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**Folder Title:** JGR/FBI

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# WITHDRAWAL SHEET

## Ronald Reagan Library

**Collection Name** Roberts, John

**Withdrawer**

CAS 8/12/2005

**File Folder** JGR/FBI [FEDERAL BUREAU OF INVESTIGATION] (3)

**FOIA**

F05-139/01

**Box Number** 25

COOK

23CAS

Doc No	Doc Type	Document Description	No of Pages	Doc Date	Restrictions	
1	LETTER	MARTIN KAISER TO WILLIAM WEBSTER RE FBI AGENTS	2	7/27/1983	B6	1236

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

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

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B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

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]

E.O. 13233

C. Closed in accordance with restrictions contained in donor's deed of gift.

MEMORANDUM

FBI

THE WHITE HOUSE

WASHINGTON

August 16, 1983

FOR: FRED F. FIELDING  
FROM: JOHN G. ROBERTS *JGR*  
SUBJECT: Additional Martin Kaiser Correspondence

You will recall that Martin Kaiser has written us in the past concerning his allegations of misconduct on the part of FBI agents. We referred his previous letters to the Department of Justice. Kaiser has now written Webster, stating that a Federal court in North Carolina has agreed with him, although no evidence or specifics are adduced to support this claim. In his letter to Webster, Kaiser claims the agents violated the FBI standards of conduct, and asks that they be fired. Kaiser sent you a copy of his letter to Webster, with a brief cover note.

As we decided before, this is not a matter in which the White House should become involved. No response is necessary, nor is any referral, since Justice already has the letter to Webster.

*OK*

MEMORANDUM

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# WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

FE017-04

☐ O - OUTGOING

☐ H - INTERNAL

☐ I - INCOMING

Date Correspondence  
Received (YY/MM/DD) 1 / 1

Name of Correspondent: Martin L. Kaiser

☐ MI Mail Report

User Codes: (A) 1 (B) 1 (C) 1

Subject: Further Correspondence of FBI agents  
re: Ruling by the Courts

## ROUTE TO:

## ACTION

## DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>CW Holland</u>		ORIGINATOR	<u>83108111</u>			<u>1 / 1</u>
<u>CWAT18</u>		Referral Note:	<u>DD1</u>	<u>Cont. Corresp.</u>		
			<u>83108111</u>			<u>5 83108122</u>
		Referral Note:	<u>DD1</u>			<u>DD1</u>
			<u>1 / 1</u>			<u>1 / 1</u>
		Referral Note:				
			<u>1 / 1</u>			<u>1 / 1</u>
		Referral Note:				
			<u>1 / 1</u>			<u>1 / 1</u>
		Referral Note:				

### ACTION CODES:

A - Appropriate Action  
C - Comment/Recommendation  
D - Draft Response  
F - Furnish Fact Sheet  
to be used as Enclosure

I - Info Copy Only/No Action Necessary  
R - Direct Reply w/Copy  
S - For Signature  
X - Interim Reply

### DISPOSITION CODES:

A - Answered C - Completed  
B - Non-Special Referral S - Suspended

### FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer  
Code = "A"  
Completion Date = Date of Outgoing

Comments: \_\_\_\_\_

Keep this worksheet attached to the original incoming letter.  
Send all routing updates to Central Reference (Room 75, OEOb).  
Always return completed correspondence record to Central Files.  
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

*all cones sent to Fred Fielding*

( ) Secret Service Case  
( ) File  
( ) No previous File

MARTIN L. KAISER, INC.

Countersurveillance • Bomb Detection • Surveillance Electronics

~~XXXX~~

*Fred Fielding*

27 July 1983

The White House  
Washington, D C 20500

Attention: Ronald Reagan  
President

My Dear Mr President:

*encl.*  
Further to my previous letters concerning a corrupt group of  
F B I agents we now have a ruling by the courts. The attached  
letter to Mr Webster, Director of the F B I, is self explanatory.

There has got to be an end to this matter and I remain convinced  
that the solution is within your power.

Truly,

*M. Kaiser*

Martin L Kaiser  
President

Encl.

