRINCIPAL INVESTORS: Delphi BioVentures
Technology Funding Partners
Elf Technologies, Inc

AGREEMENTS:

Name	*Products*	*Content of Agreement*	*Date*
Inverni della Beffa (Italy)	SP-303 antiviral agent	equity investment and nonexclusive marketing and manufacturing rights	(9/91)
Eli Lilly and Co	plant extracts exhibiting antifungal activity	R&D agreement—Lilly made $4 equity investment and will fund four-year R&D collaboration in exchange for an option to obtain exclusive worldwide marketing rights to certain products	(11/92)

RESEARCH & DEVELOPMENT: Drugs from tropical plants

PRODUCTS IN DEVELOPMENT:

Name	*Status*
SP-303 antiviral for respiratory syncytial virus (RSV)	in Phase I clinicals
SP-303 to treat influenza virus and parainfluenza	in development

SUBJECT TERMS: *Agriculture:* Drugs from Plants

8/18/93

Roy Neel
Do you want to push this guy at DOT

BARRETT M. (BARRY) WILLIAMS
2122 Massachusetts Avenue NW, #533
Washington, DC 20008
(202) 296-8866

OBJECTIVE

A policy, government affairs, or public affairs position in the U.S. Department of Transportation's Federal Transit Administration (FTA) or Federal Railroad Administration (FRA); to work for a balanced, multimodal transportation system.

I don't kno him

EDUCATION

B.A. Degree in Political Science, Knox College, Galesburg, Illinois, 1978. Recipient, Liggett Scholarship; Member, Mortar Board Honor Society; Member, Dean's List. Cumulative Grade Point Average: 3.25.

He went to my colleg John

BACKGROUND

Born 1955, St. Louis, Missouri; oldest of three children. Strong interest since childhood in public policy issues and current events, with particular emphasis on environment, transportation, urban planning, historic preservation, and aesthetic issues. Community activist in high school; addressed city council at age 16. Began my involvement in national politics by volunteering in Sen. George McGovern's 1972 presidential campaign at age 16. Received numerous honors during high school, including appointments to Missouri Boys State, Model United Nations, and Brentwood (MO) Youth Commission. Elected class president junior year, vice-president senior year, "Most Likely to Succeed" senior year. In college, concentrated on political science, economics. Moved to Washington, DC, after college graduation. Worked as a research staffer for a congressional transportation commission; then went on to serve for 10 years as deputy director of a national transportation association. Later worked in local Washington political campaigns, and as an aide to the chairman pro tem of the Washington City Council, specializing in public works-transportation issues. Am president of a nonprofit urban beautification association, which I recently incorporated.

Excellent health, effective communication skills, good typing/word processing ability, extensive public speaking experience, good command of political process, especially knowledgeable on transportation, public works, environment, urban planning issues. Past or present member of various transportation, environmental, and historic preservation organizations.

WORK EXPERIENCE

JULY 1992 - PRESENT: Founder and President, The American Streetscape Society, a nonprofit association dedicated to urban beautification and historic preservation.

AUGUST 1992 - NOVEMBER 1992: Administrative Aide, Democratic National Committee (Clinton Campaign work). NOVEMBER 1992 - FEBRUARY 1993: Administrative Aide to Robert Reich, Laura Tyson, Roger Altman; Economic Policy Group, Clinton Transition Office.

JANUARY 1992 - JUNE 1992: Special Assistant, Constituent Services, Councilman John Ray, Chairman Pro Tempore, Washington City Council. Job involved providing information and assistance to constituents, and some legislative support to the councilman, particularly on public works, transportation, and environment issues.

JANUARY 1991 - DECEMBER 1991: Office Temporary; most work assignments involved word processing.

OCTOBER 1990 - DECEMBER 1990: Campaign aide to Washington mayoral candidate Sharon Pratt Kelly; worked primarily as an advance team member, traveling to events with, or in advance of, candidate. Advised Kelly's public works transition team on energy conservation matters.

MAY 1990 - SEPTEMBER 1990: Volunteer, and, later, reelection campaign staff aide to incumbent Washington Councilman John Ray.

JANUARY 1990 - JULY 1990: Citizen activist; worked to save Washington's historic street lights, and retrofit them with energy-saving bulbs. Effort involved meetings with city and lighting-industry officials, presentations to neighborhood groups, and creation of support coalition of environmental, planning, and preservation organizations. Effort won wide support; prompted story in June 28 Washington Post.

AUGUST 1989 - DECEMBER 1989: Gardener, National Academy of Sciences-National Research Council.

FEBRUARY 1979 - APRIL 1989: Assistant Executive Director, National Association of Railroad Passengers (NARP), a national, nonprofit consumer group based in Washington. Served as congressional lobbyist, assistant newsletter editor, second-ranking executive of NARP. Primary activities: lobbying Congress and Amtrak, performing public information/media relations work, providing constituent services to members. Testified before U.S. House and Senate committees on various occasions; gave frequent interviews to television, radio, newspaper, magazine reporters. National media interviews included PBS-TV's MacNeil-Lehrer NewsHour, U.S. News & World Report, People. Played major role in creating NARP's popular tape-recorded telephone news service. Was particularly interested in historic rail station preservation projects, and in intermodalism--and worked on creation of intermodal transportation stations in Orlando, St. Louis, Sacramento, Baltimore, Chicago, Buffalo.

AUGUST 1978 - MARCH 1979: Research Assistant, National Transportation Policy Study Commission (NTPSC), a commission authorized by Congress to study U.S. transportation trends and make policy recommendations. Studied rail freight trends--particularly coal movements--and estimated future traffic volumes by route. Was commission staff's liaison to consultant Peat Marwick & Mitchell Co.

PROFESSIONAL AWARDS

George Falcon Golden Spike Award, April 1989, marking a decade of distinguished service to NARP and America's railroad passengers.

REFERENCES AVAILABLE

Office of the President-Elect and Vice President-Elect

January 14, 1993

Honorable Federico Pena
Secretary-designate
U. S. Department of Transportation
1120 Vermont Avenue N.W.
Washington, DC 20270

Dear Federico:

I am writing on behalf of a member of my support staff, Barry Williams, who is eager to join your team at the Department of Transportation.

Barry came to my Economic Policy Group in November from the Democratic National Committee, and has been a reliable and capable assistant to me and the other members of the Group. He has volunteered on a full-time basis, typically working 12 or more hours each day, and has never missed a day since his arrival (outside of the Christmas holiday). He had hoped at some point to transfer into your Transportation Cluster, but we needed him here and he remained with us. I witnessed many volunteers come and go here over the last two months--some quit and others were asked to leave--but Barry was up to the task and stuck with us to the end.

I believe the Clinton Administration needs loyal, energetic people like Barry Williams, and hope you will consider putting his transportation experience to work at the DOT. He has indicated a particular interest in policy development and public affairs, and would be delighted at this stage to accept a 120-day temporary position.

Barry was a valued member of my group these past two months, and I am pleased to recommend him to you. As members of my group now move on to Labor, Treasury, Council of Economic Advisers, Trade Representative, and National Economic Council, Barry's friendships here will undoubtedly be an asset in the future.

Thank you for your consideration.

Sincerely,

Bob
Robert Reich
Secretary-designate
U. S. Department of Labor

Enclosure

P. O. Box 8086, Little Rock, AR 72203-8086 501-374-3322
1120 Vermont Avenue, N.W., Washington, DC 20270 202-973-2600

HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

RICHARD A. GEPHARDT
MAJORITY LEADER

May 21, 1993

Liz Montoya
White House Liaison
Department of Transportation
400 Seventh Street, SW
Washington, DC 20420

Dear Ms. Montoya:

I am writing to recommend Barry Williams for a position in the Department of Transportation. He is interested in a position in policy, government, or public affairs. As his enclosed resume details, Barry would make an outstanding addition to your department in this capacity.

Barry is an accomplished professional whose credentials in the transportation field are substantial. Furthermore, he is well versed in both government, politics, and environment issues. As assistant executive director of the National Association of Railroad Passengers, he testified before the House and Senate and was interviewed regularly by the national media. Recently, Barry founded his own association dedicated to beautifying America's cities. He later worked full time as volunteer for the Democratic National Committee.

Barry's professional experience coupled with his political loyalty would make him an ideal candidate for a number of substantive positions in the Department of Transportation. I would greatly appreciate your serious consideration of his candidacy.

Sincerely,

Dick

Richard A. Gephardt

cc: Ann Bormolini

To: John Podesta

Fax: 456-2215

Pages: 5 total

Date: Friday, Aug. 13, 1993

Per our Wednesday conversation, here's my resumé, etc.

I'm hoping to go to DOT. Would you be willing to call Peña's office (Liz Montoya, 366-1111) and put in a good word for me? As I said, Roy Neel and Patty McHugh in McLarty's office are references.

Your help would mean a lot to me! Thank you!

Barry Williams
Knox '78
(Flunk Day Friar!)
202-296-8866

8/18/93

THE WHITE HOUSE

[redacted]

Joe Duffey —

Are you interested in Terry? If so, we should talk. He has great strengths + some weaknesses. Let me know.

John Podesta

[redacted]

[redacted]

W. Terry Maguire

93 JUL 26 P5:42

26 July 1993,

John Podesta
Assistant to the President
The White House
Washington, DC

Dear John,

Yes, I still am interested in pursuing USIA. I really think that I could make an important contribution to this administration from a significant post at that agency, working with Dr. Duffey.

He sent me a note the other day asking me to call in a few days to set up an appointment. I plan to do just that, and anything you could say or do in the meantime would be much appreciated. Enclosed is a hard copy of my bio.

Thanks for your support, John.

Best personal regards,

Terry

W. Terry Maguire

Encl.

