

CRS Report for Congress

Independent Counsels Appointed Under the Ethics in Government Act of 1978, Costs and Results of Investigations

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Summary

This report lists the independent counsels (called “special prosecutors” until 1983) appointed by the Special Division of the United States Court of Appeals upon application from the Attorney General of the United States, under the provisions of the law originally enacted in the Ethics in Government Act of 1978. The report specifies the dates of the appointments of the independent counsels and the dates of their final reports; sets out in summary fashion the areas or subjects of investigation by the independent counsels; highlights the results of those investigations; and provides the costs of the investigations through September 30, 2005, the date through which the Government Accountability Office has completed the latest published audit of the offices of independent counsels (published March 31, 2006).

The information provided from public documents indicates that there have been 20 reported independent counsel or special prosecutor investigations initiated under the provisions of title VI of the Ethics in Government Act of 1978, as amended. Because Congress did not pass a reauthorization of the law, the provisions of the independent counsel law expired under a five-year “sunset” provision on June 30, 1999, and independent counsels are no longer named by the Special Division of the Court. Investigations by independent counsels who had already been appointed before June 30, 1999, however, were allowed to continue under the old provisions of the law until the matters assigned to them had been completed (28 U.S.C. § 599).

Of the 20 independent counsel investigations, 12 of the investigations returned no indictments against those investigated. Of the eight investigations that did return at least one indictment, in three of those instances, there was no indictment brought against the principal government official originally named as the target of that independent counsel’s investigation; in three other instances, the principal government official indicted was either acquitted or his conviction was overturned on appeal. Thus, of the 20 independent counsel investigations initiated, although several independent counsels obtained multiple convictions of certain persons relating to the original subject matter or peripheral matters (including convictions of several federal officials or former federal officials), only two federal officials who were actually the named or principal subjects of the 20 investigations were finally convicted of or pleaded guilty to the charges brought; in one of those two instances, that person was pardoned by the President.

According to reports from the Department of Justice concerning early “special prosecutor” and independent counsel investigations, and later published audits from the Government Accountability Office, it is estimated that the total costs of all 20 independent counsel investigations through September 30, 2005, including unaudited expenses of other agencies assisting the independent counsels and the government-reimbursed costs of attorneys’ fees when provided, has been approximately \$228,712,589.

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Independent Counsels Appointed Under the Ethics in Government Act of 1978, Costs and Results of Investigations

Background

The following list provides the names of the independent counsels (called “special prosecutors” until 1983) who had been appointed by the special Division of the Court for Appointing Independent Counsels, United States Court of Appeals for the District of Columbia, upon application from the Attorney General of the United States under the provisions originally enacted in the Ethics in Government Act of 1978.¹ The list sets out in summary fashion the areas or subjects of investigation by the independent counsel and briefly highlights the results of those investigations. The cost information for investigations is also included, derived either from published reports of the audits by the Government Accountability Office (GAO, formerly the General Accounting Office), when that agency began auditing under the statute, or as set out in a Senate Committee on Governmental Affairs report from information received from the Department of Justice about investigations prior to 1985.² The most current information on costs was derived by adding and cumulating the total expenditures (including unaudited amounts from other federal agencies and the amounts reimbursed to individuals for attorneys’ fees when those figures are available) from the six-month GAO audit reports on the independent counsel expenditures.³

¹ For background on the operation of the former law, see CRS Report 98-283, *Independent Counsel Provisions: An Overview of the Operation of the Law*, by Jack Maskell. The independent counsel provisions of federal law expired on June 30, 1999.

² S.Rept. 102-417, 102d Congress, 2d Session (1992).

³ In addition to cumulative report setting out expenditures from June 11, 1985, to March 31, 1996 (GAO Report B-275733, GAO/AIMD-97-24R Independent Counsel [December 20, 1996]), *see* reports on expenditures for the six months ending September 30, 1996 (GAO Report B-275388, GAO/AIMD-97-64 Independent Counsel [March 31, 1997]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 1996*; expenditures for the six months ending March 31, 1997 (GAO Report B-277107, GAO/AIMD-97-164 Independent Counsel [September 30, 1997]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 1997*; expenditures for the six months ending September 30, 1997 (GAO Report B-278605, GAO/AIMD-98-100 Independent Counsel [March 31, 1998]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 1997*; expenditures for the six months

(continued...)

The list of independent counsels and special prosecutors includes those appointed by the Special Division of the Court, whose appointments were made a matter of public record. Noted also as “sealed” are those independent counsels whose identity and/or prosecutorial jurisdiction have been kept confidential. Under the former federal law governing independent counsels, information on the appointment of independent counsels and on the targets of an investigation was generally to be kept confidential unless the Division of the Court deemed it to be in

³ (...continued)

ending March 31, 1998 (GAO Report B-279972, GAO/AIMD-98-285 Independent Counsel [September 30, 1998]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 1998*; expenditures for the six months ending September 30, 1998 (GAO Report B-281406, GAO/AIMD-99-105 Independent Counsel [March 31, 1999]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 1998*; expenditures for the six months ending March 31, 1999 (GAO Report B-283592, GAO/AIMD-99-292 Independent Counsel [September 30, 1999]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 1999*; expenditures for the six months ending September 30, 1999 (GAO Report B-284845, GAO/AIMD-00-120 Independent Counsel [March 31, 2000]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 1999*; expenditures for the six months ending March 31, 2000 (GAO Report B-286132, GAO/AIMD-00-310 Independent and Special Counsel [September 29, 2000]), *Financial Audit — Independent and Special Counsel Expenditures for the Six Months Ended March 31, 2000*; expenditures for the six months ending September 30, 2000 (GAO Report, GAO-01-505 Independent and Special Counsel [March 30, 2001]), *Financial Audit — Independent and Special Counsel Expenditures for the Six Months Ended September 30, 2000*; expenditures for the six months ending March 31, 2001 (GAO Report, GAO-01-1035 Independent and Special Counsels [September 28, 2001]), *Financial Audit — Independent and Special Counsel Expenditures for the Six Months Ended March 31, 2001*; expenditures for the six months ending September 30, 2001 (GAO Report, GAO-02-443 Independent and Special Counsels [March 29, 2002]), *Financial Audit — Independent and Special Counsel Expenditures for the Six Months Ended September 30, 2001*; expenditures for the six months ending March 31, 2002 (GAO Report, GAO-02-1068 Independent Counsel [September 30, 2002]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 2002*; expenditures for the six months ending September 30, 2002 (GAO Report, GAO-03-445 Independent Counsel [March 31, 2003]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 2002*; expenditures for the six months ending March 31, 2003 (GAO Report, GAO-03-1098 Independent Counsel [September 30, 2003]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 2003*; expenditures for the six months ending September 30, 2003 (GAO Report, GAO-04-525 Independent Counsel [March 31, 2004]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 2003*; expenditures for the six months ending March 31, 2004 (GAO Report, GAO-04-1014 Independent Counsel [September 30, 2004]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 2004*; expenditures for the six months ending September 30, 2004 (GAO Report, GAO-05-359 Independent Counsel [March 31, 2005]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 2004*; expenditures for the six months ending March 31, 2005 (GAO Report, GAO-05-961 Independent Counsel [September 30, 2005]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended March 31, 2005*; and expenditures for the six months ending September 30, 2005 (GAO Report, GAO-06-485 Independent Counsel [March 31, 2006]), *Financial Audit — Independent Counsel Expenditures for the Six Months Ended September 30, 2005*.

the public interest to release, or unless and until an indictment or criminal information had been returned.⁴

Total Costs of Investigations. There have been 20 independent counsel or special prosecutor investigations initiated under the statutory mechanisms originally enacted as part of the Ethics in Government Act of 1978. These investigations, according to reports from the Department of Justice concerning early special prosecutor and independent counsel investigations, and later published audits from the Government Accountability Office, have cost, as of September 30, 2005, a total of approximately \$228,712,589.