# WITHDRAWAL SHEET

## Ronald Reagan Library

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*No of Doc Date Restriction*  
*pages* *tions*

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1 LETTER

2 7/27/1983 B6

1236

MARTIN KAISER TO WILLIAM WEBSTER RE FBI  
AGENTS

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## SECTION 1. ACTIVITIES AND STANDARDS OF CONDUCT

1-1

### INTRODUCTION

Regulations concerning the conduct and activities of employees are published in the Code of Federal Regulations (CFR), Title 28, Section 45.735. Their source is found generally in Departmental Order 350-65 dated 12-28-65 which provides that employees shall:

(1) Conduct themselves in a manner that creates and maintains respect for the Department of Justice and the U.S. Government. In all their activities, personal and official, they should always be mindful of the high standards of behavior expected of them.

(2) Not give or in any way appear to give favored treatment or advantage to any member of the public, including former employees, who appear before the Department on their own behalf or on behalf of a non-governmental person.

(3) Avoid any action which might result in, or create the appearance of--

(a) Using public office for private gain

(b) Giving preferential treatment to any person

(d) Losing complete independence or impartiality

(e) Making a Government decision outside official channels; or

(f) Affecting adversely the confidence of the public in the integrity of the Government

Departmental Order 350-65 further provides that an employee shall not have a direct or indirect financial interest that conflicts, or appears to conflict, with his Government duties and responsibilities. Such a conflict exists whenever the performance of the duties of an employee has or appears to have a direct and predictable effect upon a financial interest of such employee or of his spouse, minor child, partner, person, or organization with which he is associated or is negotiating for future employment. A conflict of interest is deemed to exist even though there is no reason to suppose that the employee will in fact resolve the conflict to his own personal advantage rather than to that of the Government. The order also provides that no Department of Justice employee shall participate personally and substantially as a Government employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, in which, to his knowledge, he, his spouse, minor child, partner, organization in which he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest, unless authorized to do so by the Deputy Attorney General. This prohibition includes such financial interests as ownership of securities of corporations or other entities which may become involved in Bureau investigation. The prohibited actions include



## SECTION 1. ACTIVITIES AND STANDARDS OF CONDUCT

ervisory decisions and recommendations, as well as investigative activities. Any employee receiving an assignment involving any matters in which he has a direct or indirect financial interest as defined in the Departmental order shall immediately advise his superior and shall be removed of such assignment. Should there be a strong reason for requesting Department's approval for the employee to participate in the assignment, matter must be submitted to FBIHQ for consideration regarding presentation to the Department. In any event the employee should not participate in such assignment until the Department's authorization has been received. Departmental order specifically exempts from the above prohibition the stock, bond, or policy holdings of an employee in a mutual fund, investment company, bank, or insurance company which owns an interest in an entity involved in the matter provided the fair value of the employee's holding does not exceed one percent of the value of the reported assets of the mutual fund, investment company, or bank.

In furtherance of the above, the Bureau expects its employees to comport themselves that their activities both on and off duty will not discredit either themselves or the Bureau. Copies of Departmental Order 5-65 are furnished to employees during their indoctrination on entering the Bureau's service. Failure by an employee to follow these regulations will result in appropriate disciplinary action including possible dismissal. The rules and regulations regarding official and personal conduct which govern the granting of individual access to and use of Bureau cryptomaterials appear in the COMSEC Custodian Manual (Section II, A, 5, pages 7-7c).

### 2 PERSONAL CONDUCT

Employees should never cause themselves to be mentally or physically unfit for duty. They are not permitted to consume alcoholic beverages during working hours, including that time allotted for meal periods or any period of leave taken if the employee intends to return to work before the termination of working hours. The use of illegal drugs or narcotics or the use of any drugs or narcotics is strictly prohibited at any time. They must not, at any time, engage in criminal, dishonest, immoral or disgraceful conduct or other conduct prejudicial to the Government.

### 3 GOVERNMENT PROPERTY

All Government property, automobiles, supplies, equipment, telephones, and facilities are to be used solely for official purposes and are not to be converted to any employee's personal use. In this regard, however, the use of equipment such as cameras for training and practice during nonwork hours shall be considered "official purposes." Any loss, misplacement, theft or destruction of Government property issued to any employee must be reported to his superior immediately.