Office:
Suite 200, National Press Building
529 14th Street, NW
Washington, DC 20045
Tel: 202-508-8635 (voice mail)

Fax: 202-393-2057
Residence:
4064 Ridgeview Circle
McLean, VA 22101-5810
Tel: 703-237-7229 (voice mail)

W. Terry Maguire

W. Terry Maguire is a well-known communications media professional and lawyer, with extensive credentials at home and abroad. His clients and business affairs include newspapers and information service companies in the United States as well as in Europe, Latin America, Asia and Africa. Maguire's work includes management and participation in media projects worldwide. He has traveled extensively in Africa, Latin America, and throughout Europe and parts of Asia and the Pacific. Much of this has involved work with international media organizations as well as with intergovernmental bodies.

His career has included several important media posts. Most recently (February, 1992) he completed thirteen years of service to the American Newspaper Publishers Association (now the Newspaper Association of America), where he was senior vice president and general counsel. Maguire was responsible for international affairs, government relations, human resources, telecommunications, postal affairs and business development for the 1,400 newspaper members of the association. During his ANPA tenure, he helped found both the Media Law Reporter®, on whose board he still serves, and the Libel Defense Resource Center in New York.

Prior to ANPA, Maguire served as general counsel to the National Newspaper Association, attorney-advisor in the Broadcast Bureau and in the Chairman's office at the Federal Communications Commission. He was an officer for three and one-half years in the U.S. Coast Guard. Maguire is a graduate of Brown University (1969), an honors graduate (J.D.) of the National Law Center at George Washington University (1975), and he completed graduate studies in communications at American University. He was born in Huntington, New York in 1948.

In 1992, he served as senior vice president of EastNet, Inc., an innovative news and information service company which explored ways to serve Western business interests from the former Soviet Union and Eastern and Central Europe. He worked closely with newly independent publishers there, in coordination with UNESCO, and other international bodies. Maguire spent all of April, 1993, in francophone Africa helping to improve the viability of more than 80 newspapers in 9 countries. He is working with the Pan African News Agency as it moves toward privatization.

He is an Executive Member of the International Federation of Newspaper Publishers (FIEJ) in Paris, and is helping to launch the first electronic mail and information system interconnecting newspaper executives around the world. The service is called NEMO® (NEwspaper Management On-line).

Maguire is a member of the Federal Communications Bar Association, and is admitted to practice in Washington, D.C. and Florida as well as before federal courts, including the U.S. Supreme Court. He is developing the publishing law component of a new electronic information and communications service for lawyers in the U.S. and around the world called Counsel Connect.

Maguire also devotes time to France and French-related activities. He founded a French company, French Accent Publications, SARL, located in Sophia Antipolis, and is a part owner and director of FrancePress, Inc. in San Francisco. This company publishes the largest French language newspaper in the United States. He is also an active member of the French-American Chamber of Commerce and serves as a Council member for the French-American Foundation in New York.

His wife, Elizabeth Maguire, is Acting Director of the Office of Population in the U.S. Agency for International Development. They reside in McLean, Virginia.

Home:
4064 Ridgeview Circle
McLean, VA 22101-5810
Tel: 703-237-7229 (voice mail)

Office:
Suite 200, National Press Building
529 14th Street N.W.
Washington, D.C. 20045
Tel: 202-508-8635 (voice mail)
Fax: 202-393-2057

26 July 1993

[redacted]

THE WHITE HOUSE
WASHINGTON

DATE: 6/27

[redacted]

TO: Susan Reichman Clampitt

FROM: **JOHN D. PODESTA**
Assistant to the President and
Staff Secretary

I think Isabelle wants
the Congressional job at NEA.
I think she's great.
Let me know how
those jobs are going,

John

[redacted]

ISABELLE Y. WATKINS
508 A STREET, S.E., WASHINGTON, D.C. 20003
(H) (202) 544-5965 (W) (202) 225-6190

EXPERIENCE

Chief of Staff, Administrative Assistant, Congressman Bill Richardson, Washington, D.C., 1992-Present.
*Administer congressional office in Washington, as well as four district offices in New Mexico.
*Oversight responsibility for operation of Chief Deputy Majority Whip office in the Capitol and Native American Subcommittee of the Natural Resources Committee.

Executive Assistant, Congressman Bill Richardson, Washington, D.C., 1988-Present.
*Supervise all scheduling, correspondence, briefings and events.
*Responsible for coordinating fundraising and political activities.

Member, Executive Committee, Bread for the World, Washington, D.C., 1985-Present.
*Approve budget of national lobbying organization.
*Coordinate and assist with fundraising.
*Supervise membership recruitment, renewal and services for 65,000 members.
*Served on search committee for new President, 1990.

Assistant to Vice President, Fundraising, Democratic National Convention, Atlanta, GA, 1988.
*Managed corporate wing of the World Congress Center.
*Only person salaried jointly by the DNC and Atlanta '88.
*Responsible for touring all VIPs and coordinating events for major corporate and individual donors.
*Organized concert by Atlanta Symphony conducted by Kitty Dukakis' father and introduced by U.S. Senator Wyche Fowler.

Member, Executive Committee, Foxfire, Rabun Gap, GA, 1986-Present.
*Approve budget of the Foxfire fund, an innovative approach to public education.
*Supervise endowment investment.
*Approve personnel policies of President and Executive Director.
*Helped plan 25th anniversary activities including endowment campaign, 1991.

Chairman, Georgia Council for the Arts & Humanities, Atlanta, GA, 1975-1980.
*Appointed by Governor George Busbee.
*Increased funding for Council 1500% from $100,000 to $1.5 million.
*Organized Governor's Award ceremonies. Grew from audience of 300 to 1800 over four years and became a "sold out" event carried on public TV.

Vice President, Atlanta Arts Alliance, Atlanta, GA, 1982-1984.
*Served on Board for 15 years, organizing The Frolic, a seated dinner for annual campaign of Atlanta Arts Alliance, 1974-1984.

Founder, Georgia Citizens for the Arts, Atlanta, GA, 1981.
*State-wide Grass roots lobbying organization for public funding of the arts.

Founding President, Associates of the Atlanta College of Art, 1973-1974.
*Organized Dream Auction and Beaux Arts Ball, netting over $100,000 annually.

ACTIVITIES

Volunteer, Democratic National Convention, New York, NY, 1992.
*Supervised all VVIP seating at the Convention.

Chairman, Board of Trustees, Atlanta College of Art, Atlanta, GA, 1982-1984.

Member, National Endowment for the Arts, Expansion Arts Panel, Atlanta, GA 1975-1980.

Executive Committee, American Symphony Orchestra League, Washington, D.C., 1976-1980.
*Secretary, 1976-1980. Members include all symphony orchestra in the U.S.

Governor's Appointee, Georgia Committee for the Humanities, 1976-1980.

President, Atlanta Symphony Women's Association, 1974-1975.
*Organized Decorator's Show House for the benefit of the Atlanta Symphony.

Executive Committee, Atlanta Symphony Board, 1974-1978.

PERSONAL

I have served as an arts resource both in Georgia and around the nation. I have spoken in Chicago, Los Angeles, San Francisco, New Orleans and Dallas/Ft.Worth on arts advocacy, audience development, event organization, use of volunteers and fundraising. Represented Gov. Busbee in many communities in Georgia over 5 years. Proficient in Wordperfect, Lotus 1-2-3 and Dbase computer programs.

AWARDS

Governor's Award, in recognition of volunteer activities in the service of the arts in the State of Georgia, 1981.

References available upon request.

[redacted]

THE WHITE HOUSE
WASHINGTON

DATE: 5/5

TO: Nancy Hernreich

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

Dana Lawrence is interested in being the diarist. What do you think?

John

[redacted]

[redacted]

Bill -

This is an old resume without my campaign, transition, or Administration experience. It's also the short one. If you need the expanded version (which shows early museum and archeological work) or need the recent stuff, I can do it in a week or so.

- Dana

RESUME
DANA DURST LAWRENCE

PROFESSIONAL EXPERIENCE:

1983 to Present

PRIVATE CONSULTING: MANAGEMENT AND RESEARCH
Little Rock, Arkansas

Selected Contracts include: Interim Executive Director: Statewide non-profit educational and political organization; Historical Research: For authors and individuals; Estate Manager for Executor: Supervised categorization and disposition of all property and effects in complex estate; included analysis and evaluation of entire document record for detailed legal issues and evidence; Small Business Consultation: Created and implemented business plan, including analysis of business procedures, marketing and personnel; Staff Analyst and Assistant to Senior Asset Manager, J. E. Robert Company, Alexandria, Va.: Responsible for collecting data, writing and producing monthly MIS status report to clients on all properties; supervised and maintained all files and archives; analyzed loan files for interlocking relationships and irregularities; handled routine management of nationwide properties; maintained budgets and made disbursements.

1981 to 1982

NEIGHBORHOOD REINVESTMENT CORPORATION
Washington, D.C.

Special Assistant to the Deputy Director: Troubleshooter with overall responsibility of restructuring complex housing corporation in politically sensitive and shifting atmosphere. Responsibilities included creating the strategies; managing numerous consultants in operations, finance, contracting, audit, fund raising; reporting to Board; uncovering and correcting irregularities; restructuring entire corporation conceptually and procedurally. Required weekly national travel.

1979 to 1981

FIRST FEDERAL SAVINGS & LOAN ASSOCIATION
Little Rock, Arkansas

Assistant to the President: Member of senior management group; designated Community Reinvestment officer; key person in production of consumer strategic plan.

1976 to 1979

FEDERAL HOME LOAN BANK BOARD
Office of Neighborhood Reinvestment

Eastern United States Expansion Coordinator: Expansion of former responsibilities with emphasis on sensitive negotiations, problem solving and innovation; created prototype of developmental process for expanding established programs; extensive travel and public speaking; responsible for budget, administration, fact finding, contract negotiation, planning, implementation, and evaluation; considerable consultation with boards, staff and community leaders.

Field Representative: Same as Assistant Field Representative with minimal supervision.

