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After Senate loss, Thune may get White House offer. **3**

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House Undivided

One Democrat and one Republican share a happy home. **13**

Tax Fight Casualty: Lindsey or O'Neill?

By DAVID MORRIS

President Bush finds himself in the middle of a debate between two senior members of his economic team and he's headed for a clash with lawmakers from his own party over the scope of a new round of tax cuts and their impact on the deficit.

Bush's tax decision may lead to the departure of either chief economic adviser Larry Lindsey

or Treasury Secretary Paul O'Neill. And tax cutters and deficit watchers alike say the president will jeopardize his 2004 re-election chances if he chooses the wrong path.

"I think there's going to be a shake-up" in the administration, Bruce Bartlett of the National Center for Policy Analysis, a conservative think tank told The Federal Paper.

See **TAX FIGHT**, p. 16

Chief Justice's Daughter Faces Expanded Probe

By A.B. STODDARD

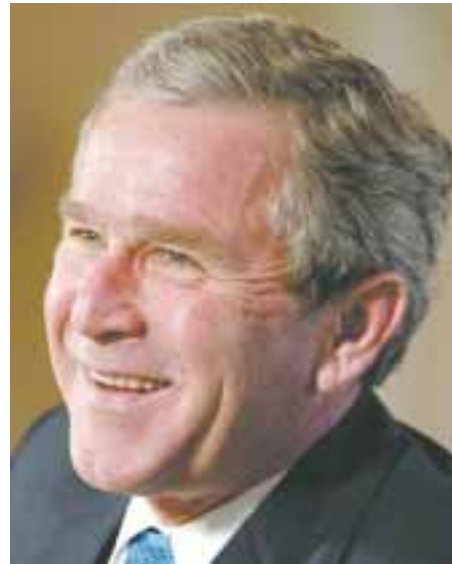
Federal investigators have expanded their probe into the office of Janet Rehnquist, the Health and Human Services Department's inspector general, and are now focusing on her decision to delay an audit that could have damaged the re-election

campaign of Florida Gov. Jeb Bush. Charges of questionable business travel and improper possession of a gun are also under investigation.

In addition, Rehnquist stands accused of violating standards of conduct for political appointees by asking two attorneys from the

See **REHNQUIST**, p. 17

BUSH ON A ROLL



STEPHEN JAFFE-AGENCE FRANCE-PRESSE

President Bush, fresh off an election victory and a triumph over Iraq at the United Nations, persuaded Congress to give him what he wants in the homeland security bill. Stories on pages 6, 7, 8 and 21.

PEOPLE

Jim Tozzi: On Jazz And OMB

By MEGAN TWOHEY

Next time you're strolling through Dupont Circle, stop outside Books-A-Million on New Hampshire Avenue and let your eyes wander up the building's brown brick walls to the seventh floor. There, in the window, you will see a big brass telescope pointing out toward the park.

The telescope belongs to Jim Tozzi, an eccentric former bureaucrat who enthusiastically confesses to a hobby of spying on neighbors from the office of his consulting firm,



REBECCA ROTH-THE FEDERAL PAPER

Tozzi: the guru of beltway rulemaking.

Multinational Business Services Inc. "Things get really interesting at night," says Tozzi, a lobbyist who also owns a black Yamaha piano and a vintage globe that contains a secret booze stash.

See **TOZZI**, p. 12

850,000 Federal Jobs May Go To Private-Sector Contractors

By TONI JOHNSON And DAVID MORRIS

Thousands of jobs at the Interior, Commerce, Transportation and Energy departments might end up in private hands under President Bush's plan to open nearly half of the government's civilian work force to competition from the private-sector, and they won't all be such low-paying tasks as mowing grass or picking up trash, an analyst said.

Rescuing stranded boaters, directing jets through crowded air space, forecasting the weather, making maps, running power plants and promoting U.S. goods abroad are all jobs that private companies might do if the Office of Management and Budget reaches the privatization goals it announced last week, said Ronald Utt, who studies government workforce issues for the conservative-leaning Heritage Foundation.