#### 3.1 Bureau Vehicles

Bureau vehicles are to be used for official business only. In connection with the use of Bureau vehicles, transportation and related services for other than Bureau employees are to be restricted to individuals and their families, or aides accompanying them, who are traveling to attend Bureau sponsored or related functions or have other direct business to transact with Bureau officials and officials of the Department of Justice traveling on official business. In no instance should such services be

# Defendants in Agents Used Process

By ANNE-MARIE DOWNEY  
Sentinel Staff Reporter

ORO — Two used the criminal to strengthen in a \$22 million bugging from the tion and bug- western Bank, defendants in the n federal court

ant in the civil used the FBI of th evidence. In defendant Mar- an 'electronics Cockeysville, bureau agents or- tered two tape d switched tape e also claimed removed docu- FBI files which en recovered.

ions were made hours of argu- Middle District l Judge Frank held a hearing motions pending which began air- s ago.

78, FBI agents ereton and Za- filed suit alleg- ivil rights were their privacy when their con- re electronical- uring their in- Northwestern ril to July 1977. Lowe charged uncan Jr., then Bank chair- yn E. Bowers, president, con- cept the agents' none communi-

They also claimed that Kaiser agreed to help Duncan and Bowers by possessing, selling, transporting and installing electronic surveillance equipment or bugs "to help them accomplish their sinister conspiratorial scheme." Northwestern Bank and Northwestern Financial Corp., the bank's holding company, also are defendants in the lawsuit.

The agents discovered they were being recorded while they were investigating financial irregularities at the North Wilkesboro-based bank. Duncan was convicted of misapplying bank funds and recording conversations of IRS agents who were reviewing bank records in October 1977, and in November 1977, he pleaded guilty to the bugging conspiracy against the FBI.

Bowers pleaded guilty to the conspiracy to record the FBI agents' conversations and to the actual bugging. However, Kaiser pleaded not guilty to charges related to the bugging and he was acquitted in federal court in Winston-Salem in February 1978.

Since Brereton and Lowe's suit was filed, it has become one of the most complicated civil cases ever in the U.S. Middle District. Three Greensboro attorneys — Bynum N. Hunter, Michael R. Abel and Ben F. Tennille — have been released as defendants, and the remaining defendants and the plaintiffs have filed pages and pages of motions, affidavits and cross-claims. There also is a similar case filed by former FBI agent Donald G. Wilson for \$5.5 million in damages from Duncan, Bowers, Northwestern Bank and Northwestern Financial.

Lawyers for Duncan and Kaiser yesterday said Brereton and Lowe used the criminal investigation of their clients to prepare for their multimillion-dollar civil suit.

"They were given access and power of the federal government they should not have been given," Stephen Spring, a Louisiana attorney representing Kaiser said.

Duncan's attorney, Ted G. West, claimed that the former bank chairman agreed to plead guilty to the bugging conspiracy during a meeting with Brereton and a former U.S. attorney.

"We contend that Mr. Brereton and Mr. Lowe abused the process," West said. "That's what it boils down to in instigating a guilty plea from Mr. Duncan so they could have something to hang their hat on in this civil case."

He also said, "This court must and should look closely at a situation where investigators of the U.S. government pursue their investigation knowing during the entire course of the investigation that they have a civil suit in mind."

But Mike Bailey, one of Brereton's and Lowe's lawyers, said the agents were only fulfilling their obligations by investigating and helping prosecute the cases.

Kaiser filed a \$720,000 counterclaim against Brereton and Lowe in 1978 and last year he asked to add the FBI to his suit. He is seeking \$10.7 million from the FBI. Kaiser claimed the bureau "actually assisted and enabled ... Brereton and Lowe to gain access to information and records while on bureau time and through bureau resources of information directly bearing to the outcome of the civil action."

Duncan also has asked the court to allow him to add the FBI, a former U.S. attorney and a former assistant U.S. attorney to his crossclaim against Brereton and Lowe. However, Bullock questioned whether the statutory limitation on adding to the cross-claims has run out.

Kaiser made other allegations against the FBI in his affidavit. He accused the bureau of fraudulently concealing and manufacturing evidence.

The Panasonic tape recorder presented at his criminal trial played at one-third normal speed, Kaiser said, but he said the recorder being used as evidence in the civil case operated at one-fourth normal speed. He also said tests showed that two tape recordings of Brereton and Lowe were not made on the tape recorder provided to Northwestern Bank in 1977 and that the two tapes were made on two different recorders, he said.