Independent Counsel Law Expiration and Appointment of “Special Counsels.” The statutory provisions for the appointment of independent counsels expired under a five year “sunset” provision at the end of June, 1999, when the law was not reauthorized by Congress, and thus no new independent counsels may be appointed by the Special Division of the Court. Under the general authority of the Attorney General of the United States, however, the Attorney General may hire and appoint temporary personnel within the Department of Justice or reassign personnel within the Department to conduct investigations and prosecutions on behalf of the United States. Regulations governing the selection and procedures of “special counsels” appointed by the Attorney General were promulgated in 1999.⁵ In addition to the statutory “independent counsel” investigations, there have been other “special counsel” investigations for which separate cost figures have been released. It was reported by GAO that Robert Fiske’s portion of the investigation of “Whitewater,” prior to the 1994 reauthorization of the Independent Counsel law, cost \$6,073,000;⁶ and that former Senator John Danforth’s special counsel investigation of the Waco incident has expended \$15,536,793.⁷

In addition, under the general statutory authority of the Attorney General to hire staff and oversee the conduct of federal criminal investigations and prosecutions, the Justice Department on December 30, 2003, designated Patrick Fitzgerald, United States Attorney for the Northern District of Illinois, as the “Special Counsel” to investigate the alleged unauthorized disclosure of a CIA employee’s identity. The Government Accountability Office ruled that the expenses for the investigation by Special Counsel Fitzgerald, although he was not appointed under the standing “Special Counsel” regulations promulgated by the Department of Justice, could be paid from the permanent, indefinite appropriation for Independent Counsels in the

⁴ 28 U.S.C. § 593(b)(4).

⁵ 28 C.F.R. Part 600, §§ 600.1 - 600.10; see 64 Fed. Reg. 37038-37044, July 9, 1999. For general information, note, CRS Report RL31246, *Independent Counsel Law Expiration and the Appointment of “Special Counsels,”* by Jack Maskell.

⁶ GAO/AIMD-97-24R, *supra* at 4.

⁷ GAO/AIMD-00-310, *supra* at 34, 36 (Sept. 2000); GAO-01-505, *supra* at 31, 33 (March 2001); GAO-01-1035, *supra* at 29, 31 (Sept. 2001); GAO-02-443, *supra* at 29 (March 2002); GAO-02-1068, *supra* at 5 (Sept. 2002); GAO-03-445, *supra* at 4 (March 2003); GAO-03-1098, *supra* at 4 (Sept. 2003); and GAO-04-1014, *supra* at 5 (Sept. 2004).

Department of Justice,⁸ and has indicated that the total expenses of that office, as of September 31, 2005, have been \$902,118.⁹

Results of Independent Counsel Investigations. Of the 20 independent counsel investigations that were initiated under the former statutory mechanism, in a majority of the cases — specifically in 12 of the investigations — no indictments were brought against anyone investigated. Of the 8 investigations which did return at least one indictment, in 3 of those instances there was no indictment brought against the principal Government official originally named as the subject or target of that independent counsel’s investigation.¹⁰ In the remaining 5 investigations where the Federal official named as the principal subject of the investigations *was* indicted, in 3 of such instances that principal Government official indicted was either acquitted,¹¹ or his conviction was overturned on appeal or remanded for re-trial and the matter dropped by the prosecution.¹² Thus, of the 20 independent counsel investigations initiated, although several independent counsel investigations resulted in multiple convictions of persons relating either to the original subject matter or a peripheral matter, including the convictions of federal officials and former federal officials involved, only two federal officials who were actually the named subjects of the 20 investigations were finally convicted of or pleaded guilty to the charges brought. In the Independent Counsel Seymour investigation of presidential aide Michael Deaver, Mr. Deaver was convicted of the “collateral” offense of perjury, and received a suspended sentence and a fine; while in the Independent Counsel Barrett investigation of Secretary Cisneros, Mr. Cisneros pleaded guilty to a misdemeanor charge, was fined, and was eventually pardoned by the President.

⁸ United States Government Accountability Office, B-302582, *Special Counsel and Permanent Indefinite Appropriation*, September 30, 2004.

⁹ GAO-05-359, *supra* at 17 (March 2005); GAO-05-961, *supra* at 12 (September 2005); GAO-06-485, *supra* at 13 (March 2006).

¹⁰ Independent Counsels Adams and Thompson investigation of HUD and HUD Secretary Pierce; Independent Counsels Starr and Ray investigation of President Clinton and First Lady Hillary Clinton, “Whitewater” and later referred matters; and Independent Counsel Lancaster investigation of Secretary Herman. The Adams/Thompson investigation of the Reagan Administration HUD, however, resulted in 11 guilty pleas and 6 criminal convictions (one of which was overturned on appeal); and the Starr/Ray investigations of “Whitewater” resulted in 14 guilty pleas and 3 criminal convictions.

¹¹ Independent Counsel Smaltz investigation of Secretary Espy (The Independent Counsel Smaltz investigation, however, resulted in 8 other guilty pleas, 1 “no contest” plea, 2 settlements of civil suits, and 6 criminal convictions).

¹² Independent Counsel Walsh investigation of Lt Col. Oliver North and “Iran-Contra.” One of North’s criminal convictions was overturned on appeal, while two others were remanded to the trial court, where the Independent Counsel decided not to pursue the prosecution. The Independent Counsel Walsh investigation of “Iran-Contra” resulted in 7 guilty pleas and 4 criminal convictions (2 of which, North and Poindexter, were overturned or dropped on remand). The Independent Counsel McKay investigation of White House aide Franklyn Nofziger resulted in the conviction of Nofziger, which was overturned on appeal because of a technical failure of the pleadings in the indictment.

List of Special Prosecutors/Independent Counsels

The special prosecutors and independent counsels appointed by a special judicial panel at the request of the Attorney General, under the provisions of federal law originally enacted in the Ethics in Government Act of 1978, have included:

1. **Arthur H. Christy** (appointed November 29, 1979). Investigated allegations concerning President Carter's Chief of Staff Hamilton Jordan, regarding alleged cocaine use. In his final report, the special prosecutor found "insufficient evidence to warrant the bringing of criminal charges."¹³ Final report filed May 28, 1980. Cost of investigation: \$182,000.¹⁴

2. **Gerald J. Gallinghouse** (appointed September 9, 1980). Investigated allegations concerning President Carter's national campaign manager Tim Kraft, regarding alleged cocaine use. In the final report, the special prosecutor found the allegations "so unsubstantiated that it did not warrant further investigation."¹⁵ Report filed January 15, 1982. Cost of investigation: \$3,300.¹⁶

3. **Leon Silverman** (appointed December 29, 1981). Investigated allegations concerning President Reagan's Secretary of Labor Raymond J. Donovan, regarding bribery of labor union officials and certain connections to organized crime. The special prosecutor found "insufficient evidence to warrant any prosecution" and no "credible evidence" concerning the allegations in final and supplemental investigative reports, filed June 25, 1982, and September 1982.¹⁷ The cost of this investigation was \$318,000.¹⁸ Further investigation commenced on June 11, 1985, upon referral to investigate alleged false testimony before grand jury. No indictments sought. Filed final investigative report on November 30, 1988. The cost of the second investigation was \$7,200.¹⁹

4. **Jacob A. Stein** (sworn in April 2, 1984). Investigated allegations concerning President Reagan's nominee for Attorney General, Edwin Meese, regarding his finances, financial disclosure and other allegations including trading in public offices. Independent counsel Stein found "no basis with respect to any of the eleven

¹³ *Report of Special Prosecutor on Alleged Possession of Cocaine by Hamilton Jordan in Violation of 21 U.S.C. § 844(a)* at 3, May 28, 1980.