Assistant Field Representative: Facilitated development of nonprofit housing rehabilitation corporations in a five-state area; extensive planning and implementation with committees of volunteers ranging from C.E.O.'s of financial institutions and local government officials to neighborhood residents on welfare; responsible for local strategies, timetables, recruiting, hiring, training and supervising staff, board training workshops, assessment of potential sites, development of by-laws, personnel policies, job descriptions and evaluation mechanisms; conducted fund raising in both public and private sector, wrote government contracts and grant applications.

Local Coordinator: Responsible for local implementation of Neighborhood Housing Services Corporation according to established developmental plan. Facilitated committees of senior management from financial institutions, city government, and local residents to create consensus; coordinated workshops; executed administrative details such as incorporation of non-profit corporation and writing of a grant funded by Winthrop Rockefeller Foundation; compiled statistical reports, maps and demographic data.

1969 to 1970 — ST. VINCENT INFIRMARY
Little Rock, Arkansas

Director, Child Care Department: Complete responsibility for establishment and operations of employee day care center including development of program, hiring and supervision of staff and volunteers, budget, and public relations.

1969 — STATE DEMOCRATIC COMMITTEE
Manager, Fund Raising Campaign

1968 — SENATOR J. W. FULBRIGHT CAMPAIGN
Coordinator for four counties
and
WASHINGTON COUNTY DEMOCRATIC HEADQUARTERS
Office Manager

1968 — REGIONAL HEAD START OFFICE AND
SOUTH CENTRAL REGION EDUCATIONAL LABORATORY;
Design and Execution of Demonstration Program

1968 — REGIONAL HEAD START OFFICE
Instructor, Statewide Teacher Training Workshops and Inspector, Central Arkansas Region Head Start Centers

1967 to 1968 — WASHINGTON COUNTY HEAD START
Director, Development Day Care Center: Established and supervised day care center including program, budget, staff, volunteer recruitment, and training.

PART-TIME EXPERIENCE

1982-1983	THE ANTHONY SCHOOL, Part-time teacher in pre-school
1971-1975	KANSAS CITY HOLISTIC HEALTH ASSOCIATION, Consultant, grant writing and planning
1973-1976	ARKANSAS ARTS CENTER, Slide Curator
1968-1975	EVELYN WOOD READING DYNAMICS, Instructor
1966-1967	APERTURE MAGAZINE, New York City, Office Manager, Circulation Director

SELECTED PAST VOLUNTEER EXPERIENCE:

Member, Management Assistance Program Committee, United Way
Member, Board of Directors, Artspace Artists' Cooperative
Troop Leader, Girl Scouts
County Co-Chair, Peace Links of Pulaski County
Board Member, President, Arkansas Ecology Center
Assistant Volunteer Manager, International Leadership Project, Winrock International
Founding Member & President, Prepared Childbirth, Inc.
Member, Curriculum Committee, Meadowcreek Project, Fox, AR
Founding Member, Arkansas Women's Rights, Inc.
State Director, Vietnam Moratorium (1969-70)

PERSONAL INFORMATION:

Address: ~~28 Pine Manor Drive~~
~~Little Rock, Arkansas 72207~~
2020 F. St. NW #126
Washington, D.C. 20006

Telephone: ~~(501) 663-2312~~
202·223·8558
work 202·456·6676

EDUCATION:

Degree: Sarah Lawrence College, 1967, B.A.
Graduate Studies: Columbia University
Graduate Institute of Technology, Univ. of Arkansas
Presently enrolled in the Masters in Public History program at UALR

THE WHITE HOUSE
WASHINGTON

DATE: 5/2

TO: JOHN Emerson

FROM: **JOHN D. PODESTA**
Assistant to the President and
Staff Secretary

Is she on any lists.
A Dem. who has worked
for Republicans. Very good.
Highly respected in the state
regulatory community. women
Illinois etc. Could you let me
Know? Thanks JOHN

mil 3/10/93

THE WHITE HOUSE

WASHINGTON

March 5, 1993

Ellen C. Craig
2970 North Lake Shore Drive Apt. 15F
Chicago, IL 60657

Dear Ms. Craig:

Senator Paul Simon has shared with me your interest in a position in the Administration.

You may be assured that your resume will be given every possible consideration. Should we need additional information, we will contact you at that time.

Again, we appreciate both your interest and your continued support.

Sincerely,

Bruce R. Lindsey

Bruce R. Lindsey
Assistant to the President and
Director of Presidential Personnel

ELLEN C. CRAIG

2970 North Lake Shore Drive, Apt. 15F, Chicago, Illinois 60657
312/472-9316 (H), 312/814-2843 (O)

PROFESSIONAL EXPERIENCE

ILLINOIS COMMERCE COMMISSION, 1989 - present

Chairman of seven member commission, appointed by the Governor and confirmed by the Senate, which has jurisdiction over investor-owned electric, gas, water and sewer utilities, telecommunications carriers, and intrastate trucking. Statutory responsibility for the provision of public utility services that are adequate, efficient, reliable, environmentally safe and least-cost, and to balance the interests of ratepayers and shareholders. Significant decisions include cases involving nuclear plants, compliance with state and federal environmental policy, and the provision of telecommunication services.

Committee activities include:
Economic Development Policy Committee, Chairman, 1989 - present
Electric Committee Policy Committee, 1989 - present
Telecommunications Policy Committee, 1989 - present
Governor's Task Force on Advanced Telecommunications and Networking, 1991 - present
National Association of Regulatory Utility Commissioners, Ad Hoc Committee on International Relations, 1992 - present

OFFICE OF THE GOVERNOR, STATE OF ILLINOIS, 1978 - 1989

Deputy Chief of Staff, 1987 - 1989

Legal and policy adviser; responsible for operations of Chicago office; supervised Special Assistants to the Governor for Minority, Hispanic, Asian and Ethnic Affairs, and Women, and the Offices of Consumer Services, Special Events, and Voluntary Action; surrogate for Governor at public events.

Director, Office of Citizen's Assistance and Consumer Affairs, 1985 - 1987

Legal and policy adviser; reorganized constituents and consumer services unit; supervised Office of Consumer Services which represented utility customers before regulatory agencies and courts; liaison to state agencies, business, and community organizations on energy, utility, housing and economic development issues.

Special Assistant to the Governor for Consumer Affairs, 1979 - 1985

Adviser on consumer law and policy issues including financial services, energy, utilities, and housing; made recommendations on economic regulatory bills; liaison to state and federal agencies, consumer and community organizations; gave presentations on consumer law issues to business and community groups; represented the Governor at community events; served on advisory boards for consumer cooperatives, energy assistance and weatherization, and Southeast Asian refugees programs.

Counsel to the Special Assistant for Consumer Affairs, 1978 - 1979

Responsible for legal, legislative and policy analyses concerning consumer issues, and consumer education and dispute resolution programs.

EDUCATION

Admitted to practice in Illinois, 1977

J.D., 1977, The John Marshall Law School, Chicago, Illinois
B.A., 1960, Cardinal Cushing College, Brookline, Massachusetts
Internship, U.S. Attorney's Office, Chicago, Illinois, 1976
Attended Harvard Law School Program of Instruction for Lawyers, Cambridge, Massachusetts, 1982 and 1990

PRESENTATIONS

Frequent presentations on telecommunications issues and utility regulation at industry and regulatory conferences and utility investor seminars. Participant in roundtables on government regulation of private enterprise with public officials and business leaders from Africa, China, Latin America and the Middle East, 1990 - 1992.

CURRENT BOARDS AND MEMBERSHIPS

Chicago Council of Lawyers, 1977 - present (Board of Governors, 1980 - 1988)
El Valor $10 Million Capital Campaign Advisory Committee, 1991 - present
Federal Communications Bar Association, Midwest Chapter Coordinating Council, 1991 - present
Fund for Justice, Board of Directors, 1987 - present (Chairman, 1987 - 1989)
Lawyers Alliance for World Security, National Board of Directors, 1984 - present (Chairman, 1988 - 1989)
Women's Bar Association of Illinois, 1977 - present
Women Executives in State Government, 1990 - present

OTHER PROFESSIONAL ACTIVITIES

Organizer, seminar on "The Telecomunications Network: The Local-Global Nexus." Washington, D.C., March, 1993
Participant, The Aspen Institute Telecommunications Policy Seminar, Aspen, Colorado, August, 1992
Organizer, conference on "Opportunities and Trends in Telecommunications Liberalization and Privatization," Chicago, June, 1992
Initiator, conference on "The Future of Utility Regulation: Agenda for the 90's," University of Chicago, December, 1990

PRE-LAW EMPLOYMENT

Bibliotheca Islamica, Inc., Publisher, Minneapolis and Chicago, 1971 - 1978.
The University of Chicago, Department of Statistics, Chicago, Illinois, 1973 - 1975.
Public Defender for Misdemeanors, Minneapolis, Minnesota, 1972.
University of Minnesota, Scheduling Department, Minneapolis, Minnesota, 1971.
The Minneapolis Institute of Arts, Minneapolis, Minnesota, 1969 - 1970.
The University of Michigan, Center for Population Planning, Ann Arbor, Michigan, 1968 - 1969.
The Ford Foundation, Population Division, New York, New York, 1967 - 1968.
American University in Cairo, English Language Institute, Cairo, Egypt, 1966 - 1967.
Harvard Medical School, Biophysics Research Laboratory, Boston, Massachusetts, 1961 - 1966.

faxed

THE WHITE HOUSE

WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Karen Bell

FROM: John Podesta

SUBJECT: Jason Steinbaum

DATE: May 3, 1993

Phone Number: **Fax Number:** 703/693-2090

NUMBER OF PAGES (including cover sheet): 3

MESSAGE:

If all pages are not received, please call 202/456-2702

THE WHITE HOUSE

WASHINGTON

May 3, 1993

Karen Bell
Office of General Klugh
White House Liaison Office
Department of Defense

Attached is the resume of Jason Steinbaum who I understand is under consideration for a position at the Department of Defense. Jason and I worked together on an immigration issue on Capitol Hill. At that time, he was serving as a Legislative Assistant for Foreign Affairs for Senator Don Riegle. Jason possesses both strong analytical skills and keen political instincts.