Kaiser said, "It is my belief based upon a review of tests that these modifications or manufacturing of evidence was performed by agents and/or employees of the Federal Bureau of Investigation as part of a conspiracy wherein the FBI acted in concert with plaintiffs Brereton and Lowe by attempting to convict me of a crime I did not commit ... and instituting the present civil suit as a retaliatory measure designed to drain me of funds necessarily spent in my defense."

Kaiser further charged that Brereton took documents out of the FBI files and that the bureau claims those papers are lost. He also said Brereton made misrepresentations to a grand jury which led to Kaiser's indictment on charges related to the bugging. Brereton did that, Kaiser said, so he could use the criminal trial to gather evidence for the civil case.

Duncan and Kaiser have filed motions for summary judgment and have asked for dismissal of the actions against them. Yesterday, attorneys for Northwestern Bank and Northwestern Financial Corp. also argued for summary judgment and dismissal.

"The bank was the one who was losing from this illegal activity, not just the customers, the bank," Richard Vanore, Northwestern attorney, said. "Because (Duncan) benefited is not sufficient to say the bank benefited and should be held responsible for his action."

He also charged that Brereton and Lowe are "seeking monetary damages as the real fruit of their criminal investigation."

THE WHITE HOUSE

WASHINGTON

November 7, 1984

MEMORANDUM FOR FRED F. FIELDING

FROM:

JOHN G. ROBERTS *JGR*

SUBJECT:

Representative Edwards and the FBI

You have asked for more information on the attached story from the November 1 New York Times. (Tab A). The FBI's National Crime Information Center (NCIC) is a clearinghouse for crime information provided by law enforcement entities at the Federal, state, and local level. The NCIC is perhaps best known as the source for the Bureau's annual crime statistics, but it also provides information of active investigative significance to law enforcement agencies. For some time the FBI has been considering adding a "white collar crime" component to its NCIC files; at present information about such crimes is generally not compiled and thus not available to law enforcement agencies pursuing investigations in this area. Congressman Don Edwards (D-CA) has expressed concern that compiling and making available information on individuals suspected of involvement in white collar crime would violate the civil liberties of those individuals.

On October 12 the Bureau advised the staff of the House Subcommittee on Civil and Constitutional Rights, chaired by Edwards, that staff counsel would not be permitted to attend meetings of the Planning and Evaluation Subcommittee of the NCIC Advisory Policy Board. The meetings, which took place October 15-16, were called to consider adding white collar crime to NCIC coverage. Edwards protested this decision in an October 12 letter to Judge Webster, citing the provisions of the Federal Advisory Committee Act making the open meeting requirements of that Act applicable to subcommittees, and the separate provision directing each committee of the House to "make a continuing review of the activities of each advisory committee under its jurisdiction." (Tab B). Edwards later wrote to the Attorney General to object in general to plans to expand coverage of the NCIC. (Tab C).

Justice has not yet responded to either of Edwards's letters. Judge Webster signed a reply dated October 31, contending that the subcommittee was not an advisory committee itself but simply functioning as staff for the advisory committee, an argument recently accepted in National Anti-Hunger Coalition v. Executive Committee of the President's

Private Sector Survey on Cost Control, 557 F. Supp. 524 (D.C. 1983), aff'd, 711 F.2d 1071 (D.C. Cir. 1983). (Tab D). This reply has not been sent, because of internal Justice Department objections to the validity of its legal reasoning. I tend to agree with those within Justice who think the argument in Webster's October 31 proposed reply is not supported by the facts. The Planning and Evaluation Subcommittee, as its very name suggests, was not simply gathering data for the Advisory Policy Board but carrying out advisory committee functions in its own right. As noted, Justice is still working on a reply to Edwards, who probably is correct on the Federal Advisory Committee Act points.

## Rep. Edwards Accuses F.B.I. of Breaking Law

By DAVID BURNHAM

Special to The New York Times

WASHINGTON, Oct. 31 — The chairman of a House subcommittee has accused the Federal Bureau of Investigation of violating the law when it stopped a Congressional staff member from attending a meeting of a subcommittee of an advisory panel of the bureau.

Representative Don Edwards, Democrat of California, has protested the exclusion of John Briley, a lawyer for the House Judiciary Committee's Subcommittee on Civil and Constitutional Rights, from a meeting on Oct. 16 of the Planning and Evaluation Subcommittee of the Advisory Policy

Board of the bureau's National Crime Information Center.