¹⁴ S.Rept. 102-417, *supra* at 9.

¹⁵ *Report of Special Prosecutor In Compliance With 28 U.S.C. 595(b)* at 20, January 18, 1982.

¹⁶ S.Rept. 102-417, *supra* at 9.

¹⁷ *Report of the Special Prosecutor* at 294, 295 (June 25, 1982), and *Supplemental Report of the Special Prosecutor*, September 1982.

¹⁸ S.Rept. 102-417, *supra* at 9. This figure is the Senate Committee's amount for two investigations, minus the GAO reported figure for the second (1985-1988) investigation, reported separately here.

¹⁹ GAO Report to Congressional Committees, *Financial Audit, Expenditures by Nine Independent Counsels*, B-250044, October 1992.

allegations” for bringing criminal charges.²⁰ Final report issued September 20, 1984. The cost of the investigation was \$312,000.²¹

5. **Alexia Morrison** (appointed May 29, 1986). Alexia Morrison was appointed after the resignation of independent counsel **James C. McKay** (appointed April 23, 1986), to investigate allegations concerning former Assistant Attorney General Theodore B. Olson allegedly giving false testimony to Congress regarding the EPA “superfund” inquiry. Found that “there is insufficient credible evidence” of false statements or obstruction of justice, that any prosecution based on congressional testimony “would confront certain legal obstacles which would, at the minimum, cloud the prospects for success,” and that “there is no evidence” of a conspiracy to obstruct a congressional committee’s inquiry.²² Final report released March 14, 1989. The cost of the investigation was \$2,141,000.²³

6. **Whitney North Seymour Jr.** (appointed May 29, 1986). Investigated charges concerning former President Reagan aide Michael K. Deaver, regarding alleged violations of post-employment conflict of interest laws in representing certain foreign clients before the White House after leaving government employment. Michael Deaver was convicted, December 16, 1987, on three counts of perjury. He was sentenced on September 23, 1988, to three years probation and fined \$100,000.²⁴ The independent counsel’s final report filed August 16, 1989. The cost of the investigation was \$1,552,000.²⁵

7. **Lawrence E. Walsh** (appointed December 19, 1986). Was named to investigate potential criminal misconduct of Lt. Colonel Oliver North, and other government officials, in the so-called “Iran Contra” matter concerning sale of arms to Iran and the alleged diversion of profits from the sale to support the Contras in Nicaragua in violation of federal law. Pleading guilty to various offenses related to the Iran-Contra matter were: Elliott Abrams, former Assistant Secretary of State for Inter-American Affairs; Carl R. “Spitz” Channell, private fund-raiser; Alan D. Fiers, former chief of CIA Central American task force; Albert Hakim, private businessman; Robert C. McFarlane, former National Security Advisor in Reagan White House; Richard R. Miller, head of a public relations firm; and Air Force Major General Richard V. Secord (Ret.). Convicted of federal offenses were: Thomas Clines, former CIA agent; Clair George, former CIA deputy director; Lt. Col. Oliver L. North (Ret.), National Security Council staff, convicted on three counts of federal criminal law, one of which was overturned by the United States Court of Appeals for

²⁰ *Report of Independent Counsel Concerning Edwin Meese III*, at 11, September 20, 1984.

²¹ S.Rept. 102-417, *supra* at 9.

²² *Report of the Independent Counsel and Appendix to Report of the Independent Counsel, In re Theodore B. Olson and Robert M. Perry* at 139, March 14, 1989. With respect to Mr. Perry (former General Counsel of the EPA), the independent counsel concluded “that there is insufficient credible and admissible evidence” to prosecute for perjury.

²³ GAO/AIMD-97-24R, *supra* at 4.

²⁴ *The Washington Post*, September 24, 1988, at A1.

²⁵ GAO/AIMD-97-24R, *supra* at 4.

the District of Columbia Circuit, the other two dropped by request of the Independent Counsel after the Court of Appeals remanded the convictions back to the trial court for determination of which charges were not “tainted” by North’s immunized public testimony and admissions before Congress regarding the conduct which was the subject of the criminal convictions;²⁶ Rear Admiral John M. Poindexter, National Security Advisor, convicted of five felonies, all of which were overturned by an Appeals Court ruling that his and Colonel North’s immunized congressional testimony was used against him and tainted the convictions.²⁷ Persons indicted: Duane Clarridge, former chief of the Latin American Division of the Operations Directorate, C.I.A.; Joseph F. Fernandez, former CIA station chief whose indictment was dismissed when CIA refused to release classified information needed for his defense; and Casper Weinberger, former Secretary of Defense.

On December 24, 1992, President George Bush pardoned Casper Weinberger and Duane Clarridge, both of whom had been indicted and were awaiting trial; and pardoned Clair George, Elliott Abrams, Alan Fiers and Robert McFarlane, all of whom had either been found guilty or had pleaded guilty to various offenses in connection with the “Iran-Contra” matter.

The final report of the Independent Counsel in the “Iran-Contra” matter was filed August 4, 1993. The cost of the investigation was \$47,873,400.²⁸

8. **James C. McKay** (appointed February 2, 1987). Appointed to investigate allegations concerning former White House staffer Franklyn C. Nofziger and potential violations of post-employment “revolving door” conflicts of interest in relation to alleged “influence peddling” and lobbying activities performed for Wedtech Corporation. On May 11, 1987, Mr. McKay was referred the additional matter of Attorney General Edwin Meese’s conduct concerning the Wedtech Corporation, Mr. Meese’s financial holdings and potential conflicts of interest, Mr. Meese’s involvement in the Aqaba Pipeline project and other matters. Independent Counsel concluded in a July 5, 1988, report that with respect to criminal conflicts of interest under 18 U.S.C. § 208 and Mr. Meese’s financial interests in the regional Bell companies, and with respect to filing materially false tax returns, “in certain instances Mr. Meese’s conduct probably violated the criminal law, but that no prosecution is warranted”; and that with respect to bribery, illegal gratuities and the Foreign Corrupt Practices Act involving the Aqaba Pipeline, there is “insufficient evidence” to conclude that Mr. Meese violated the law.²⁹ Obtained conviction of Nofziger on February 11, 1988, on three counts of a four count indictment. Conviction of Nofziger overturned on appeals on technical failure of pleadings in the

²⁶ *United States v. North*, 920 F.2d 940 (D.C.Cir. 1990).

²⁷ *United States v. Poindexter*, 951 F.2d 369 (D.C.Cir. 1991), *cert. denied*, 506 U.S. 1021 (1992).