Jason is a hard worker who will take the initiative to get the job done. Because Jason is able to grasp the issues clearly and deal with them both effectively and efficiently, I am happy to recommend him to you for an international or defense related position in the Administration.

Sincerely,

John D. Podesta
Assistant to the President
and Staff Secretary

JASON STEINBAUM

4103 W Street, N.W. Apt. 2
Washington, DC 20007
(202)337-8919(h) (202)224-8849(w)

LEGISLATIVE EXPERIENCE:

LEGISLATIVE ASSISTANT -- Senator Donald Riegle (D-MI), Washington, DC
Advise Senator on Foreign Policy, Defense, Immigration, and Veterans policy. Author and negotiate text of bills and legislative letters, such as measures regarding Lebanon's Taif Agreement, Baltic independence, and spouses and children of permanent residents. Recommend positions on votes. Write speeches and floor statements, including addresses on human rights in China and Haitian refugees. Prepared Senator for several Senate Budget Committee Hearings. Work with staff of Senate Foreign Relations and Armed Services Committees. Maintain Top Secret security clearance. *January 1990 - present.*

LEGISLATIVE CORRESPONDENT -- Senator Donald Riegle (D-MI), Washington, DC
Answered constituent correspondence on Foreign Policy, Defense, Immigration, Veterans, Energy, and Environment issues. Served as Acting Legislative Assistant for four months. *January - August 1989.*

INTERN -- Representative Robert Torricelli (D-NJ), Washington, DC and Hackensack, NJ
Answered constituent correspondence. Wrote statements in Congressional Record. Assisted small businesses in New Jersey with customs and other importation problems. *June - August 1984 and 1985.*

CAMPAIGN EXPERIENCE:

RESEARCH ASSISTANT -- Clinton for President, Washington, DC
Assisted trade policy advisory group. Researched Bush record on international trade and other issues. Wrote weekly memorandum on congressional action regarding international trade. Assisted in identification of U.S. military generals and admirals for endorsement of Clinton/Gore. *May - October 1992.*

PRESIDENT/ORGANIZER -- AU Law Students for Clinton/Gore, Washington, DC
Coordinated volunteer activities of AU Law Students. Organized fundraiser held on evening of first Presidential debate. Designed and organized distribution of literature. *January - November 1992.*

FIELD COORDINATOR -- Dukakis/Bentsen Campaign '88, Burlington, VT
Coordinated events, literature drops, ID/persuasion phone calls, and visibility in Burlington and NW Vermont. Handled advance work for visits of Jesse Jackson and John Dukakis. *September - November 1988.*

OPPOSITION RESEARCHER (intern) -- Squier/Eskew Communication, Washington, DC
Researched opponent's public record for Lieberman for Senate campaign. Coordinated advance work for Robb for Senate TV advertisements filmed in Washington, DC. *Summer 1988.*

EDUCATION:

SCHOOL OF INTERNATIONAL SERVICE, The American University, Washington, DC
Masters in International Relations, G.P.A. 3.71, Graduation May 1993.
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* Major: Foreign Affairs. Minor: History. Concentration: Music. * Thesis: War Powers Act.
* Honors: J. Sergeant Reynolds Political Achievement Award, Raven and ODK Honor Societies.
* President -- Young Democrats. * Member -- University Singers and AEPi Fraternity.

04/27

JOHN,

Last week I had a phone conversation with Jason Steinbaum. He said that in February you forwarded his resume and a recommendation of him to Presidential Personnel. He wanted to know if we could fax a copy of your recommendation of him to:

White House Liaison Office
Dept. of Defense
c/o Karen Bell
Ofc. of Gen. Klugh
fax # 703 693-2090

I have made a copy of what we have here in our files (attached). Your recommendation was just a hand-written note along the margin of Jason's incoming letter--not really a formal recommendation you could cc someone on.

How would you like to handle his request?

s

Jenny
Do a brief positive recomm.

THE WHITE HOUSE

WASHINGTON

February 23, 1993

Mr. Jason Steinbaum
4103 W Street, N.W.
Washington, D.C. 20007

Dear Jason:

It was good to talk with you the other day. Thank you for your kind words, I feel honored to be here and want you to know how much I appreciate your best wishes.

Please know I also received your resume and recommendation letters and have forwarded them on to Peter Knight, in the administration's personnel division, along with my personal recommendation.

Again, Jason, I really appreciate your good wishes. It was great hearing from you.

Sincerely,

John D. Podesta
Assistant to the President
and Staff Secretary

4103 W Street, NW
Washington, DC 20007
(202)337-8919(h) (202)224-8849(w)
February 12, 1993

To: Peter Knight
I worked on an immigration matter with him. He's good. I don't know where we might fit in.
John Podesta

The Honorable John Podesta
Assistant to the President and Staff Secretary
Ground Floor West Wing
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear John,

Thank you for agreeing to support my application for a position with the new administration. I am sure that your support will be critical in my effort to find a position in the U.S. foreign policy or national security establishment.

As per our conversation, I have enclosed several copies of my resume. I have also enclosed a list of jobs for which I hope to be considered. In addition, my application is currently supported by Senators Riegle and Lautenberg and Congressman Torricelli. Senator Bradley's staff informs me that it is likely that he too will send a letter of support on my behalf. Although I do not yet have a copy of Senator Lautenberg's letter, I have enclosed copies of the letters from Senator Riegle and Congressman Torricelli for your convenience.

Finally, congratulations on your appointment! I am sure that you will have a rare and unique experience during the next four years. Best of luck!

Sincerely,

Jason

Jason Steinbaum

enclosures

JASON STEINBAUM

4103 W Street, N.W. Apt. 2
Washington, DC 20007
(202)337-8919(h) (202)224-8849(w)

LEGISLATIVE EXPERIENCE:

LEGISLATIVE ASSISTANT -- Senator Donald Riegle (D-MI), Washington, DC
Advise Senator on Foreign Policy, Defense, Immigration, and Veterans policy. Author and negotiate text of bills and legislative letters, such as measures regarding Lebanon's Taif Agreement, Baltic independence, and spouses and children of permanent residents. Recommend positions on votes. Write speeches and floor statements, including addresses on human rights in China and Haitian refugees. Prepared Senator for several Senate Budget Committee Hearings. Work with staff of Senate Foreign Relations and Armed Services Committees. Maintain Top Secret security clearance. *January 1990 - present.*

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* President -- Young Democrats. * Member -- University Singers and AEPi Fraternity.

JASON STEINBAUM -- LIST OF POSITIONS

Department of State

*Special Assistant	Bureau of Human Rights and Humanitarian Affairs
*Special Assistant or Legislative Officer	Counselor/Under Secretary for Global Affairs (Office of Senator Tim Wirth)
*Special Assistant	Bureau of International Organization Affairs
*Special Assistant	Bureau of Consular Affairs
*Legislative Management Officer	Bureau of Legislative Affairs
*Special Assistant	Office of the Legal Adviser
*Special Assistant	Bureau of East Asian and Pacific Affairs

U.S. Arms Control and Disarmament Agency

*Special Assistant	Multilateral Affairs Bureau
*Special Assistant	Office of the General Counsel
*Congressional Affairs Specialist	Office of Congressional Affairs (This agency may be subsumed into a new Bureau of Proliferation and Arms Control Affairs at the State Department.)

Department of Defense

*Special Assistant	Office of the Under Secretary and Deputy Under Secretaries for Defense Policy
*Special Assistant or Legislative Officer	Office of the Assistant Secretary for Democracy and Human Rights
*Special Assistant for Democratic Security and Human Rights	Office of the Assistant Secretary for Legislative Affairs
*Assistant for Multilateral Negotiations	Office of the Assistant Secretary for International Security Policy (This office may not exist after the Secy. Aspin's reorganization, but I still would like to apply for the follow-on to this position.)

Immigration and Naturalization Service

*Deputy Director	Office of Congressional Affairs

DONALD W. RIEGLE, JR.
MICHIGAN

COMMITTEES:
BANKING, HOUSING, AND URBAN AFFAIRS: Chairman
FINANCE:
Subcommittee on Health for Families and the Uninsured: Chairman
BUDGET

United States Senate

WASHINGTON, DC 20510-2201
(202) 224-4822

MICHIGAN REGIONAL OFFICES

CENTRAL
705 Washington Square Bldg.
109 W. Michigan Ave.
Lansing, MI 48933
(517) 377-1713

WAYNE-MONROE
1155 Brewery Pa[illegible] Blvd.
Suite 343
Detroit, MI 4820
(313) 226-3188

EASTERN
Suite 910
352 S. Saginaw St.
Flint, MI 48502
(313) 766-5115

SOUTHEASTERN
Century Center B[illegible] 3d Floor
30800 Van Dyke
Warren, MI 4809
(313) 573-9017

UPPER PENINSULA
Room 323, P.O. Bldg.
200 W. Washington
Marquette, MI 49855
(906) 228-7457

WESTERN
Suite 716 Federa[illegible] Bldg.
110 Michigan Av[illegible] NW
Grand Rapids, MI [illegible]503
(616) 456-2592

Telecommunications Device for the Deaf
(517) 377-1899

NORTHERN-LOWER
309 Front Street
Traverse City, MI [illegible]685
(616) 946-1300

December 18, 1992

The Honorable Richard Riley
Clinton/Gore Transition Team
1120 Vermont Avenue, NW
Washington, DC 20270

Dear Governor Riley:

I am writing on behalf of Jason Steinbaum who is applying for an international or defense related position in the Clinton Administration. Jason has served as my Legislative Assistant for Foreign Affairs, Defense, Immigration, and Veterans Affairs since January of 1990 and has stood out as one of the most effective and hard-working members of my staff. I recommend him to you with the highest degree of confidence in his abilities.