The subject of the closed meeting was a plan by the bureau to create a major new computer file about white-collar crime suspects and their associates. Under the proposal, 64,000 Federal, state and local criminal justice agencies could have access to the file in two years.

An F.B.I. paper said the plan would permit "a more efficient and effective field-wide coordination of major white-collar crime investigations." But civil liberties experts contended the widespread exchange of "raw investigative files" would be a dangerous threat to

innocent Americans.

Mr. Edwards, the chairman of the Judiciary subcommittee, has said that the system should not be initiated without formal Congressional approval, but the bureau had no immediate response to Mr. Edwards's request that it not proceed with the system without Congressional action.

### Hearings Planned Next Year

Mr. Edwards has also said he intends to hold hearings early next year on the plan, which has not yet been formally approved by either Attorney General William French Smith or the bureau's Director, William H. Webster. The bureau's test would not begin without that

approval, and the computer system would take some months to develop.

In a letter to Mr. Webster, Mr. Edwards said that the decision not to allow Mr. Briley to attend the session "appeared to violate" two provisions of a law governing the practices of Federal advisory groups.

He said one section of the law mandated that such meetings "shall be open to the public," and a second requires each Congressional committee to review the activities of any advisory group under its jurisdiction.

A spokesman said the bureau was preparing a formal response to Mr. Edwards. He added, however, that the decision not to allow Mr. Briley to attend the meeting had been "based on sound legal precedent."

On Oct. 17, the day after the closed meeting of the advisory subcommittee,

the full advisory board voted at a public session to approve a test of the computer project.

In the first step approved by the advisory panel, information about suspects and the associates of suspects being investigated for various financial crimes would be filed in the National Crime Information Center's computer network and would be exchanged among bureau agents, Justice Department lawyers and 11 other Federal law-enforcement agencies.

The staff paper added, however, that it was "fully anticipated that within two years" of the beginning of the project at the Federal level "access to what should be a significant data base regarding economic crime will be extended to all users of the National Crime Information Center."

The information the bureau is con-

templating collecting and distributing includes names of white-collar crime suspects and their associates and additional data such as Social Security numbers, passport numbers, bank account numbers, aliases, Selective Service numbers, driver's license numbers and automobile license numbers.

Mr. Edwards said the decision to prevent the staff of the House subcommittee from attending the advisory panel meeting conflicted with earlier practice. Congressional staff members attended the advisory panel's subcommittee meetings in August 1983, October 1983 and February 1984.

*John Roberts -  
What is this  
all about?*

11/5/84

35



**U.S. House of Representatives**  
**Committee on the Judiciary**  
 Washington, D.C. 20515  
 Telephone: 202-225-3951

JACK BROOKS, TEX.  
 ROBERT W. KATTENMEIER, WIS.  
 DON EDWARDS, CALIF.  
 JOHN CONYERS, JR., MICH.  
 JOHN F. SEIBERLING, OHIO  
 ROMANO L. MAZZOLI, NY.  
 WILLIAM J. HUGHES, N.J.  
 SAM D. HALL, JR., TEX.  
 MIKE SYNAR, OKLA.  
 PATRICIA SCHROEDER, COLO.  
 DAN GLICKMAN, KANS.  
 BARNEY FRANK, MASS.  
 GEO. W. CROCKETT, JR., MICH.  
 CHARLES E. SCHUMER, N.Y.  
 BRUCE A. MORRISON, CONN.  
 EDWARD F. FEIGHAN, OHIO  
 LAWRENCE J. SMITH, FLA.  
 HOWARD L. BERMAN, CALIF.  
 FREDERICK C. BOUCHER, VA.

HAMILTON FISH, JR., N.Y.  
 CARLOS J. MOOREHEAD, CALIF.  
 HENRY J. HYDE, ILL.  
 THOMAS R. KINDNESS, OHIO  
 HAROLD S. SAWYER, MICH.  
 DAN LUNGREN, CALIF.  
 F. JAMES SENSENBRENNER, JR., WIS.  
 BILL MCCOLLUM, FLA.  
 E. CLAY SHAW, JR., FLA.  
 GEORGE W. GEEKS, PA.  
 MICHAEL DEWINE, OHIO

October 12, 1984

Honorable William Webster  
 Director  
 Federal Bureau of Investigation  
 J. Edgar Hoover Building  
 Washington, D.C. 20530

Dear Judge Webster:

The purpose of this letter is to express my deep concern over the decision by the Federal Bureau of Investigation that staff Counsel to the Subcommittee on Civil and Constitutional Rights will not be permitted to attend meetings of the various subcommittees of the NCIC Advisory Policy Board, scheduled for October 15 and 16.