²⁸ GAO/AIMD-97-24, *supra* at 4; GAO/AIMD-98-285, *supra* at 5, *re* attorneys’ fees.

²⁹ *Report of Independent Counsel In Re Edwin Meese III*, at 50-53, July 5, 1988.

original indictment.³⁰ Final report filed July 18, 1988. The cost of the investigation was \$2,796,000.³¹

9. **James R. Harper**, appointed August 17, 1987 to replace **Carl S. Rauh** (appointed December 19, 1986). The subject of the investigation was sealed. No indictments sought. Investigative report filed December 18, 1987. The cost of the investigation was \$50,000.³²

10. **Sealed**. Independent counsel appointed May 31, 1989. No indictments returned. Report filed August 23, 1989. Cost of the investigation: \$15,000.³³

11. **Larry D. Thompson**, appointed July 3, 1995 to replace **Arlin M. Adams** (appointed March 1, 1990). Appointed to investigate allegations of criminal conspiracy to defraud the United States (involving favoritism and payments made to officials to influence the award of grants and subsidies in programs of the Department of Housing and Urban Development during the Reagan Administration) by Samuel R. Pierce, former Secretary of the Department of Housing and Urban Development, and others.

The Office of Independent Counsel announced on January 11, 1995 that no indictment would be sought for former Secretary Pierce in light of the Secretary's admissions of mismanagement of, and responsibility for corruption at, the Department of Housing and Urban Development, his age, his deteriorating health, the lack of personal benefit to the Secretary or his family, and conflicting evidence of intent.³⁴ The results of independent counsels' investigations with respect to other persons were as follows: Carlos A. Figueroa, consultant, pleaded guilty to making false statements with intent to defraud in relation to monies paid to HUD officials in exchange for influence in making HUD grants for Moderate Rehabilitation subsidies; Joseph A. Straus, former special assistant to HUD Secretary Pierce from 1981 to 1983, pleaded guilty to conspiracy and cover up in the receipt of payments from a private developer in return for helping the developer obtain federal monies for rehabilitation projects; J. Michael Queenan and Ronald L. Mahon, former HUD officials "who obtained ... federal HUD subsidies after they became developers," found guilty of bribery, conspiracy to commit bribery and money laundering (the money laundering charges were dismissed by the judge notwithstanding the jury verdict); Catalina Vasquez Villalpando, United States Treasurer from 1989 to January 20, 1993, pleaded guilty to obstruction of justice with respect to destruction of documents sought in investigation of former employer/firm and HUD grants; Deborah Gore Dean, former Executive Assistant to HUD Secretary Pierce, was found guilty of conspiracy, receipt of illegal gratuities and perjury in relation to the

³⁰ *United States v. Nofziger*, 878 F.2d 442 (D.C.Cir. 1989), *cert. denied*, 493 U.S. 1003 (1989).

³¹ GAO/AIMD-97-24R, *supra* at 4.

³² GAO/AIMD-97-24R, *supra* at 4.

³³ GAO/AIMD-97-24R, *supra* at 4.

³⁴ *The Washington Post*, January 12, 1995, at A1; note also *Final Report of the Independent Counsel In Re: Samuel R. Pierce*, Volume I, at 7 (October 27, 1988).

favorable “allocat[ion of] HUD Moderate Rehabilitation funds to consultants or developers” who provided favors to family or political associates; Thomas Demery, former HUD Assistant Secretary for Housing from 1986 to 1989, pleaded guilty to the acceptance of illegal gratuities and obstruction of justice in receipt of things of value from developers; Robert B. Olsen, a state housing agency director, pleaded guilty to conspiracy and bribery in the receipt of money in awarding of Moderate Rehabilitation funds to developers; Philip D. Winn, former HUD Assistant Secretary for Housing, 1981-1982, pleaded guilty on February 9, 1993, to conspiracy charges in relation to providing things of value to HUD officials because of their official actions; Leonard Briscoe, a private businessman and developer, Maurice Steier, an Omaha attorney, and Lance H. Wilson, former executive assistant to then-HUD Secretary Pierce, were found guilty of giving or offering illegal gratuities to a HUD official, although Wilson’s verdict was reversed on appeal on statute of limitations grounds; Elaine Richardson, former executive assistant to Senator Edward Brooke, pleaded guilty to one count of aiding and abetting false statements to HUD made by former Senator Brooke; Silvio J. DeBartolomeis, a former Deputy Assistant Secretary of HUD, pleaded guilty to conspiracy to make false statements, accepting an illegal supplementation of his official income, and aiding and abetting in false statements to HUD; Benton Mortgage Company, Inc., pleaded guilty to three felony counts of concealing material facts concerning the payment of consultants in matters relating to HUD, and paid a criminal fine of \$1,000,000; Samuel P. Singletary pleaded guilty to attempted tax evasion concerning funding from HUD received for a project under the Secretary’s Discretionary Fund; James G. Watt, former Secretary of the Interior, pleaded guilty to attempting to influence a federal Grand Jury by writing a letter containing inaccurate information, in violation of 18 U.S.C. § 1504; Victor R. Cruse, a former Connecticut housing official, indicted for perjury and obstruction of justice, was acquitted by a jury of the charges.

Philip D. Winn, the former HUD Assistant Secretary for Housing who had pleaded guilty on February 9, 1993 to conspiracy charges, was pardoned by President Clinton on November 20, 2000.

The final report of the independent counsel’s office was released October 27, 1998. According to the General Accounting Office, the cost of the investigation was \$29,417,318.³⁵

12. **Sealed.** Appointed April 19, 1991. No indictments sought. Report filed July 15, 1992. Cost of investigation: \$93,000.³⁶

³⁵ GAO/AIMD-97-24R, *supra* at 4; GAO/AIMD-97-64, *supra* at 10 (March 1997); GAO/AIMD-97-164, *supra* at 10 (September 1997); GAO/AIMD-98-100, *supra* at 10 (March 1998); GAO/AIMD-98-285, *supra* at 10 (Sept. 1998); GAO/AIMD-99-105, *supra* at 12 (March 1999); GAO/AIMD-99-292, *supra* at 12 (Sept. 1999); GAO/AIMD-00-120, *supra* at 12 (March 2000); GAO/AIMD-00-310, *supra* at 12,14 (Sept. 2000). Note GAO-01-505, *supra* at 6 (March 2001), reducing cost of investigation by \$7,600, after contractor refund. Note additional expenses of \$10,484, and \$28,502, after office was terminated, GAO-01-1035, *supra* at 4 (Sept. 2001), and GAO-05-359, *supra* at 4 (March 2005).

³⁶ GAO/AIMD-97-24R, *supra* at 4.