It has been my pleasure to work personally with Jason on numerous important issues. I have depended on his impressive knowledge of international affairs on many occassions and have relied on him as a source for trusted advice or just simple facts and figures. Reflecting my respect for Jason's abilities is the fact that I called upon him to draft one of my most important speeches of the 102d Congress -- my address on the Senate floor prior to the vote authorizing the use of force in the Persian Gulf.

My involvement in issues for which Jason has had responsibility has greatly expanded ever since he joined my staff. For instance, Jason has played a central role in developing a strategy to allow me to represent Michigan's ethnic diversity more effectively. In addition, Jason demonstrated exceptional competence at devising policy initiatives and guiding them through the legislative process. In particular, legislation to assist the newly independent Baltic republics and to express the concerns of veterans were only some of the important efforts which Jason developed.

Finally, Jason is a reliable staff member who always maintains the highest ethical and professional standards. I firmly believe that he would make an excellent addition to the Clinton Administration and I strongly recommend him to you.

Sincerely,

Don Riegle

Donald W. Riegle, Jr.

ROBERT G. TORRICELLI
9TH DISTRICT, NEW JERSEY

COMMITTEES:
FOREIGN AFFAIRS
CHAIRMAN: SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS
SCIENCE, SPACE, AND TECHNOLOGY

WASHINGTON OFFICE:
317 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3009
202-225-5061

DISTRICT OFFICE:
COURT PLAZA
25 MAIN STREET
HACKENSACK, NJ 07601
201-646-1111

Congress of the United States
House of Representatives
Washington, DC 20515-3009

December 8, 1992

The Honorable Richard Riley
Personnel Director - Clinton/Gore Transition Team
1120 Vermont Avenue, N.W.
Washington, D.C. 20270

Dear Governor Riley:

It gives me great pleasure to recommend Jason Steinbaum for a position with the Clinton Administration.

Jason served as a Congressional intern in both my District and Washington offices and worked on my 1984 re-election campaign. Of the many college students who have interned in my office, Jason distinguished himself as an intelligent and responsible individual of the highest character.

Jason readily took on assignments with maturity, sensitivity and determination. He worked directly with constituents, addressing their concerns and acting as a liaison between them and government agencies. Jason also assisted my Washington Administrative Assistant in preparing substantial foreign affairs briefings, and worked closely with my legislative staff in handling very complex tax issues.

The tasks Jason executed require strong research and writing skills as well as the ability to summarize the relevant points and critical themes from a vast amount of information. Jason demonstrated great maturity, communications skills and political judgement for a young man of his age.

Jason is currently pursuing a Masters in International Relations and a Juris Doctor from American University. His record clearly illustrates a zealous passion for foreign affairs issues. As a senior member of the House Foreign Affairs Committee, I am convinced that Jason would be an asset to the Administration.

I recommend him strongly and urge you to look favorably upon his application.

Sincerely,

ROBERT G. TORRICELLI
Member of Congress

RGT:acc

THE WHITE HOUSE
WASHINGTON

DATE: 5/1

TO: John Emerson

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

Former staff Dir. of
Senate Banking Comm. + member of SEC
Does he have a
shot at one of those
bank jobs?

KELLEY DRYE & WARREN
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
2300 M STREET, N.W.
WASHINGTON, D. C. 20037
(202) 955-9600
FACSIMILE (202) 955-9792
TELEX 5106007600

NEW YORK, N.Y.
LOS ANGELES, CA.
MIAMI, FL.
CHICAGO, IL.
STAMFORD, CT.
PARSIPPANY, N.J.
BRUSSELS, BELGIUM
TOKYO, JAPAN

CHARLES L. MARINACCIO
DIRECT LINE (202) 955-9874

93 APR 30 P3:57

John,

Enclosed is a copy of a letter to Howard Paster summing up the current situation with respect to my candidacy for a position at one of the multilateral banks.

I believe Treasury will make its recommendations soon in coordination with the White House staff.

Thanks for taking an interest in this. I sure hope it works out. I think I can be a significant asset to the Clinton administration in one of these positions.

Sincerely,

Cindy

KELLEY DRYE & WARREN
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
2300 M STREET, N.W.
WASHINGTON, D. C. 20037
(202) 955-9600

NEW YORK, N.Y.
LOS ANGELES, CA.
MIAMI, FL.
CHICAGO, IL.
STAMFORD, CT.
PARSIPPANY, N.J.
BRUSSELS, BELGIUM
TOKYO, JAPAN

FACSIMILE (202) 955-9792
TELEX 5106007600

CHARLES L. MARINACCIO
DIRECT LINE (202) 955-9874

April 30, 1993

Mr. Howard Paster
Assistant to the President for
Legislative Affairs
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

Dear Howard:

I am writing to update you on developments regarding my candidacy for a position as Executive Director of one of the multilateral banking institutions.

This week both Jeffrey Shafer, Assistant Secretary of the Treasury, and Susan Levine, Deputy Assistant Secretary of the Treasury, interviewed me for these positions. I believe the discussions went very well. Next week I am meeting with Lawrence Summers, Undersecretary of the Treasury, regarding these positions.

My impression is the recommended decisions at the Treasury Department are imminent in coordination with White House staff. I continue to have a keen interest in serving in one of these positions and I hope it works out. I cannot thank you enough for your support.

Sincerely,

Lindy

Charles L. Marinaccio

CLM:kjr

CARL A. SALADINO
241 SENATOR PLACE
CINCINNATI, OHIO 45220

93 APR 24 A10 : 32

21 April 1993

To PPO
Bill Galston

Mr. John Podesta
Assistant to the President
White House
Washington, DC 20001

Dear Mr. Podesta:

Enclosed please find a copy of my résumé. Inasmuch as my interests and education are in the field of architectural history and architectural preservation, I would very much like to be considered for an opening as curator or conservator for the US Capitol, the White House, or the Old Executive Office Building.

I would be deeply appreciative if you could forward my resume to the appropriate person.

Thank you very much for your attentionm and consideration.

Sincerely yours,

Carl A. Saladino

I never heard of him. Don't know why he sent this to me
John Podesta
4.24.

Enc.

CARL A. SALADINO

241 Senator Place
Cincinnati, OH 45220

513/221-7178

Education	WASHINGTON UNIVERSITY St. Louis, MO
	Received BA degree in June, 1960.
1965- 1967	UNIVERSITY OF VIRGINIA Charlottesville, VA
	Received the Master of Architectural History degree in June, 1967.
	Recipient of the Thomas Jefferson Memorial Foundation Scholarship for both years. Vice-President of the student chapter of the Society of Architectural Historians. Received Honorable Mention in the Rinetti Prize Essay Contest co-sponsored by the Department of Modern Languages and the Italian Cultural Institute of New York, 13 May 1966.
1973- 1975	THE OHIO STATE UNIVERSITY Columbus, OH
	Course work towards the Ph.D. completed. Field: Architectural History.
Academic Experience	
1967- 1974	UNIVERSITY OF CINCINNATI Cincinnati, OH
	Assistant Professor of Architecture
1977- 1980	UNIVERSITY OF CINCINNATI Cincinnati, OH
	Lecturer in Architectural History, Evening College
	WRIGHT STATE UNIVERSITY Dayton, OH
	Adjunct Associate Professor of Art History.

MIAMI UNIVERSITY
Oxford, OH

Visiting Assistant Professor of Architecture.

1981 THE OHIO STATE UNIVERSITY
Columbus, OH

Doctoral research: "The Redevelopment of Downtown Columbus and The City Beautiful Movement.

Professional Experience

1982-present CARL A. SALADINO & ASSOC.
Cincinnati, OH

Consultant on architectural and historical projects.

Research on The City Beautiful Movement in Columbus, Ohio as part of a book edited by Prof. Joan Draper of Arizona State University.

Advisor to the Clifton (Cincinnati surburb) Study Group for a locally designated Historic District.

Exhibitions "Four Cincinnati Victorian Architects: Hannaford, McLaughlin, Plympton and Tinsley."

Organized in conjunction with the national convention of the Victorian Society in America, held in Cincinnati in May of 1979.

Grants Cincinnati Fine Arts Fund: for publication of a brochure for the 1980 AIA convention in Cincinnati.

"Cincinnati Architectural Tours"

Research Fourteen significant buildings in the Dayton Street Historic District, Cincinnati, Summer of 1974.

Sponsor: HABS of the US Dept. of the Interior.

An architectural historical analysis of the Ohio Statehouse, Columbus, during 1988-1990.

Sponsor: The State of Ohio.

Paper Delivered	"Almost Washington: The Columbus Plan of 1908," American Planning Conference, Columbus, Ohio, 14 March 1986.

Public Lectures

"The Origins of Ecclesiastical Architecture"

Knox Presbyterian Church
Cincinnati, OH — Fall, 1977

"The Sources of Cincinnati Victorian Architecture"

Ohio River Valley Chapter of the Victorian Society in America
Glendale, OH — Fall, 1979

"Some Views of Cincinnati Victorian Architecture"

Mortar Board Alumnae
Cincinnati, OH — March, 1980

"Suggested Sources of the Greek Revival style of the Ohio Statehouse."

School of Architecture
University of Notre Dame — November, 1992

Professional Memberships

Society of Architectural Historians
National Trust for Historic Preservation
The Society for American City and Regional Planning History

Addenda

Attended 1968 Attingham Summer Study Program, Attingham, England. Organized and sponsored by the National Trust of England.

December, 1992

TO: Carol Rasco

The person I mentioned

John Podesta

4-27-93

(b)(6)

12 pm

BRIAN ELIOT BURKE

9137 Sligo Creek Parkway
Silver Spring, Maryland 20901
Work (202) 514-7784 Home (301) 588-3560

EDUCATION

GEORGETOWN UNIVERSITY LAW CENTER, J.D., 1988

Honors: Earl Warren Legal Training Scholarship
Boston Links Association Scholarship

Clinic: D.C. Law Students in Court. Civil litigation practice in landlord-tenant and small claims branches of District of Columbia Superior Court.

