

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya *July 6, 1998*

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments since my last report of January 13, 1998, concerning the national emergency with respect to Libya that was declared in Executive Order 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

1. On January 2, 1998, I renewed for another year the national emergency with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, virtually all trade with Libya is prohibited, and all assets owned or controlled by the Libyan government in the United States or in the possession or control of U.S. persons are blocked.

2. There have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (OFAC) of the Department of the Treasury, since my last report of January 13, 1998.

3. During the reporting period, OFAC reviewed numerous applications for licenses to authorize transactions under the Regulations. Consistent with OFAC's ongoing scrutiny of banking transactions, the largest category of license approvals (34) concerned requests by non-Libyan persons or entities to unblock certain interdicted funds transfers. Three licenses authorized receipt of payment for the provision of legal services to the Government of Libya in connection with actions in U.S. courts in which the Government of Libya was named as defendant and for other legal services. One license authorizing certain travel transactions was issued. A total of 38 licenses were issued during the reporting period.

4. During the current 6-month period, OFAC continued to emphasize to the international banking community in the United States the

importance of identifying and blocking payments made by or on behalf of Libya. OFAC worked closely with the banks to assure the effectiveness of interdiction software systems used to identify such payments. During the reporting period, more than 140 transactions potentially involving Libya, totaling more than \$8.9 million, were interdicted.

5. Since my last report, OFAC has collected 15 civil monetary penalties totaling nearly \$280,000 for violations of the U.S. sanctions against Libya. Fourteen of the violations involved the failure of banks and U.S. corporations to block payments or letters of credit transactions relating to Libyan-owned or -controlled financial institutions. One U.S. individual paid an OFAC penalty for commercial exports to Libya.

Various enforcement actions carried over from previous reporting periods have continued to be pursued aggressively. Numerous investigations are ongoing and new reports of violations are being scrutinized.

6. The expenses incurred by the Federal Government in the 6-month period from January 7 through July 6, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$960,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

7. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting UNSCR 883 in November 1993, the United Nations Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the Security Council in Resolutions 731 and 748, concerning the bombing of the Pan Am 103 and UTA 772 flights,

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constituted a threat to international peace and security. The United States will continue to coordinate its comprehensive sanctions enforcement efforts with those of other U.N. member states. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effec-

tively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on July 7.

Remarks on Signing the Memorandum on Ensuring Compliance With the Health Insurance Portability and Accountability Act

July 7, 1998

Thank you. Mr. Pomeroy, we're delighted to have you here, along with your colleagues, and we appreciate the work you do every day. I want to thank all of those who are here with me on this platform who are responsible for the action we're taking today and the work we've done on health care. And, like the Vice President, I'd like to say a special word of appreciation to Senator Kennedy.

I honestly believe that when the history of the United States Congress in the 20th century is written, there will be very few people who have exercised as much positive influence to benefit the American people, whether they were in the majority or the minority, as Senator Kennedy. And this is one of the crowning achievements of his career, and I'm very grateful to him for what he's done.

I have done everything I knew to do to help our country move forward to expand health care access and improve health care quality. Yesterday I announced an important initiative to help more than 3 million senior citizens get assistance in paying their Medicare bills. I have called upon Congress to rise above partisanship and join me in ensuring that the well-being of the patient will always be our health care system's bottom line, whether or not the patient is in a managed care plan or in traditional fee-for-service medicine. And in a few moments, I intend to take action to strengthen the vital health care protections of the Kennedy-Kassebaum law.

It was nearly 2 years ago that I stood with many of the people in this room on the South Lawn to proudly sign that bill into law. It was a remarkable achievement, the product of extraordinary dedication by Senators Kassebaum Baker and Senator Kennedy and others. It's given millions of Americans the chance to change jobs without losing health insurance even if they or someone in their family has a so-called pre-existing condition.

Unfortunately, reports have shown that some health plans are paying no more than lip service to the requirements of the law, delaying or denying coverage to eligible Americans. That is unacceptable. It is wrong.

I will sign an Executive order, at the conclusion of this event, to give new teeth to the Kassebaum-Kennedy law and new peace of mind to Americans with pre-existing conditions. As the single largest buyer of private health insurance, the Federal Government speaks with a very loud voice. With that voice, we now put health plans on notice. This administration has zero tolerance for actions that undermine these vital health care protections. If you violate the letter or the spirit of the Kassebaum-Kennedy law, we will, if necessary, terminate your contract to provide health insurance to Federal employees. If you say no to people with pre-existing conditions, the Federal Government will say no to you.

I am very pleased that the National Association of Insurance Commissioners will join the