"If you have a flat tire, you don't call the police, you call

Triple-A or Eddie's Garage," said Utt. "If your boat breaks down, you shouldn't call the Coast Guard."

The Bush administration said its new guidelines — designed to make it easier for private companies to compete for jobs now held by as many as

850,000 federal workers — would save billions of dollars and, in some cases, result in better service. Unions representing federal workers said the plan would cost thousands of jobs and affect the quality of work done by remaining employees

See **BUSH**, p. 14

\$50 Million and Lots of Fun — Charity Drive Chugs Along

By STEPHEN J. NORTON

Dinner with CIA Director George Tenet, homemade soups from talented chefs, framed original photos of western landscapes — all up for grabs this year in the pursuit of \$50 million for charities in the annual Combined Federal Campaign of the Capital Area.

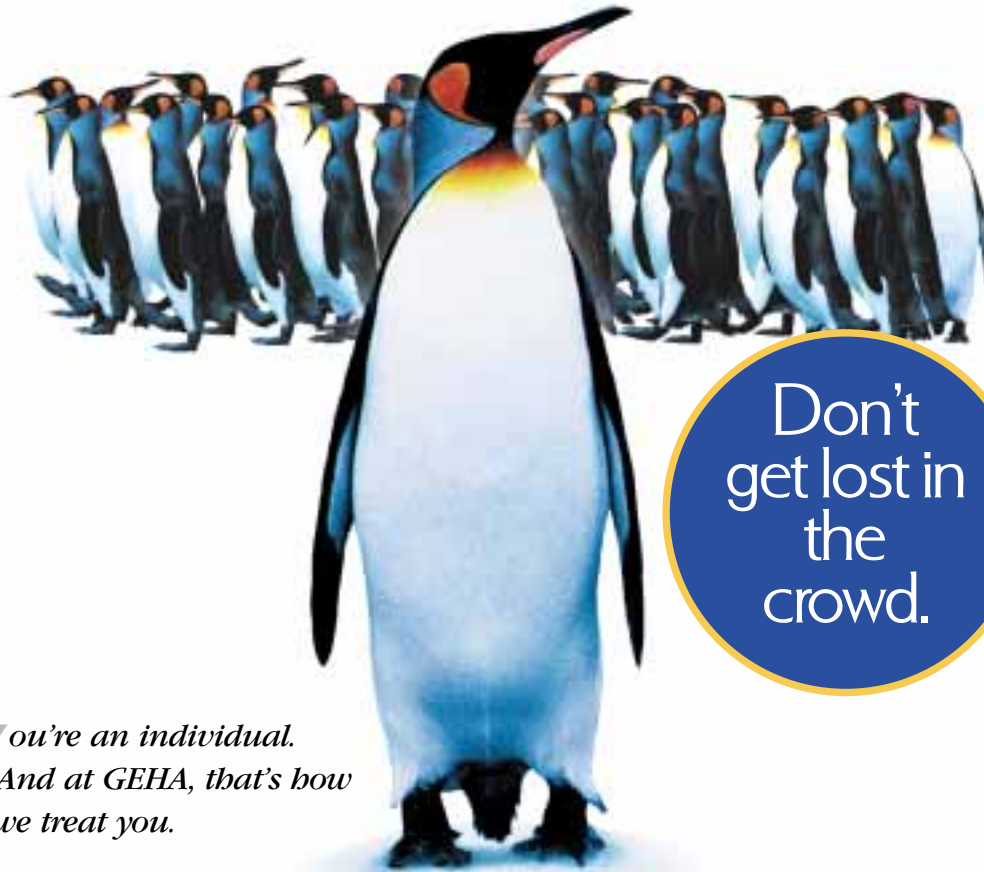
The 42nd annual event that harnesses the generosity and talent of the capital region's hundreds of thousands of federal workers is in full swing.

"You come into my office and you see balloons; I'm going to hit you up!" said Anthony Lowe, director of the Federal Insurance and Mitigation Administration, and leader in the Federal Emergency Management Administration's effort this

See **CFC**, p. 16

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The Health Plan for Federal Employees

This is a brief description of the features of Government Employees Hospital Association, Inc. Before making a final decision, please read the GEHA federal brochure, RI 71-006. All benefits are subject to the definitions, limitations and exclusions set forth in the federal brochure.