13. **Michael F. Zeldin**, on January 11, 1996, succeeded **Joseph E. diGenova**, who was appointed on December 14, 1992, “to investigate whether Janet Mullins, Assistant to the President for Political Affairs, violated federal criminal law” with respect to the search of then presidential candidate Bill Clinton’s passport files during the 1992 presidential campaign. Independent Counsel diGenova found “no evidence that would warrant criminal prosecution of anyone for any conduct connected with the search of William Clinton’s passport files, the disclosure of information from the files, or the Inspector General’s investigation of the search or disclosure,” in the final investigative report filed November 30, 1995.³⁷ According to reports by the Government Accountability Office, the cost of the investigation was \$3,089,082.³⁸

14. **Julie F. Thomas**, named on March 12, 2002 to succeed **Robert W. Ray**, who was named on October 18, 1999 to succeed Independent Counsel **Kenneth W. Starr**. Mr. Starr had been appointed on August 5, 1994 to continue the investigation of allegations commonly referred to as “Whitewater,” begun by the Attorney General-appointed Special Counsel Robert B. Fiske, Jr., regarding any possible violations of law relating in any way to President Clinton and the First Lady Hillary Rodham Clinton’s relationship with Madison Guarantee Savings and Loan Association, the Whitewater Development Corporation, or Capital Management Services, as well as any collateral matters arising out of the investigation of such matters. The jurisdiction of Independent Counsel Starr was expanded on March 22, 1996, at the request of Attorney General Reno, to look into matters involving the firing of staff from the White House travel office, and on June 21, 1996 to investigate allegations concerning the misuse of confidential FBI files by White House staff. On October 25, 1996 the jurisdiction was expanded to investigate possible false statements made by White House Counsel Bernard Nussbaum before the House Committee on Government Reform and Oversight. The jurisdiction was expanded again on January 16, 1998, at the independent counsel’s request to the Attorney General, to investigate allegations of subornation of perjury, obstruction of justice or intimidation of witnesses by former White House aide Monica Lewinsky, or others, concerning the civil case involving the President, *Jones v. Clinton*.

Results of the independent counsel investigations have included guilty pleas from David L. Hale, Charles Matthews, Eugene Fitzhugh, Robert W. Palmer, Webster L. Hubbell, Christopher Wade, Neal T. Ainley, Stephen A. Smith, Larry Kuca, William J. Marks, Sr., former Arkansas Governor Jim Guy Tucker, and John Haley; and the convictions of James McDougal, Susan McDougal and Jim Guy Tucker. Additional indictments obtained on April 30, 1998, of Webster L. Hubbell, Suzanna Hubbell, Michael C. Schaufele, and Charles C. Owen, relating to charges of failure to pay federal income taxes, which had been dismissed by a federal court finding the matter outside of the jurisdiction of the independent counsel and, as to Mr. Hubbell specifically, a violation of the immunity granted to him during an earlier investigation, were re-instated by the United States Court of Appeals for the District

³⁷ *Final Report of the Independent Counsel In Re: Janet Mullins*, at 377, November 30, 1995.

³⁸ GAO/AIMD-97-24R, *supra* at 4; GAO/AIMD-97-64, *supra* at 16; GAO/AIMD-97-164, *supra* at 16; and GAO/AIMD-98-100, *supra* at 5.

of Columbia Circuit, on January 26, 1999.³⁹ On November 13, 1998, Independent Counsel Starr had obtained an additional 15-count indictment against Webster Hubbell alleging concealment and false statements made about the Rose law firm's involvement in land deals in the 1980's in Arkansas. On June 30, 1999, Mr. Hubbell pleaded guilty to one misdemeanor charge of tax evasion in the April 30, 1998 indictment, and pleaded guilty to one felony charge of false statements in the November 13, 1998 indictment. The charges against the other three individuals named in the April 30, 1998 indictment were dropped as part of the plea agreement.

Other results of the independent counsel investigation have included the acquittal of Arkansas bankers Herbert Brancum and Robert Hill on four charges, and failure to reach a verdict on 7 others; the acquittal of Susan McDougal on April 12, 1999 on obstruction of justice charges stemming from her refusal to testify before the grand jury, and the failure of the jury to reach a verdict on the other two counts involving criminal contempt of court. Julie Hyatt Steele was indicted on January 7, 1999 for alleged perjury and obstruction of justice in the Monica Lewinsky investigation, and her trial ended in a mistrial being declared on May 7, 1999, as the jury failed to reach a verdict on the charges. Independent Counsel Starr issued a statement on May 25, 1999 that neither Ms. Steele nor Ms. McDougal would be re-tried on the hung-jury counts.

Upon the plea bargain with Webster L. Hubbell on June 30, 1999, it was reported in the press that Independent Counsel Starr told reporters that the "Whitewater aspect" of the investigation of the Clintons was "concluded," indicating that no indictments of the President or the First Lady would be forthcoming in the original "Whitewater" matter.⁴⁰ That was confirmed in a six-page statement issued on September 20, 2000, by Independent Counsel Ray, that "the evidence was insufficient to prove to a jury beyond a reasonable doubt that either President or Mrs. Clinton knowingly participated in any criminal conduct involving Madison Guarantee, CMS, or Whitewater Development or knew of such conduct."⁴¹

Independent Counsel Ray issued two reports to the Special Division of the Court on March 16, 2000, which were later released by the court. One report concerned the FBI file information (*In Re: Anthony Marceca*), where the independent counsel found "that neither Anthony Marceca nor any senior White House official, or First Lady Hillary Rodham Clinton, engaged in criminal conduct to obtain through fraudulent means derogatory information about former White House staff."⁴² In the other March 16, 2000 report, concerning the testimony before Congress by White House official Bernard Nussbaum, the independent counsel "found no credible evidence that Mr.

³⁹ *United States v. Hubbell*, 167 F.3rd 552 (D.C. Cir. 1999).

⁴⁰ *The Washington Post*, July 1, 1999, at A2.

⁴¹ The Independent Counsel's Final Report on the Arkansas phase of the "Whitewater" matter was filed with the Court on January 5, 2001: *Final Report of the Independent Counsel In Re: Madison Guaranty Savings & Loan Association*, January 5, 2001.

⁴² *Final Report of the Independent Counsel (In Re: Madison Guaranty Savings & Loan Association)*, *In Re: Anthony Marceca*, at p. 7, March 16, 2000.

Nussbaum testified falsely....”⁴³ On June 22, 2000, Independent Counsel Ray announced that he would seek no criminal indictments for any conduct by White House aide David Watkins, or First Lady Hillary Rodham Clinton, concerning the removal of employees in the White House travel office, and that a report on this matter was sent to the Special Division of the United States Court of Appeals.⁴⁴ That report was released on October 18, 2000, finding that “insufficient evidence exists to establish criminal conduct beyond a reasonable doubt to a jury’s satisfaction.”⁴⁵

On Friday, January 19, 2001, on the final full-day of President Clinton’s term, joint statements were released announcing that Independent Counsel Ray would “decline prosecution” in the Monica Lewinsky and Paula Jones-deposition matter in conjunction with the President’s admission that he gave “evasive and misleading answers” in the Jones civil suit deposition and “that his conduct was prejudicial to the administration of justice.”⁴⁶ The President acknowledged and apologized for his conduct in the Paula Jones deposition, and agreed to a five-year suspension of his law license and a \$25,000 fine to cover the costs of proceedings in a related, pending Arkansas Bar matter.⁴⁷

Four individuals who had entered guilty pleas or were found guilty of misconduct related to the Arkansas “Whitewater” investigation, Robert W. Palmer, Christopher Wade, Stephen A. Smith, and Susan McDougal, were pardoned by President Clinton on January 20, 2001.

In addition to litigation matters, Independent Counsel Starr submitted a report to the court in July of 1997, which was released by the court on October 11, 1997, reaffirming the findings of earlier investigations that White House aide Vincent Foster’s death was a suicide; and forwarded on September 11, 1998, a report and supporting evidentiary materials to the United States House of Representatives, under authority of 28 U.S.C. § 595 (c), concerning information “that may constitute grounds for an impeachment” regarding President Clinton. Additional evidentiary material was delivered to the House of Representatives on November 13, 1998.