BROWN UNIVERSITY, A.B., 1983

Major: Latin American Development Studies

CENTRO de ESTUDIANTES UNIVERSITARIOS COLOMBO-AMERICANO, Bogota, Colombia
Fall 1980. Studied Colombian politics, history, and economics

WORK EXPERIENCE

UNITED STATES DEPARTMENT OF JUSTICE, Environment and Natural Resources Division, Environmental Enforcement Section, Washington, DC
Trial Attorney. January 1991 - Present. Civil enforcement litigation of environmental statutes including CERCLA, RCRA, and the Clean Air Act. Responsibilities include consulting with Environmental Protection Agency regarding case development; researching legal and factual issues; writing briefs, motions, pleadings, discovery requests, and correspondence; taking and defending depositions; preparing factual and expert witnesses; and negotiating settlements.

WASHINGTON PERITO & DUBUC, Washington, DC
Associate. October 1989 - October 1990. Practiced in white collar criminal defense, political fraud defense and complex civil litigation. Responsibilities included conducting discovery, drafting pleadings, briefs and memoranda, performing preliminary investigations, and conducting client and witness interviews.

MASSACHUSETTS APPEALS COURT, Boston, MA
Law Clerk. September 1988 - August 1989. Clerk to the Honorable Judges Christopher J. Armstrong and Frederick L. Brown.

OFFICE OF THE DISTRICT OF COLUMBIA BAR COUNSEL, Washington, DC
Legal Intern. December 1987 - May 1988.

ANDERSON BAKER KILL & OLICK, Washington, DC
Summer Associate. Summer 1987. Researched and wrote memoranda in complex commercial and insurance coverage litigation.

MASSACHUSETTS OFFICE OF THE ATTORNEY GENERAL, Government Bureau, Boston, MA
Legal Intern. Summer 1986. Researched and wrote briefs and memoranda defending the validity of state statutes, regulations and procedures. Assisted in drafting town bylaws and Attorney General opinions.

Tom Glynn
Legal Spring 82
ocrat.

MASSACHUSETTS DEPARTMENT OF PUBLIC WELFARE, Boston, MA
Executive Assistant. March 1984 - July 1985. Assisted General Counsel in managing 45 attorneys and 20 non-legal staff members.

FOREIGN POLICY MAGAZINE, Carnegie Endowment for International Peace, Washington, DC
Staff Assistant. August 1983 - January 1984. Selected for a six month internship to review and edit manuscripts submitted for publication. Responsible for fact verification in published articles.

LANGUAGES Conversational Spanish

CHRON

THE WHITE HOUSE
WASHINGTON

DATE: 3/7

TO: Bruce Lindsey

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

Another fan of Lee Brown. Lisker is pushing him for FBI Director. — Lisker is a former agent + former Republican Chief counsel to the Senate Subcomm. on Security & Terrorism, where I served as Chief Minority Counsel. JOHN

MasterCard International
888 Seventh Avenue
New York, NY 10106
212 649-5188
Fax: 212 649-5031

February 16, 1993

Joel S. Lisker
Senior Vice President
Security and Risk Management

Hon. John Podesta
Staff Secretary
The White House
Washington, D.C. 20500

Dear John:

It was good to speak with you on Monday evening and I especially want to thank you for your expression of concern for Debbie, as a result of her recent automobile accident.

When I look back on our days with the Senate Judiciary Committee, I can recall how well we cooperated on so many important and varied issues. What I remember best is that even though our principals represented divergent political interests, those interests never interfered with our ability to work together to achieve those common objectives which best served our principals, their constituents and at the end of the day, the American people.

I am sure you will recall that we expended considerable time to ensure that the FBI had clearly defined objectives, priorities and guidelines, that it had sufficient funding to permit it to attain its objectives and that its leadership never lost sight of the mission.

It now appears that the leadership of the FBI is seriously impaired and that the organization is once again in need of new stewardship. Public confidence in the Director has been seriously eroded and I find it difficult to imagine circumstances which could lead to a restoration of confidence and credibility to this beleaguered man.

John, as you know, before coming to the Senate Judiciary Committee staff, I was for 10 years a Senior Trial Attorney in the Criminal Division of the Department of Justice, and prior to that a Special Agent Supervisor in the FBI for nearly nine years. I recount this only to help establish my *bona fides* in offering an unsolicited recommendation for a successor to Director Sessions should the President seek to replace him.

The candidate of whom I speak is Dr. Lee P. Brown, who as you know, until recently served as Commissioner of the New York City Police Department. I have known and worked with Lee Brown for more than 10 years.

Lee earned both Masters and Doctorate degrees in criminology from the University of California at Berkeley. He also earned a Masters degree in sociology from San Jose University and a Bachelors degree in criminology from Fresno State University.

His long and distinguished career in law enforcement began in 1960 when he was sworn in as a patrolman in the San Jose, California, Police Department, where he served with distinction. Eight years later, he established the Criminal Justice Program at Portland State University.

In 1972 Lee joined the faculty at Howard University in Washington, D.C., becoming Associate Director of the Institute for Urban Affairs and Research. He also held the rank of Professor of Public Administration and Director of the Howard University Criminal Justice Program.

He returned to Portland in 1975 where he served as Sheriff and Director of Public Safety for Multnomah County. The following year he was appointed Director of the Department of Justice Services, a department comprised of all the county's criminal justice agencies.

Thereafter, Lee served as Public Safety Commissioner in Atlanta, Georgia for four years and as Chief of Police in Houston, Texas for eight years before being invited by Mayor Dinkins to head the 26,000 officers of the New York City Police Department. During the late summer of 1992, Lee left the Commissioner position to be close to his wife who was terminally ill. Unfortunately, she passed away in December. At present he continues to serve on the faculty of Texas Southern University in Houston with the title of University Professor, an academic title similar to Distinguished Professor.

Lee has served as President and Vice President of the International Association of Chiefs of Police, and has authored many articles and scholarly papers on police management, community relations as well as crime and the criminal justice system. He is the co-author of *The Police and Society: An Environment for Collaboration and Confrontation.*

In my view, Lee Brown, throughout his personal and professional life, has set the standard to which others must strive. He is a man possessed of the highest qualities of character and integrity. In fact, I believe that it is these qualities, coupled with his vast experience and contagious enthusiasm for his life's work, that make him the perfect candidate for the position of Director of the FBI. The FBI as an institution rests upon three pillars: Fidelity, Bravery and Integrity. No one has ever seriously questioned its institutional capacity for Bravery; however, in recent months a long shadow has once again been cast upon the pillars of Fidelity and Integrity. Lee Brown in my opinion, is the man to restore to the FBI its reputation, now tarnished by the current Director.

John, I trust that you will consider this recommendation and if you concur, bring forward my proposal for further study.

I would value your comments, observations or questions and would be pleased to provide such further information that you may require.

Sincerely,

(JSL93LTR)

THE WHITE HOUSE
WASHINGTON

DATE: 3/7

TO: John Emerson

FROM: **JOHN D. PODESTA**
Assistant to the President and
Staff Secretary

RE: Scott Williams

Scott worked for Senator Heflin on the Judiciary Committee. Good guy. Probably score some points with Heflin

John

C.C. Ron Klain Ricki Seidman

R. SCOTT WILLIAMS
427 Hillwood Drive
Birmingham, Alabama 35209
(205) 879-5222 (Home)
(205) 731-0631 (Work)

93 MAR 6 P1:02

March 3, 1993

John D. Podesta
Assistant to the President
& Staff Secretary
The White House
Washington, D.C. 20500

Dear John:

In speaking to Arthur Briskman yesterday, he mentioned that he had been in Washington to see you, and told me about the new heights to which you have risen. Given the conversation we had in December, I had expected that you were going to pass on any opportunities to serve the new administration. However, I know that this must be a very exciting time for you, and am I proud to say that I know you.

I am writing to follow-up on our previous conversation and to reiterate my desire to serve President Clinton. As you know, I am primarily looking to stay active in the bankruptcy field, but am happy to be considered for any position. The jobs I have targeted are within the Justice Department's Office of United States Trustees. Specifically, I would like to be considered for the position of Executive Director of the Office of United States Trustees, or for the Trustee for the Southeastern Region. I have a working knowledge of the politics, policies, and underlying provisions of bankruptcy law, and expect this area to continue to be a dynamic. I deeply appreciate any help you might be able to provide me in seeking these positions.

I understand that my resume is with the appropriate people at the White House, and that Justice Department positions have obviously been held up. However, I hope and expect that roadblock to be cleared shortly, and simply want to be in the right place at the right time.

I want to thank you for your interest and attention to this matter. For your reference, I have attached a copy of my resume. Please let me know if I can ever be of service, or if I can provide any additional information. Knowing how busy you surely are these days, I simply wrote rather than try to get through to you on the phone.

John, I deeply appreciate any help that you would be willing to give.

Sincerely,

R. Scott Williams

R. Scott Williams

R. SCOTT WILLIAMS
427 Hillwood Drive
Birmingham, Alabama 35209
(205) 879-5222 (Home)
(205) 731-0631 (Work)

EMPLOYMENT & EXPERIENCE:

Member. Alabama Bar, admitted October, 1988.

Judicial Law Clerk. For United States District Judge Sharon Lovelace Blackburn, Northern District of Alabama; July, 1992 - Present. Drafted orders and opinions on the full range of issues and questions arising before the federal district court.

Counsel. For United States Senator Howell Heflin on the Senate Judiciary Committee Subcommittee on Courts and Administrative Practice; August, 1988 - July, 1992. Drafted legislation, memorandum, and speeches on a wide variety of legal issues, especially concerning bankruptcy, antitrust, and various court reform issues. Served as the Senator's counsel for the Federal Courts Study Committee, and for the Special Committee regarding the impeachment of U.S. District Judge Walter Nixon.