Thune May Be Headed For White House Post

By DAVID MORRIS

John Thune once bragged that he had President Bush on speed dial.

Now, after losing his bid to move to the U.S. Senate, the South Dakota Republican might hope Bush remembers his number.

Thune is one of 28 members of the House or Senate (11 of them Republicans) who lost an election this year. Some of the losers will practice law or become lobbyists; others will teach and, if history holds, one or two of them will end up working for the White House.

Sen. Trent Lott, a Mississippi Republican who will be majority leader next year, said he wouldn't

be surprised if Thune goes to work for the president.

"Congressman Thune made a sacrifice for his state and for his country," Lott said in an interview. "He'd be a good fit for this administration."

Thune, who kept a promise to limit himself to three terms in the House, was poised to run for governor of South Dakota but ran for the Senate instead at Bush's insistence. He lost, by just over 500 votes, to incumbent Democrat Tim Johnson.

"Bush owes him twice. He got him to run, and then he didn't give him the drought aid he needed to win the election," said Larry Sabato, director of the Center for



Rep. John Thune, R-S.D.

Politics at the University of Virginia.

"I think there's extraordinary sensitivity in this White House toward finding Thune a job if he wants one," added American

See THUNE, p. 12

Congress Punts; Pay Left in Limbo

Federal Workers Must Wait Until January To Know What Their Salaries Will Be

By KERRY KANTIN

Congressional leaders left federal employees wondering when they'll get paid next year when they agreed to shelve consideration of the 11 unfinished appropriations bills until 2003.

Unable to solve the budget stalemate quickly and unwilling to stay in town to try, Republican leaders went for another temporary spending bill that would fund the government at fiscal year 2002 levels through Jan. 11. That means the spending bills will not be considered until Republicans control both the House and Senate.

It also means Congress will not take action on the proposed general schedule pay raise averaging 4.1 percent until January at the earliest. Instead, an across-the-board 3.1 percent raise will automatically take effect Jan. 1, as mandated by federal law.

Washington-area lawmakers said they hope the 3.1 percent raise is just temporary. After a meeting with House Speaker J. Dennis Hastert, R-Ill., Rep. Steny Hoyer, D-Md., said in a statement that he is "optimistic" that Congress will approve the 4.1 percent raise next year and that it will be made retroactive to the beginning of 2003.

"I will work closely with my House and Senate colleagues to ensure that we provide in January the adjustment to federal employees agreed to by both the House and Senate," said Rep. Frank Wolf, R-Va.

The 4.1 percent raise would include both the across-the-board

increase and any locality pay increase, an adjustment that is based on the difference in private-sector and government wages across the country. President Bush must decide the level of the locality pay adjustment by Nov. 30.

According to the Office of Personnel Management, if GS employees receive a 3.1 percent across-the-board raise, so will executive schedule officials, who include top political appointees like cabinet secretaries and under-secretaries.

The pay raise for members of the senior executive service has also yet to be determined.

President Bush determines the SES pay raise, which is announced at the end of December through an executive order.

Bush also has the authority to determine whether the SES receives a locality pay adjustment. By law, a senior executive's total salary — locality pay plus the basic pay increase — cannot be higher than executive schedule level III, which is currently \$138,200.

While legislation to raise the SES pay cap will not pass this year, its supporters are already looking to next year.

"It is on my to-do list" for next year, said Rep. Jim Moran, D-Va. "We're losing our best people."

The Senior Executives Association has been urging agency heads to lobby Office of Management and Budget Director Mitch Daniels and OPM Director Kay Coles James to include funding to raise the cap in next year's budget.

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Congress Pressures INS to Move On \$2 Billion Technology Project

By TAYLOR LINCOLN

The Immigration and Naturalization Service has moved forward on a massive project to track the comings and goings of foreigners, a move that comes a month after the House Judiciary Committee chairman complained to the Bush administration about INS inaction.