According to reports by GAO, the cost of Independent Counsels Thomas’, Ray’s and Starr’s portion of the investigation, through September 30, 2005, has been

⁴³ *Final Report of the Independent Counsel (In Re: Madison Guaranty Savings & Loan Association), In Re: Bernard Nussbaum*, at p. 8, March 16, 2000.

⁴⁴ *The Washington Post*, June 23, 2000, at A18.

⁴⁵ *Final Report of the Independent Counsel (In Re: Madison Guaranty Savings & Loan Association), In Re: William David Watkins and In Re: Hillary Rodham Clinton*, at p. 14, June 22, 2000.

⁴⁶ Statement of Independent Counsel Ray, January 19, 2001.

⁴⁷ Statement of President Clinton, January 19, 2001. The final report on this matter was filed with the Court on May 18, 2001, modified on September 20, 2001, and released on March 6, 2002: *Final Report of the Independent Counsel In Re: Madison Guaranty Savings & Loan Association Regarding Monica Lewinski and Others*, March 6, 2002.

\$73,597,345.⁴⁸ In addition, GAO has reported that Robert B. Fiske, Jr., spent \$6,073,000, on the earlier “Whitewater” investigation prior to Mr. Starr’s appointment.⁴⁹

15. **Donald C. Smaltz.** Appointed September 9, 1994, to investigate any potential criminal conduct concerning allegations that Secretary of Agriculture Mike Espy received various gifts and entertainment from companies or organizations which are regulated by or have official business with the Department of Agriculture.

Results of the investigations have included guilty pleas from Mr. James Lake, lobbyist for Sun-Diamond Growers; Brook Keith Mitchell, Sr., and Five M. Farming Enterprises; a plea of “no contest” (*nolo contendere*) and the payment of a \$2,000,000 fine from Crop Growers Corporation; guilty pleas from the firm of Ferrouillet & Ferrouillet, the Municipal Healthcare Cooperative, Inc., and from Alverez Ferrouillet, concerning false statements in relation to a bank loan and in relation to the making of campaign contributions; the settlement of a conflict of interest civil suit, for \$1,050,000, by Smith Barney Inc., in relation to the alleged arrangement by one of its employees to purchase a Super Bowl ticket for Secretary Espy relative to the interests of one of the firm’s clients, Oglethorpe Power Corp. of Georgia; the settlement of a civil complaint and the payment of a \$100,000 fine and costs of the investigation, against Robert Mondavi Corporation for activities in connection with supplying gifts of free wine to former Secretary Espy; and a guilty plea by Tysons Foods, Inc., for providing gratuities to Secretary Espy and his girlfriend.

Jury convictions have included those of Sun-Diamond Growers of California on eight of nine charges relating to gratuities provided to Secretary Mike Espy and contributions to his brother Henry Espy. (The fraud and illegal campaign contribution counts in that case were affirmed, while the illegal gratuities convictions were reversed.)⁵⁰ Also convicted were John Hemmingson and Alverez Ferrouillet, Jr., in New Orleans for money laundering in relation to campaign contributions and the Secretary’s brother; Ronald H. Blackley, formerly a chief of staff to Secretary Mike Espy at the Department of Agriculture, who was convicted of lying to investigators concerning gifts and payments to him from former business associates

⁴⁸ GAO/AIMD-97-24R, *supra* at 4; GAO/AIMD-97-64, *supra* at 24, 26 (March 1997); GAO/AIMD-97-164, *supra* at 25, 27 (Sept. 1997); GAO/AIMD-98-100, *supra* at 22, 24 (March 1998); GAO/AIMD-98-285, *supra* at 21, 25 (Sept. 1998); GAO/AIMD-99-105, *supra* at 27, 30 (March 1999); GAO/AIMD-99-292, *supra* at 29, 31 (Sept. 1999); GAO/AIMD-00-120, *supra* at 29,32 (March 2000); GAO/AIMD-00-310, *supra* at 30, 32-33 (Sept. 2000); GAO-01-505, *supra* at 24, 27 (March 2001); GAO-01-1035, *supra* at 22, 25 (Sept. 2001); GAO-02-443, *supra* at 22, 25 (March 2002); GAO-02-1068, *supra* at 16 (Sept. 2002); GAO-03-445, *supra* at 19 (March 2003); GAO-03-1098, *supra* at 13 (September 2003); GAO-04-525, *supra* at 4, 13 (March 2004); GAO-04-1014, *supra* at 5, 14 (September 2004); GAO-05-359, *supra* at 4, 13 (March 2005); GAO-05-961, *supra* at 4 (September 2005); GAO-06-485, *supra* at 4 (March 2006).

⁴⁹ GAO/AIMD-97-24R, *supra* at 4.

⁵⁰ *United States v. Sun Diamond Growers of Calif.*, 526 U.S. 398 (1999).

regulated by the Department;⁵¹ and Jack L. Williams, lobbyist for Tyson Foods, Inc., who was found guilty of false statements about alleged gifts from Tyson Foods, Inc. to Secretary Espy and his girlfriend, and not guilty on two illegal gratuity counts. The conviction of Richard Douglas, former Senior Vice President of Sun-Diamond Growers, who was found guilty of providing gratuities to Secretary Espy (and was acquitted of other charges involving gratuities, mail fraud and illegal campaign contributions), was set aside, and Mr. Douglas later pleaded guilty to a criminal information relating to false statements, on March 16, 1998. The conviction of Archibald R. Schaffer, under the provisions of the Meat Inspection Act for providing gifts to Secretary Espy, which had been set aside by the court on September 21, 1998, was reinstated on appeal when the appeals court reversed the trial court judge's ruling setting aside the jury's verdict.⁵²

Acquitted of charges have been John J. Hemmingson and Gary Black, former executives of Crop Growers Corporation; Henry Espy, Jr., the brother of former Secretary Mike Espy, who was found not guilty of conspiracy and of concealing illegal campaign contributions; and Norris Faust, Jr., of the Farm Service Agency, acquitted of three counts of perjury. Former Secretary of Agriculture Mike Espy, who had been indicted on 35 counts (1 had been dismissed) relating to the alleged acceptance of gifts and favors from private sources and attempts to deceive investigators, was acquitted on all counts by a jury.⁵³

Several individuals who either pleaded guilty to or were found guilty by a jury of offenses in connection with this investigation, including James H. Lake, Brook K. Mitchell, Sr., John Hemmingson, Alvarez Ferrouillet, Jack L. Williams, and Richard Douglas, were pardoned by President Clinton on January 20, 2001.

The final report of Independent Counsel Smaltz was filed on January 30, 2001, and published by the court on October 25, 2001. According to the reports by the General Accounting Office, the cost of the investigations of Independent Counsel Smaltz through September 30, 2005, has been \$25,157,010.⁵⁴

⁵¹ See *United States v. Blackley*, 167 F.3d 543 (D.C.Cir. 1999), *cert. denied*, 528 U.S. 868 (1999). Mr. Blackley's sentence was commuted to time served by President Clinton, January 20, 2001.

⁵² *United States v. Schaefer*, 188 F.3d 833, (D.C.Cir. 1999). Defense's subsequent motion for new trial, granted by District Court on December 3, 1999, was also reversed by Court of Appeals, June 27, 2000 (214 F.3d 1359 (D.C.Cir. 2000)), and the jury verdict reinstated.