Instructor & Speaker. Associated with duties working for the Senate, have served as a featured speaker and instructor before various groups, associations, and continuing legal education classes. These speeches have primarily dealt with bankruptcy law and the federal legislative process.

Research Assistant. For Professor William Andreen; University of Alabama; August, 1986 - May, 1987; August, 1987 - May, 1988. Aided professor with research and writing concerning issues primarily involving environmental and administrative law.

EDUCATION:

The University of Alabama School of Law
Tuscaloosa, Alabama
J.D. Degree; May, 1988

Activities:
- -Student Works Editor, The Journal of the Legal Profession
- -Author, *A Close Look at the Rule Prohibiting a Non-Profit Corporation Pro Se Appearance,* 12 J.Legal Prof. 211 (1987)
- -President, Environmental Law Society
- -Member, National Trial Advocacy Board
- -Member, Bench & Bar Legal Honorary Society

The University of Illinois
Champaign-Urbana, Illinois
B.A. Degree; May, 1985
Major: Speech Communications

Activities:
- -Lloyd Morey Scholarship Recipient
- -Elected Student Member, Academic Senate
- -Executive Committee, Student Senate Association
- -National Chairman, Credentials Committee, Alpha Kappa Lambda Social Fraternity

PERSONAL: Born (b)(6) Married to the former Laura Kern of Montgomery, Alabama. Hobbies and interests include sports and reading.

REFERENCES AND WRITING SAMPLES AVAILABLE UPON REQUEST

CHRON

THE WHITE HOUSE

WASHINGTON

March 7, 1993

MEMORANDUM TO JOHN EMERSON
SYLVIA DE LEON
SUSAN BROPHY

FROM: JOHN PODESTA

SUBJECT: TESSA MORRIS

Tessa is an old friend, good lobbyist and was active in the campaign.

I talked to Michael Levy about her. He is inclined to hire her for a schedule C position if she is acceptable to the White House.

Can you clear her? Please let me know.

4917 Rodman Street, N.W.
Washington, D.C. 20016
March 3, 1993

BY HAND

The Honorable John D. Podesta
Assistant to the President
and Staff Secretary
Ground Floor, West Wing
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Re: Office of Legislative Affairs
The Department of the Treasury

Dear John:

Following today's conversation, I want to let you know that I was contacted by the Treasury Department and have interviewed with Michael B. Levy, Assistant Secretary Designate for Legislative Affairs on March 3, 1993. He noticed Barat College on my resume and you and Tony became the subject of conversation.

Michael is very impressive and was encouraging about my prospects. It was exciting to see some new faces at Treasury and working with Michael would be a tremendous opportunity for me. He suggested that I contact you with the hope that you might be able to reach Sylvia de Leon or John Emerson on my behalf to show White House support.

As indicated by the attached documents, I was active in the D.C. Clinton/Gore Campaign. I would greatly appreciate any assistance you can provide.

With best wishes,

Sincerely.

Tessa

Tessa C. Morris

TESSA MORRIS

SUMMARY OF PROFESSIONAL EXPERIENCE

My professional experience includes sixteen years of managing Congressional relations issues for the Washington office of Security Pacific National Bank, the Federal Home Loan Mortgage Corporation, and the National Association of Realtors. My responsibilities included extensive contact with senior management in the formulation of policy, drafting of testimony for Congressional hearings, and preparation of witnesses appearing before Hill committees. I have established a professional relationship with key members of Congress and staff, and have considerable experience working with bank regulatory agencies, trade and community groups.

SUMMARY OF POLITICAL EXPERIENCE

I was actively involved in the D.C. Clinton/Gore Campaign by assisting in coordinating the campaign in the D.C. area, distributing campaign material, operating a phone bank, Get Out The Vote Activities, and working the polls on election day. In addition, I provided advice on banking-related issues, including community banks and the Community Reinvestment Act.

REFERENCES

The Honorable John D. Dingell, U.S. House of Representatives, 225-4071

The Honorable Charles S. Robb, U.S. Senate, 224-4024

Mr. Charles T. Manatt, Manatt, Phelps, Phillips & Kantor, 463-4300

Mr. Thomas Ludlow Ashley, President, Association of Bank Holding Companies, 393-1158

Ms. Leslie Wooley, Legislative Director, Office of Senator Graham, 224-3041

March 3, 1993

Sterling J. Henry, Jr.
Director, D.C. Clinton/Gore '92

The Honorable John D. Podesta
Assistant to the President
and Staff Secretary
Ground Floor, West Wing
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Re: Office of Legislative Affairs
The Department of the Treasury

Dear John:

This letter is written on behalf of Tessa C. Morris who was a member of the Clinton campaign team in Washington, D.C. Tessa volunteered a tremendous amount of time and effort for the campaign. She assisted in coordinating the campaign in the D.C. area, distributing campaign material, operating a phone bank, Get Out The Vote activities, and working the polls on election day. In addition, Tessa provided considerable advice on banking-related issues involving community banks, the low income housing tax credit, and the Community Reinvestment Act, which were "hot issues" in the D.C. Metro area.

Tessa is a specialist in financial and regulatory matters. She is also an energetic, hard working, team player who displayed a remarkable sense of loyalty and dedication to the campaign. She is a quick study with excellent managerial skills and has the good fortune of being a very likeable person. I am grateful for her contributions in campaigning and analyzing banking issues.

I believe that the new Administration would certainly benefit from the talents and experience Tessa offers. I would hope, therefore, that you carefully consider her as a staff member in the Office of Legislative Affairs.

Sincerely,

Sterling J. Henry Jr.

Chron

THE WHITE HOUSE
WASHINGTON

February 28, 1993

MEMORANDUM TO MICHAEL WHOULEY

FROM: JOHN PODESTA

SUBJECT: STACEY GRUNDMAN

Stacey is fabulous. She worked for Stan Greenberg during the General Election (see page two of her attached resume).

Anything you could do to help would be appreciated by me and Stan.

Thank you.

She'd be good at HHS

Stacey Grundman

1260 21st Street NW, Washington, DC 20036; Work (202)224-3472, Home (202)296-4992

PROFESSIONAL EXPERIENCE

Senator Carol Moseley-Braun (D-IL), Press Secretary (January 1993-Present)

- Direct communications strategy and media outreach efforts.
- Respond to media inquiries, serve as spokesperson, prepare press materials and coordinate media events and interviews.

Podesta Associates, Issue Management and Public Affairs Consulting
Vice President of Public Affairs (August 1991-December 1992); Account Manager (July 1989-July 1991)

- Create and execute issue management programs utilizing public education, media and legislative strategies to raise public awareness and influence policy on behalf of children's, women's, education, health and environmental advocacy organizations.
- Coordinate editorial strategies including op-ed articles and editorial board meetings. Write and edit press materials. Initiate and maintain relationships with print and electronic media.
- Design and direct client events including annual conventions, substantive policy symposiums and press conferences to disseminate new information and to expand support for policy goals.
- Write marketing proposals, prepare presentations, and meet with potential clients.

Major Accomplishments:

Initiative on Educational Equity for Girls, American Association of University Women
Launched the first national effort to combat gender discrimination in public schools. Developed and implemented an intensive program integrating survey research, a comprehensive national study, legislative initiatives, media outreach, grass roots action and roundtable meetings for education, political and business leaders.

KIDS COUNT Campaign on the Status of Children, Annie E. Casey Foundation
Designed annual KIDS COUNT plan to illustrate to the public, policy-makers and the media the need to improve the well-being of children in America. Utilized KIDS COUNT Data Book to generated massive attention to the status of children in all 50 states. Provided technical assistance to state KIDS COUNT projects.

Carnegie Council on Adolescent Development
Harvard University Executive Session on Making the System Work for Poor Children
Produced and implemented aggressive public affairs plans to publicize Carnegie report on community organizations serving youth and Harvard report on restructuring social services for children.

Earth Day 1990
Managed government relations, program implementation and communications strategy for national Earth Day 1990 effort and, as regional director, coordinated flagship rally in Washington, DC.

National Association of Counties, Legislative Fellow (March-August 1991)

- Tracked federal child care and child welfare legislation and regulations.
- Prepared briefing materials for counties.
- Synthesized member comments on regulations and wrote recommendations for submission to Congress and the Department of Health and Human Services.
- Drafted testimony for congressional hearings.

National Abortion Rights Action League, Executive Assistant (April-July 1989)
Coordinated political, media and fundraising schedule for Executive Director.
Participated in strategic planning of national pro choice campaign in response to *Webster v. Missouri Reproductive Health Services*.
Researched state legislation, statutes and elected officials' records for comprehensive state-by-state review of abortion rights.

National Coalition of State Juvenile Justice Advisory Groups, Conference Assistant (May-July 1987)
- Developed and organized national conferences on juvenile justice and delinquency prevention.

Youth Policy Institute, Writer and Editor (November 1986-May 1987)
- Edited three monthly magazines on youth and family policy.
- Researched and reported on education, juvenile justice and federal budget issues.

Congressman Barney Frank, Legislative Aide (February-October 1986)
- Directed targeted mail operations and drafted legislative correspondence.

Westchester Day School, Substitute Teacher (September-December 1985)

POLITICAL EXPERIENCE

Clinton for President Campaign, Greenberg-Lake, State Polling Coordinator (August-November 1992)
- Managed national coordinated campaign polling program for presidential, congressional, and statewide races for 39 states.
- Directed affiliated polling firms regarding weekly schedules, survey content and dissemination of results to ensure attention to the needs of all participating campaigns.

Dukakis for President Campaign, Communications Director, Field Staff (October 1987-November 1988)
- Directed statewide communications and media outreach program in Minnesota during general election.
- Served in various roles with increasing responsibility including press, scheduling and field organizing during primary campaigns in Iowa, Florida, Michigan, New York and California.