This decision which was finally communicated to staff on Friday, October 12, is surprising in view of the invitations extended to, and accepted by staff, for previous subcommittee meetings held on August 19, 1983, October 3-4, 1983, and February 27-28, 1984. Moreover, the closing of these meetings appears to violate the Federal Advisory Committee Act, as follows:

Section 3(2) makes the Act generally applicable to "any committee... or any subcommittee or other subgroup thereof..."; and, Section 10(a)(1) mandates that the meetings shall be open to the public.

Section 5(a) requires that "each standing committee of... the House of Representatives shall make a continuing review of the activities of each advisory committee under its jurisdiction..." The attendance of Subcommittee Members and staff has not been sought or obtained as a matter of public participation.

Honorable William Webster  
October 12, 1984  
Page Two

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I would greatly appreciate your personal reconsideration of this matter. The operation of the NCIC and its future direction are issues which will continue to receive close scrutiny by the subcommittee. The subcommittee staff's first hand observation of the development of recommendations which the Director receives from the Board, will assist the subcommittee to fulfill its responsibilities.

I look forward to your early response.

Sincerely,

*Don Edwards*

Don Edwards  
Chairman  
Subcommittee on Civil and  
Constitutional Rights

DE:jbb

cc: Robert McConnell  
Fred Wynbrandt

DEPARTMENT OF JUSTICE  
ODAG EXECUTIVE SECRETARIAT CONTROL DATA

From: EDWARDS, CHRIS DON, SUBCOMM ON CIVIL & CONSTITUTIONAL RIGHTS  
To: AG.

Date Received: 10-31-84 Date Due: 11-13-84 Control #: 4103115273

Subject & Date

10-26 LETTER EXPRESSING CONCERN OVER THE PROPOSED ADDITION  
OF AN ECONOMIC CRIME INDEX TO THE NATIONAL CRIME INFO  
CENTER. HE FEELS THAT IT IS ESSENTIAL THAT THERE BE AMPLE  
OPPORTUNITY FOR APPROPRIATE CONGRESSIONAL OVERSIGHT  
COMMITTEES TO EXAMINE THIS PROPOSAL. REQUESTS COPIES OF ANY  
MEMORANDA ON THE PROPOSED INDEX WHICH WERE CIRCULATED TO  
MEMBERS OF THE ECONOMIC CRIME COUNCIL.

Referred To	Date	Referred To	Date	File
(1) LIA/MCCONNELL	10-31-84	(5)		
(2)		(6)		
(3)		(7)		Prty
(4)		(8)		1
Interim By:		Date:		Opr
Sig. For: LJA		Date Released:		HED

Remarks

CC DAG (BLUNT), DAG, AAG.  
LIA TO MAIL INTERIM RESPONSE IF APPROPRIATE.  
ADVISE EXEC. SEC. OF ACTION TAKEN.

Other Remarks

10-31-11:00



PETER W. RODINO, JR. (D-N.J.) CHAIRMAN

ROOKS, TEX.  
T. W. EASTENMEIER, WIS.  
EDWARDS, CALIF.  
CONYERS, JR., MICH.  
F. SEIBERLING, OHIO  
NO. L. MAZZOLI, KY.  
M. J. HUGHES, N.J.  
HALL, JR., TEX.  
LYNAR, OKLA.  
A. SCHROEDER, COLO.  
LICKMAN, KANS.  
Y. FRANK, MASS.  
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ES E. SCHUMER, N.Y.  
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F. JAMES SENSENBRENNER, JR., WIS.  
BILL MCCOLLUM, FLA.  
E. CLAY SHAW, JR., FLA.  
GEORGE W. DEKAS, PA.  
MICHAEL DEWINE, OHIO

**U.S. House of Representatives**  
**Committee on the Judiciary**  
**Washington, D.C. 20515**  
**Telephone: 202-225-3951**

GENERAL COUNSEL  
M. ELAINE MIELKE  
STAFF DIRECTOR  
GARNER J. CLINE  
ASSOCIATE COUNSEL  
ALAN F. COFFEY, JR.