⁵³ See *The Washington Post*, December 3, 1998, at A1.

⁵⁴ GAO/AIMD-97-24R, *supra* at 4; GAO/AIMD-97-64, *supra* at 21, 23 (March 1997); GAO/AIMD-97-164, *supra* at 22, 24 (Sept. 1997); GAO/AIMD-98-100, *supra* at 19, 21 (March 1998); GAO/AIMD-98-285, *supra* at 13, 15 (Sept. 1998); GAO/AIMD-99-105, *supra* at 24, 26 (March 1999); GAO/AIMD-99-292, *supra* at 26, 28 (Sept. 1999); GAO/AIMD-00-120, *supra* at 26, 28 (March 2000); GAO/AIMD-00-310, *supra* at 27, 29 (Sept. 2000); GAO-01-505, *supra* at 28 (March 2001); GAO-01-1035, *supra* at 26 (Sept. 2001); GAO-02-443, *supra* at 26 (March 2002); GAO-02-1068, *supra* at 20 (Sept. 2002); GAO-03-445, *supra* at 16 (March 2003); GAO-04-525, *supra* at 4 (March 2004). GAO has noted that OIC Smaltz's convictions and referrals have resulted in fines, penalties, damages

(continued...)

16. **David M. Barrett.** Appointed May 24, 1995, to investigate allegations pertaining to the Department of Housing and Urban Development Secretary Henry G. Cisneros and false statements allegedly made to the FBI during a background check. Former Secretary Cisneros was indicted on December 11, 1997, along with Linda (Medlar) Jones, who had been alleged to have received payments from Mr. Cisneros. Also indicted in this case were two former aides of Mr. Cisneros, Sylvia Arce-Garcia, and John D. Rosales. The independent counsel's office announced on July 12, 1999, that all charges against Sylvia Arce-Garcia and John D. Rosales will be dropped. Ms. (Medlar) Jones, who had also been indicted earlier, in September of 1997, along with her sister and brother-in-law, Patsy and Alan Wooten, on various charges including fraud, false statements, money laundering and conspiracy regarding the purchase of a house, pleaded guilty to 28 felony counts relating to that transaction, allegedly financed by the money from Mr. Cisneros. Patsy and Alan Wooten also entered guilty pleas. On September 7, 1999, Mr. Cisneros pleaded guilty to one misdemeanor charge, and was fined \$10,000.⁵⁵ Former Secretary Cisneros and Linda Jones were pardoned by President Clinton on January 20, 2001.

The Special Division of the Court of Appeals decided on June 15, 2001, not to terminate the office of Independent Counsel Barrett, and on March 17, 2003, instructed the Independent Counsel to continue the noninvestigative and nonprosecutorial tasks needed to conclude the functions of his office. The final report was filed with the Special Division on August 13, 2004, and released to the public pursuant to court instructions on January 19, 2006. According to audit reports by the Government Accountability Office, the cost of the investigation through September 30, 2005, has been \$24,438,915.⁵⁶

17. **Daniel S. Pearson.** Appointed July 6, 1995, as independent counsel to investigate allegations concerning financial dealings of Secretary of Commerce Ronald H. Brown. Investigation ended upon death of Secretary Brown. Final report filed November 14, 1996. The cost of the investigation was \$3,861,710.⁵⁷

⁵⁴ (...continued)

and reimbursements totaling \$11,803,082, of which approximately \$10,905,536 has been received and deposited in the U.S. Treasury. GAO-02-443, *supra* at 28 (March 2002).

⁵⁵ Note *United States v. Cisneros*, 169 F.3rd 763 (D.C. Cir. 1999), upholding dismissal of challenge to indictment.

⁵⁶ GAO/AIMD-97-24R, *supra* at 4; GAO/AIMD-97-64, *supra* at 13, 15 (March 1997); GAO/AIMD-97-164, *supra* at 13, 15 (Sept. 1997); GAO/AIMD-98-100, *supra* at 13, 15 (March 1998); GAO/AIMD-98-285, *supra* at 13, 15 (Sept. 1998); GAO/AIMD-99-105, *supra* at 15, 17 (March 1999); GAO/AIMD-99-292, *supra* at 15, 17 (Sept. 1999); GAO/AIMD-00-120, *supra* at 15, 17 (March 2000); GAO/AIMD-00-310, *supra* at 15 (Sept. 2000); GAO-01-505, *supra* at 12 (March 2001); GAO-01-1035, *supra* at 10 (Sept. 2001); GAO-02-443, *supra* at 10 (March 2002); GAO-02-1068, *supra* at 10 (Sept. 2002); GAO-03-445, *supra* at 10 (March 2003); GAO-03-1098, *supra* at 10 (Sept. 2003); GAO-04-525, *supra* at 10 (March 2004); GAO-04-1014, *supra* at 11 (Sept. 2004); GAO-05-359, *supra* at 10 (March 2005); GAO-05-961, *supra* at 9 (Sept. 2005); GAO-06-485, *supra* at 10 (March 2006).

⁵⁷ GAO/AIMD-97-24R, *supra* at 4; GAO/AIMD-97-64, *supra* at 18, 20 (March 1997); (continued...)

18. **Curtis E. von Kann** (formerly “Sealed -1996”). Appointed November 27, 1996, to investigate alleged conflict of interest law violations by former White House official Eli Segal concerning fundraising for a non-profit organization. No indictments returned. The final report was filed August 21, 1997. The cost of investigation, including reimbursement of attorneys’ fees, was \$628,156.⁵⁸

19. **Carol Elder Bruce**. Appointed March 19, 1998, to investigate allegations of false statements to Congress by Interior Secretary Bruce Babbitt concerning the rejection of a proposed Indian gambling casino in Wisconsin by the Department. Ms. Bruce announced on October 13, 1999, that no criminal indictments will be sought in the matter, and the final report was filed on December 30, 1999, and published on August 22, 2000. Government Accountability Office reports show total expenditures of this investigation of \$7,152,293.⁵⁹

20. **Ralph I. Lancaster**. Appointed May 26, 1998, to investigate allegations of unlawful solicitation of campaign contributions by Secretary of Labor, Alexis Herman. According to press reports, the only indictment in the investigation was of a Singapore businessman, Abdul Rahman, for illegal campaign contributions, but that he is physically outside of the jurisdiction of the United States.⁶⁰ Final report was submitted to the Special Division on April 7, 2000. According to GAO reports expenditures related to this investigation were \$6,027,860.⁶¹

⁵⁷ (...continued)

GAO/AIMD-97-164, *supra* at 19 (Sept. 1997); GAO/AIMD-98-100, *supra* at 16 (March 1998); GAO/AIMD-99-292, *supra* at 24 (Sept. 1999); GAO/AIMD-00-120, *supra* at 24 (March 2000); GAO/AIMD-00-310, *supra* at 24 (Sept. 2000); GAO-01-505, *supra* at 21 (March 2001); GAO-01-1035, *supra* at 19 (Sept. 2001); GAO-02-443, *supra* at 19 (March 2002); GAO-02-1068, *supra* at 13 (Sept. 2002); GAO-03-445, *supra* at 13 (March 2003); GAO-03-1098, *supra* at 4 (Sept. 2003).