Democratic Senatorial Campaign Committee, Research Assistant (October-November 1986)
- Prepared opposition research and voting record reports for 1986 Senatorial candidates.

EDUCATION

Georgetown University, Masters in Public Policy
- Masters thesis to be completed March, 1993.

Brown University, B.A. Economics 1985

References Available Upon Request

THE WHITE HOUSE
WASHINGTON

3/13

[redacted]

Bruce —

Ed Smith helped in the campaign on debate prep + response. I think he also worked generally on crime + drug policy.

[redacted]

I think he's good. Ron Klain knows him well.

We might want to try to find him something at ONDCP

John Podesta

[redacted]

U.S. House of Representatives

SELECT COMMITTEE ON
NARCOTICS ABUSE AND CONTROL
ROOM H2-234, HOUSE OFFICE BUILDING ANNEX 2
WASHINGTON, DC 20515-6425

COMMITTEE PHONE 202-226-3040

March 11, 1993

Mr. Bruce Lindsey
Assistant to the President and
Director, Office of Personnel
The White House
Washington, D.C. 20050

Dear Bruce:

I know that the President is in the process of selecting a Director for the Office of National Drug Control Policy (ONDCP) and deciding how that office will be staffed. It is with my strong support that I recommend that Edward H. Jurith, Staff Director of the House Select Committee on Narcotics Abuse and Control, be considered for a senior position in this office. Attached is a copy of his resume.

I recommend Ed's name to you with some regret. As you are aware, the House had decided not to renew the authorization of the Select Narcotics Committee in the 103rd Congress. For the last ten years, as Chairman of the House Narcotics Committee, I worked daily with Ed on the formulation of national drug abuse policy. As a committee counsel from 1981 to 1986, and as staff director from 1987 to the present, Ed has played a pivotal role in the development of the Anti-Drug Abuse Acts of 1986 and 1988, the 1992 Urban Aid initiative, and in the national debate about drug policy. I cannot think of any other individual who has Ed's breath of experience, knowledge, and insight into this very complex policy area.

As you know, drug policy is very intricate. It cuts across many subject areas, disciplines, cabinet departments, and congressional committees. Ed Jurith is the only person I know that has a first-hand working knowledge of <u>all</u> aspects of drug policy. He has led committee study missions to the coca producing countries in the Andes and to the heroin producing nations of Asia. He is familiar with the drug control officials in many of these nations. He has worked with the Defense Department, the Coast Guard and Customs Service on their drug interdiction programs and is aware of the many successes - and shortcomings - of these initiatives. Ed is extremely knowledgeable about the programs of the Drug Enforcement Administration, as well as of the anti-drug initiatives of State and local law enforcement. In these matters he worked closely with the National Governor's Association, the U.S. Conference of Mayors, the National League of Cities, and other representatives of law enforcement. Further, our committee, under Ed's leadership has fought to insure that we have the most effective drug abuse treatment and prevention programs in place to help all our citizens resist the lure of illicit drugs.

In short, I cannot think of any other candidate whose name would come before you for consideration for the Drug Policy Office that has Ed's thorough understanding of the broad and complex nature of the drug problem. Moreover, Ed is a real professional and dedicated civil servant in every sense. As the Staff Director he and I have worked side-by-side for the past six years in the direction of the House Select Committee on Narcotics. Ed has overall responsibility for all of the activities and operations of the Select Committee, which has established a national and international reputation in the field of drug abuse. Not only does he supervise all committee personnel and administers the committee's budget, Ed has worked closely with Federal officials, medical, legal, scientific, and other professional and public interests in the development of drug policy. I cannot think of any time that Ed did not carryout his responsibilities to the fullest and with the highest degree of professionalism.

As an attorney he brings to his work the highest ethical standards, and I know that as a husband and father his personal life is beyond any question.

I highly recommend Ed Jurith to the President, not only as a highly qualified professional, but as a close friend of mine who I know will do an outstanding job for the Administration.

Sincerely,

Charlie

CHARLES B. RANGEL
Chairman

cc: Howard Paster
John Podesta
Andre Oliver
Ron Klain

EDWARD H. JURITH

3720 Jocelyn Street, NW
Washington, DC 20015

Office: 202/226-3040
Home: 202/363-6631

EXPERIENCE

1987-Present — **Staff Director**, United States House of Representatives,
Select Committee on Narcotics Abuse and Control, Washington, DC.
Overall responsibility for all activities and operations of the committee including hiring and supervising committee staff, administering a budget of $600,000 a year, and coordinating the legislative and oversight programs of the committee. Responsible for issues relating to federal drug abuse policy including: budget, drug policy recommendations from the Administration, drug abuse legislation pending in the standing committees of the House and public liaison for the committee.
Other responsibilities include: working with the House leadership, Administration drug policy officials, medical, legal, scientific, and other professional and public interests in developing drug abuse policy; managing the legislative activities of the committee such as hearings, reports, foreign study missions, domestic field investigations, and the introduction and passage of legislation. Many of the committee's initiatives in the 100th Congress were incorporated in the Anti-Drug Abuse Act of 1988.

1981-1986 — **Counsel**, United States House of Representatives,
Select Committee on Narcotics Abuse and Control, Washington, DC.
Responsibilities included initiating studies of criminal justice issues related to narcotics enforcement including bail reform, mandatory minimum sentencing, criminal asset forfeiture, international narcotics trafficking, federal narcotics enforcement policies, the effects of federal policies and budgeting on local law enforcement and drug abuse in the military. These investigations resulted in policy recommendations and legislation submitted by the Select Committee to the 97th, 98th, and 99th Congresses, and specifically the Anti-Drug Abuse Act of 1986.

1976-1981 — **Associate**, Lyon & Erlbaum, Esq.
(and successor firm of Herbert A. Lyon, Esq.), Kew Gardens, New York.
Criminal and civil litigation and appeals. Appellate duties included drafting and arguing appeals to state and federal appellate courts. Litigation duties included trial preparation, research and investigations.

1975-1976 — **Research Assistant**, Brooklyn Law School, New York.
Assistant to Professor Oscar G. Chase.
Responsibilities included revising the Weinstein-Korn-Miller treatise, *New York Civil Practice.*

1971-1974 — **Legislative Aide**, U.S. Representative Frank J. Brasco (11th District—New York).
Responsibilities included analysis and drafting of legislation related to housing, education and crime.

BAR ADMISSIONS

Bar of the State of New York (Admitted 1977)
Bar of the District of Columbia (Admitted 1983)
U.S. Court of Appeals for the District of Columbia Circuit (Admitted 1983)
U.S. District Court for the District of Columbia (Admitted 1983)

EDUCATION

Brooklyn Law School, New York.
Juris Doctor (1976)
Member: Phi Delta Phi

The American University, Washington, DC.
Bachelor of Arts in Political Science, *cum laude* (1973)
Honoraries: Phi Kappa Phi, Omicron Delta Kappa, Pi Sigma Alpha

ASSOCIATIONS

The District of Columbia Bar
The Bar Association of the District of Columbia
Board of Directors, Criminal Courts Bar Association of Queens County, New York (1980)

References available on request.

THE WHITE HOUSE

WASHINGTON

March 15, 1993

The Honorable Charles B. Rangel
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Rangel:

I received a copy of your letter to Bruce Lindsey recommending Ed Jurith for a senior position in the Office of National Drug Control Policy.

As you know, I worked with Ed during the campaign on drug policy issues for debate preparation and response. He was terrific and in my view, made a substantial contribution to the campaign.

I've let Bruce know of his work and of my strong recommendation. Keep up the great work.

Sincerely,

John D. Podesta
Assistant to the President
and Staff Secretary

U.S. House of Representatives

SELECT COMMITTEE ON
NARCOTICS ABUSE AND CONTROL
ROOM H2-234, HOUSE OFFICE BUILDING ANNEX 2
WASHINGTON, DC 20515-6425

COMMITTEE PHONE 202-226-3040

March 11, 1993

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Assistant to the President and
Director, Office of Personnel
The White House
Washington, D.C. 20500

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I highly recommend Ed Jurith to the President, not only as a highly qualified professional, but as a close friend of mine who I know will do an outstanding job for the Administration.

Sincerely,

Charlie

CHARLES B. RANGEL
Chairman

cc: Howard Paster
John Podesta
Andre Oliver
Ron Klain

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Responsibilities included revising the Weinstein-Korn-Miller treatise, *New York Civil Practice.*

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Responsibilities included analysis and drafting of legislation related to housing, education and crime.

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Member: Phi Delta Phi

The American University, Washington, DC.
Bachelor of Arts in Political Science, *cum laude* (1973)
Honoraries: Phi Kappa Phi, Omicron Delta Kappa, Pi Sigma Alpha

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U.S. House of Representatives

SELECT COMMITTEE ON
NARCOTICS ABUSE AND CONTROL

ROOM H2-234, HOUSE OFFICE BUILDING ANNEX #2

WASHINGTON, DC 20515-6425

OFFICIAL BUSINESS

'93 MAR 15 AM 12:59

Charles B Rangel
M.C.

Mr. John Podesta
Assistant to the President and
Staff Secretary
The White House
Washington, D.C. 20500

THE WHITE HOUSE

WASHINGTON

March 10, 1993

Mr. Richard B. Wolf
367 Main Mall
Poughkeepsie, New York 12601

Dear Dick:

Thanks for taking the time to send me your best wishes as I begin my new job. Sorry for taking so long to get back to you.

As I wade through the stacks of paper here, please know I also received your resume and have forwarded it on to Jan Piercy, Deputy Director of Personnel, with my personal recommendation.

Let me know if you are narrowing your search to a specific job or agency and if I can do anything else.

Sincerely,

John D. Podesta
Assistant to the President
and Staff Secretary

resume w/ JDP