October 26, 1984

EXECUTIVE SECRETARIAT  
OFFICE OF  
DEPUTY ATTORNEY  
GENERAL

1984 OCT 31 AM 9:15

DEPT OF JUSTICE  
RECEIVED

The Honorable William French Smith  
Attorney General of the United States  
Department of Justice  
Washington, D.C. 20530

Dear Mr. Attorney General:

The purpose of this letter is to express my concern over the proposed addition of an "Economic Crime Index" to the National Crime Information Center. According to an FBI staff paper, this index has been endorsed by the Department's Economic Crime Council, but will not become operational without your concurrence.

As I understand it, this new file would be comprised of information identifying individuals and their associates who have come under investigation for white-collar crime matters. In addition, the proponents anticipate that all NCIC users will eventually have access to the file.

This "intelligence file" appears to represent a major deviation from the system's current dedication to data bases derived from public record information. Accordingly, I hope you will give this proposal your personal attention and review.

In addition, it is essential that there be ample opportunity for the appropriate congressional oversight committees to fully examine this proposal. To assist the Subcommittee in its review, I would appreciate it if you would furnish copies of any memoranda on the proposed index which were circulated to members of the Economic Crime Council.

Sincerely,

*Don Edwards*

Don Edwards  
Chairman  
Subcommittee on Civil and  
Constitutional Rights

DE:jbb

cc: Robert McConnell

Honorable Don Edwards

In National Anti-Hunger Coalition v. Executive Committee of the President's Private Sector Survey on Cost Control, 557 F. Supp. 524 (D.C. 1983), aff'd, 711 F.2d 1071 (D.C. Cir. 1983), the court considered the question of whether task forces set up to do "fact-gathering, statistical evaluations, and the formulation of preliminary reports" for a committee appointed by the President, but which had no authority to make recommendations to the President or federal agencies, were "subcommittees" for purposes of the Federal Advisory Committee Act. The court held such task forces were not advisory committees within the terms of the Act, and thus were not subject to its procedural requirements. Judge Gesell observed:

"... (T)ask forces are not subject to FACA requirements. They do not directly advise the President or any federal agency, but rather provide information and recommendations for consideration to the Committee. Consequently, they are not directly 'established or utilized' by the President or any agency 'in the interest of obtaining advice or recommendations'.

The Act does not cover groups performing staff functions such as those performed by the so-called task forces.

The language of the statute itself distinguishes between advisory committee members and advisory committee staff. Compare 5 U.S.C. App. I. §5(b)(2) with §5(b)(5). Staff would be expected to perform exactly the sort of functions performed by the task forces at issue-- gathering information, developing work plans, performing studies, drafting reports and even discussing preliminary findings with agency employees." 557 F. Supp. at 529.

Given their duties, the subcommittees are the functional equivalent of the task forces in National Anti-Hunger Coalition. Accordingly, subcommittees are not advisory committees for purposes of the Act, and the open meeting requirement does not apply to them.

PETER W. RODINO, JR. (D-J) CHAIRMAN

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U.S. House of Representatives  
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DEPT OF JUSTICE  
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1984 OCT 31 AM 9:15

EXECUTIVE SECRETARIAL  
OFFICE OF  
DEPUTY ATTORNEY  
GENERAL

October 26, 1984

The Honorable William French Smith  
Attorney General of the United States  
Department of Justice  
Washington, D.C. 20530

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Sincerely,

*Don Edwards*

Don Edwards  
Chairman  
Subcommittee on Civil and  
Constitutional Rights

DE:jbb

cc: Robert McConnell

## Rep. Edwards Accuses F.B.I. of Breaking Law

By DAVID BURNHAM

Special to The New York Times

WASHINGTON, Oct. 31 — The chairman of a House subcommittee has accused the Federal Bureau of Investigation of violating the law when it stopped a Congressional staff member from attending a meeting of a subcommittee of an advisory panel of the bureau.

Representative Don Edwards, Democrat of California, has protested the exclusion of John Briley, a lawyer for the House Judiciary Committee's Subcommittee on Civil and Constitutional Rights, from a meeting on Oct. 16 of the Planning and Evaluation Subcommittee of the Advisory Policy

Board of the bureau's National Crime Information Center.