⁵⁸ GAO/AIMD-97-164, *supra* at 28 (Sept. 1997); GAO/AIMD-98-100, *supra* at 25 (March 1998); GAO/AIMD-98-285, *supra* at 24 (Sept. 1998); GAO/AIMD-99-105, *supra* at 31, 33 (March 1999); GAO/AIMD-99-292, *supra* at 32, 34 (Sept. 1999); GAO/AIMD-00-120, *supra* at 33 (March 2000); GAO/AIMD-00-310, *supra* at 6 (Sept. 2000).

⁵⁹ GAO/AIMD-98-285, *supra* at 16 (Sept. 1998); GAO/AIMD-99-105, *supra* at 18, 20 (March 1999); GAO/AIMD-99-292, *supra* at 18, 20 (Sept. 1999); GAO/AIMD-00-120, *supra* at 18, 20 (March 2000); GAO/AIMD-00-310, *supra* at 18, 20 (Sept. 2000); GAO-01-505, *supra* at 15 (March 2001); GAO-01-1035, *supra* at 13 (Sept. 2001); GAO-02-443, *supra* at 13 (March 2002); GAO-02-1068, *supra* at 4 (Sept. 2002); GAO-03-445, *supra* at 4 [attorneys’ fees of \$28,763] (March 2003).

⁶⁰ *The Washington Post*, April 6, 2000, at A1.

⁶¹ GAO/AIMD-99-105, *supra* at 21, 23 (March 1999); GAO/AIMD-99-292, *supra* at 21, 23 (Sept. 1999); GAO/AIMD-00-120, *supra* at 21, 23 (March 2000); GAO/AIMD-00-310, *supra* at 21, 23 (Sept. 2000); GAO-01-505, *supra* at 18 (March 2001); GAO-01-1035, *supra* at 16 (Sept. 2001); GAO-02-443, *supra* at 16 (March 2002); GAO-02-1068, *supra* at 4 [deduction for refund of rent payment] (Sept. 2002); GAO-03-1098, *supra* at 5 (Sept. 2003); GAO-04-525, *supra* at 4 (March 2004)

Appendix

Independent Counsel	Appointed	Final Report	Subject	Results	Cost
Arthur H. Christy (Special Prosecutor)	11/29/79	5/28/80	Presidential aide Hamilton Jordan, alleged cocaine use	No indictments	\$182,000
Gerald J. Gallinghouse (Special Prosecutor)	9/9/80	1/15/82	Presidential aide Tim Craft, alleged cocaine use	No indictments	\$3,300
Leon Silverman (Special Prosecutor)	12/29/81 and 6/11/85	6/25/82 and 11/30/88	Secretary of Labor Raymond Donovan, alleged bribery, connections to organized crime, false statements	No indictments	\$325,200
Jacob A. Stein	4/2/84	9/20/84	Attorney General nominee Edwin Meese, personal finances, disclosure	No indictments	\$312,000
James C. McKay Alexia Morrison	4/23/86 5/29/86	3/14/89	Assistant Attorney General Theodore Olson, alleged false testimony to Congress	No indictments	\$2,141,000

CRS-18

Independent Counsel	Appointed	Final Report	Subject	Results	Cost
Whitney North Seymour, Jr.	5/29/86	8/16/89	Presidential aide Michael Deaver, post-employment conflicts of interest	Conviction of Deaver on three counts of perjury	\$1,552,000
Lawrence E. Walsh	12/19/86	8/4/93	Lt. Colonel Oliver North and others, "Iran Contra" - sale of arms to Iran and alleged diversion of profits to Contras	7 guilty pleas; 4 convictions; 3 other indictments (2 convictions overturned on appeal)	\$47,873,400
James C. McKay	2/2/87	7/18/88	White House aide Franklyn Nofziger, post-employment lobbying; Attorney General Edwin Meese, alleged financial conflicts	Nofziger convicted, overturned on appeal on technical failure of pleading in indictment. No indictment of Meese.	\$2,796,000
Carl S. Rauh James R. Harper	12/19/86 8/17/87	12/18/87	Sealed	No indictments	\$50,000
Sealed	5/31/89	8/23/89	Sealed	No indictments	\$15,000

CRS-19

Independent Counsel	Appointed	Final Report	Subject	Results	Cost
Arlin M. Adams Larry D. Thompson	3/1/90 7/3/95	10/27/98	Secretary of HUD Samuel R. Pierce, and others, fraud <i>re</i> HUD grants and subsidies	11 guilty pleas; 6 criminal convictions; 1 reversal on appeal; 1 acquittal. No indictment of Pierce.	\$29,417,318
Sealed	4/19/91	7/15/92	Sealed	No indictments	\$93,000
Joseph diGenova Michael F. Zeldon	12/14/92 1/11/96	11/30/95	Presidential Ass't Janet Mullins, passport search of candidate Clinton	No indictments	\$3,089,082
Kenneth W. Starr Robert W. Ray Julie F. Thomas	08/05/94 10/18/00 03/12/02	03/06/02	President Clinton, First Lady, and others, <i>re</i> "Whitewater" Development Corp., Madison Savings, and Capital Management Services; and other expanded, referred matters.	14 guilty pleas (including 3 separate Hubbell pleas on 3 different indictments); 3 convictions; 3 acquittals and 4 instances of hung juries. Report on Vince Foster suicide; and report to House <i>re</i> possible grounds for impeachment. No indictment of President or First Lady.	\$73,597,345 ^{62*}

⁶² Additionally, Robert Fiske expended \$6,073,000 on his portion of "Whitewater" investigation.

CRS-20

Independent Counsel	Appointed	Final Report	Subject	Results	Cost
Donald C. Smaltz	9/9/94	10/25/01	Secretary of Agriculture Mike Espy, gifts & gratuities	8 guilty pleas; 1 “no contest” plea; 2 settlements of civil suits resulting in fines; 6 jury convictions; 5 acquittals, including acquittal of ex-Sec. Espy on all counts	\$25,157,010 ^{63*}
David M. Barrett	5/24/95	Filed 8/13/04; released 1/19/06	Secretary of Housing & Urban Development Henry Cisneros, false statements to FBI	4 guilty pleas, including plea of Cisneros to misdemeanor charge	\$18,738,624*
Daniel S. Pearson	7/6/95	11/14/96	Secretary of Commerce Ron Brown, financial dealings	Investigation ended upon death of Secretary Brown	\$3,861,710
Curtis von Kann (formerly “Sealed - 1996”)	11/27/96	08/21/97	White House official Eli Segal and conflicts of interest	No indictments	\$628,156

⁶³ According to GAO, OIC Smaltz’s convictions and referrals have resulted in fines, penalties, damages and reimbursements totaling \$11,803,082, of which approximately \$10,905,535 has been received and deposited in the U.S. Treasury. GAO-02-443, *supra* at 28.

CRS-21

Independent Counsel	Appointed	Final Report	Subject	Results	Cost
Carol Elder Bruce	3/19/98	08/22/00	Secretary of Interior Bruce Babbitt, alleged false statements to Congress	No indictments	\$7,152,293*
Ralph I. Lancaster	5/26/98	04/07/00	Labor Sec. Alexis Herman, alleged illegal solicitation of campaign contributions	No indictment of Secretary Herman. One indictment of foreign businessman for illegal campaign contributions.	\$6,027,860*

*Costs are through September 30, 2005, as of GAO audit released March 31, 2006, GAO-06-485