

FOIA and Privacy Act requests contained herein within ten days.

Sincerely yours,

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Mr. GRASSLEY. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HAGEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### APPOINTMENT OF AN INDEPENDENT COUNSEL TO INVESTIGATE ALLEGATIONS OF ILLEGAL FUNDRAISING

The Senate continued with the consideration of the joint resolution.

Mr. HAGEL. Mr. President, I rise today in support of Senate Joint Resolution 22, asking that an independent counsel be appointed to investigate the alleged illegal fundraising activities in the 1996 Presidential campaign.

It is in the best interest of both the Nation and the Congress that an independent counsel be appointed. In light of the continued severity of the allegations that arise on a nearly daily basis, this is the only way to properly investigate wrongdoing and prosecute where laws were broken. The requests for an independent counsel have been bipartisan. I have twice written Attorney General Janet Reno and asked that an independent counsel be appointed. To date, I have not received a reply.

We need an independent counsel to supplement congressional hearings. Only an independent counsel has the power to bring charges against those alleged of breaking the law. Congress will investigate, as we should—that is our responsibility—but we need someone looking into this with the ability to prosecute.

I also fear whether Congress will be able to bear the entire responsibility for investigating these alleged campaign finance abuses and still act on the important issues awaiting our attention. We were elected by the people to address the challenges facing America. We were elected to solve problems.

As we look forward to the 21st century, America is faced with serious challenges. Domestically, we must come to terms with our Federal budgetary problems, our national debt, the burden of taxes and regulations, the threat of crime, the explosive growth projected in entitlement programs. Internationally, we need to reshape a foreign policy, a foreign policy that will guide us through the uncharted and potentially treacherous waters of the post-cold-war era. This is a time of great hope, a time of great promise for the world. The fulfillment of this hope

and promise will come only if America demonstrates bold, imaginative leadership, leadership that seizes the moment.

Determining the direction our Nation will take beyond the year 2000 is a very critical debate, one that all the Nation should be involved with. The issues involved require and deserve the full attention of this body. We must not be held hostage by partisan bickering over campaign finance investigations and daily allegations of political wrongdoing.

For example, Medicare's slide into bankruptcy will not wait for a determination of whether campaign finance laws were broken in last year's Presidential campaign. Action needs to be taken now to save Medicare, or America's seniors will pay the price.

If we allow the poison of political retribution and revenge to dominate the Congress, we will never be able to work together on these very important issues. The congressional hearings are important. Surely they are important. Surely they must go forward. But we need to get to the bottom of this mess. At the same time, we cannot allow these hearings to overshadow the present challenges facing this body.

Political leaders frequently express their dismay at the lack of confidence and trust the American people have in them and in all political institutions. However, we bring it on ourselves when the image we present to the American people is one of constant partisan wrangling and bitter accusations.

When we allow our system to become polarized and paralyzed, the American people have to wonder who is on the job, who is looking out for their interests, who is governing America.

The American people are tired of the lack of civility and the inflammatory rhetoric that too frequently dominate the political discourse in Washington. They are tired of the gridlock that results when both ends of Pennsylvania Avenue put political considerations before the Nation's business. The American people want action. They want their elected representatives to give their full attention to the challenges facing this country. They deserve nothing less.

The destiny and legacy of our people is that we have always risen to meet the challenges put before us. As we lead America and the world into the 21st century, we must build on this legacy. Big challenges lie ahead. We fail our children and the children of the world if we allow ourselves to become bogged down in political intrigue and fail to address these important issues now.

Criminal investigations should be taken out of politics. Prosecuting wrongdoing should be done without regard to politics. The Attorney General needs to appoint an independent counsel now.

I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AL-LARD). Without objection, it is so ordered.

#### REPORT RELATIVE TO THE EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 22

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

#### *To the Congress of the United States:*

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995, and matters relating to the measures in that order and in Executive Order 12959 of May 6, 1995. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order 12957 and does not deal with those relating to the emergency declared on November 14, 1979, in connection with the hostage crisis.

1. On March 15, 1995, I issued Executive Order 12957 (60 *Fed. Reg.* 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the order was provided to the Speaker of the House and the President of the Senate by letter dated March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order 12959 to further respond to the

Iranian threat to the national security, foreign policy, and economy of the United States.

Executive Order 12959 (60 *Fed. Reg.* 24757, May 9, 1995) (1) prohibits exportation from the United States to Iran or to the Government of Iran of goods, technology, or services; (2) prohibits the reexportation of certain U.S. goods and technology to Iran from third countries; (3) prohibits dealings by United States persons in goods and services of Iranian origin or owned or controlled by the Government of Iran; (4) prohibits new investments by United States persons in Iran or in property owned or controlled by the Government of Iran; (5) prohibits U.S. companies and other United States persons from approving, facilitating, or financing performance by a foreign subsidiary or other entity owned or controlled by a United States person of certain reexport, investment, and trade transactions that a United States person is prohibited from performing; (6) continues the 1987 prohibition on the importation into the United States of goods and services of Iranian origin; (7) prohibits any transaction by a United States person or within the United States that evades or avoids or attempts to violate any prohibition of the order; and (8) allowed U.S. companies a 30-day period in which to perform trade transaction pursuant to contracts predating the Executive order.