The subject of the closed meeting was a plan by the bureau to create a major new computer file about white-collar crime suspects and their associates. Under the proposal, 64,000 Federal, state and local criminal justice agencies could have access to the file in two years.

An F.B.I. paper said the plan would permit "a more efficient and effective field-wide coordination of major white-collar crime investigations." But civil liberties experts contended the widespread exchange of "raw investigative files" would be a dangerous threat to

innocent Americans.

Mr. Edwards, the chairman of the Judiciary subcommittee, has said that the system should not be initiated without formal Congressional approval, but the bureau had no immediate response to Mr. Edwards's request that it not proceed with the system without Congressional action.

### Hearings Planned Next Year

Mr. Edwards has also said he intends to hold hearings early next year on the plan, which has not yet been formally approved by either Attorney General William French Smith or the bureau's Director, William H. Webster. The bureau's test would not begin without that

approval, and the computer system would take some months to develop.

In a letter to Mr. Webster, Mr. Edwards said that the decision not to allow Mr. Briley to attend the session "appeared to violate" two provisions of a law governing the practices of Federal advisory groups.

He said one section of the law mandated that such meetings "shall be open to the public," and a second requires each Congressional committee to review the activities of any advisory group under its jurisdiction.

A spokesman said the bureau was preparing a formal response to Mr. Edwards. He added, however, that the decision not to allow Mr. Briley to attend the meeting had been "based on sound legal precedent."

On Oct. 17, the day after the closed meeting of the advisory subcommittee,

the full advisory board voted at a public session to approve a test of the computer project.

In the first step approved by the advisory panel, information about suspects and the associates of suspects being investigated for various financial crimes would be filed in the National Crime Information Center's computer network and would be exchanged among bureau agents, Justice Department lawyers and 11 other Federal law-enforcement agencies.

The staff paper added, however, that it was "fully anticipated that within two years" of the beginning of the project at the Federal level "access to what should be a significant data base regarding economic crime will be extended to all users of the National Crime Information Center."

The information the bureau is con-

templating collecting and distributing includes names of white-collar crime suspects and their associates and additional data such as Social Security numbers, passport numbers, bank account numbers, aliases, Selective Service numbers, driver's license numbers and automobile license numbers.


Mr. Edwards said the decision to prevent the staff of the House subcommittee from attending the advisory panel meeting conflicted with earlier practice. Congressional staff members attended the advisory panel's subcommittee meetings in August 1983, October 1983 and February 1984.

THE WHITE HOUSE

WASHINGTON

August 29, 1985

MEMORANDUM FOR THE FILES

FROM: JOHN G. ROBERTS   
SUBJECT: Civil Court Case Involving  
Corrupt Conduct of FBI Agents

Based on my review of previous correspondence with Kaiser, I concluded that no response was appropriate to this latest letter. We previously referred his allegations of FBI misconduct to the Department of Justice for review. The present correspondence contains no new allegations. I do not expect Mr. Kaiser to be satisfied with any response we might send him.



ID # 332684 CU

WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

R002

J.R. - direct handle

☐ O - OUTGOING

☐ H - INTERNAL

☐ I - INCOMING

Date Correspondence Received (YY/MM/DD) 1/1/

Name of Correspondent: Martin Kaiser

☐ MI Mail Report

User Codes: (A) (B) (C)

Subject: Civil court case involving corrupt conduct of F.B.I. agents

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
CUHOLL	ORIGINATOR	85107112 PY		1/1/
CUA718	Referral Note: R	85107115 PY	S	85107122
	Referral Note:			
		1/1/		1/1/
	Referral Note:			
		1/1/		1/1/
	Referral Note:			
		1/1/		1/1/
	Referral Note:			

ACTION CODES:

A - Appropriate Action  
C - Comment/Recommendation  
D - Draft Response  
F - Furnish Fact Sheet to be used as Enclosure

I - Info Copy Only/No Action Necessary  
R - Direct Reply w/Copy  
S - For Signature  
X - Interim Reply

DISPOSITION CODES:

A - Answered  
B - Non-Special Referral  
C - Completed  
S - Suspended

FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer  
Code = "A"  
Completion Date = Date of Outgoing

Comments: PY See ID 130208cw

Keep this worksheet attached to the original incoming letter.  
Send all routing updates to Central Reference (Room 75, OEOB).  
Always return completed correspondence record to Central Files.  
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.