At the time of signing Executive Order 12959, I directed the Secretary of the Treasury to authorize through specific licensing certain transactions, including transactions by United States persons related to the Iran-United States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and related to other international obligations and United States Government functions, and transactions related to the export of agricultural commodities pursuant to pre-existing contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, and Turkmenistan.

Executive Order 12959 revoked sections 1 and 2 of Executive Order 12613 of October 29, 1987, and sections 1 and 2 of Executive Order 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order 12959 was transmitted to the Speaker of the House of Representatives and the President of the Senate by letter dated May 6, 1995.

2. On March 5, 1997, I renewed for another year the national emergency with respect to Iran pursuant to IEEPA. This renewal extended the authority for the current comprehensive trade embargo against Iran in effect

since May 1995. Under these sanctions, virtually all trade with Iran is prohibited except for information and informational materials and certain other limited exceptions.

3. The Iranian Transactions Regulations (the "Regulations" or ITR), 31 CFR Part 560, were amended on October 21, 1996 (61 *Fed. Reg.* 54936, October 23, 1996), to implement section 4 of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, by adjusting for inflation the amount of the civil monetary penalties that may be assessed under the Regulations. The amendment increases the maximum civil monetary penalty provided in the Regulations from \$10,000 to \$11,000 per violation.

The amended Regulations also reflect an amendment to 18 U.S.C. 1001 contained in section 330016(1)(L) of Public Law 103-322, September 13, 1994; 108 Stat. 2147. The amendment notes the availability of higher criminal fines pursuant to the formulas set forth in 18 U.S.C. 3571. A copy of the amendment is attached.

Section 560.603 of the ITR was amended on November 15, 1996 (61 *Fed. Reg.* 58480), to clarify rules relating to reporting requirements imposed on United States persons with foreign affiliations. Initial reporting under the amended Regulation has been deferred until May 30, 1997, by a January 14, 1997 *Federal Register* notice (62 *Fed. Reg.* 1832). Copies of the amendment and the notice are attached.

4. During the current 6-month period, the Department of the Treasury's Office of Foreign Assets Control (OFAC) made numerous decisions with respect to applications for licenses to engage in transactions under the ITR, and issued 13 licenses. The majority of denials were in response to requests to authorize commercial exports to Iran—particularly of machinery and equipment for the petroleum and manufacturing industries—and the importation of Iranian-origin goods. The licenses issued authorized the export and reexport of goods, services, and technology essential to ensure the safety of civil aviation and safe operation of certain commercial passenger aircraft in Iran; certain financial and legal transactions; the importation of Iranian-origin artwork for public exhibition; and certain diplomatic transactions. Pursuant to sections 3 and 4 of Executive Order 12959 and in order to comply with the Iran-Iraq Arms Non-Proliferation Act of 1992 and other statutory restrictions applicable to certain goods and technology, including those involved in the air-safety cases, the Department of the Treasury continues to consult with the Departments of State and Commerce on these matters.

The U.S. financial community continues to interdict transactions associated with Iran and to consult with OFAC about their appropriate handling. Many of these inquiries have resulted in investigations into the activi-

ties of U.S. parties and, where appropriate, the initiation of enforcement action.

5. The U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the ITR. Various enforcement actions carried over from previous reporting periods are continuing and new reports of violations are being aggressively pursued. Since my last report, OFAC has collected a civil monetary penalty in the amount of \$5,000. The violation underlying this collection involves the unlicensed import of Iranian-origin goods for transshipment to a third country aboard a U.S.-flag vessel. Civil penalty action or review is pending against 21 companies, financial institutions, and individuals for possible violations of the Regulations.

6. The expenses incurred by the Federal Government in the 6-month period from September 15, 1996, through March 14, 1997, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iran are approximately \$800,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of Intelligence and Research, and the Office of the Legal Adviser), and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

7. The situation reviewed above continues to involve important diplomatic, financial, and legal interests of the United States and its nationals and presents an extraordinary and unusual threat to the national security, foreign policy, and economy of the United States. The declaration of the national emergency with respect to Iran contained in Executive Order 12957 and the comprehensive economic sanctions imposed by Executive Order 12959 underscore the United States Government opposition to the actions and policies of the Government of Iran, particularly its support of international terrorism and its efforts to acquire weapons of mass destruction and the means to deliver them. The Iranian Transactions Regulations issued pursuant to Executive Orders 12957 and 12959 continue to advance important objectives in promoting the nonproliferation and antiterrorism policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 14, 1997.