In an Oct. 17 letter to Mitch Daniels, Office of Management and Budget director, Judiciary Committee Chairman F. James Sensenbrenner Jr., R-Wis., expressed "deep concern over the continued delay of the contracting process necessary to initiate work on" the entry-exit system.

"I urge you to allow the full and open competition" on contracts to implement the system, Sensenbrenner added.

On Nov. 5, INS released a request-for-information, a solicitation of ideas from private-sector vendors.

The program's \$2 billion price tag would make it one of the most costly federal IT projects ever.

The entry-exit program, announced April 30, has captured the rapt attention of major government contractors because its

estimated \$2 billion price tag would make it one of the most expensive federal civilian information technology projects in history. Smaller companies, too, are vying for a piece of the pie, hoping to furnish biometric technology such as iris scans and advanced fingerprint readers.

A sweeping border security bill that Congress passed last May requires the government to create a database tracking the movements of foreigners. Immigration officers at all seaports and airports must be able to access the database by the end of 2003, as well as officers at the 50 busiest border crossings by the end of 2004.

The law also required that biometric readings be included on visas issued after Oct. 26, 2004.

See ENTRY-EXIT, p. 11

Pitt Falls in Washington — Inglorious Ends Are Nothing New

By DAVID MORRIS
And A.B. STODDARD

Harvey Pitt is the latest example of a Washington truism. When the president says he's standing by his man — or woman — it's probably time to polish the resume and pack up the desk.

After months of whispers and means about Pitt's performance, and repeated statements of support from Bush, the chairman of the Securities and Exchange Commission offered his resignation. The president, known for his loyalty, immediately accepted, crossed Pitt's name off the organizational chart and moved on.

"Being president," said Steve Hess, a senior fellow at the Brookings Institution, "means never having to say you're sorry."

So what about all those "Harvey Pitt is doing a terrific job" endorsements?

"Bush will be loyal, but if somebody is proving to be a lia-

bility over a period of time, they're going to find a way to get rid of them," said Norm Ornstein, a politics scholar at the American Enterprise Institute.

'Being president means never having to say you're sorry.'

— Steve Hess,
The Brookings Institution

Pitt, of course, is not the first member of a president's inner circle to be shown the door. In fact, he's not even the first member of this president's team to meet an inglorious end. Linda Chavez, Bush's initial choice to run the Labor Department, was out

before she was in. She withdrew and was replaced by Elaine Chao before Bush took office.

Bush's quick banishment of Chavez gave some analysts their first evidence that this President Bush learned from, and would not repeat, the mistakes made by his father when he was in the White House.

The elder Bush's first personnel stumble came when he nominated John Tower, a former Texas senator, to run the Defense Department.

"When grumbling began to be heard from Armed Services Committee Chairman Sam Nunn, Bush ignored it and decided to stick with Tower," Hess wrote in his book, *Organizing the Presidency*.

Tower was rejected, 47 to 53, and Dick Cheney, now the vice president, took over at the Pentagon.

Bill Clinton had to pull the plug on two nominees, Zoe Baird



Former SEC chief Harvey Pitt.

and Kimba Wood, for the same job, attorney general. His third choice, Janet Reno, ended up serving for all eight years of his presidency. The first key player of his team to be forced out after actually serving was another Defense secretary, Les Aspin. He submitted

his resignation after 11 months on the job and left two months later.

Pitt nearly made it to the two-year mark of Bush's term, a time when high-ranking officials often leave to earn more money, spend more time with their families or for other reasons of their own.

But when the end came, it came quickly, on Election Day, nearly lost in the landslide of news about historic gains made by Bush's Republican Party in midterm voting.

"The timing of this was, in some ways, hilarious" and "would also suggest this wasn't some spontaneous act," Ornstein said.

Did Pitt jump or was he pushed? As many others who came — and left — before him have learned, it doesn't really matter when the president has the last word.

Especially when that word is goodbye.

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OVERHEARD

Now Who's Dancing In the End Zone?

We know (at least we're told) that Bush II is a disciplined operation.

But last week was the biggest test yet of this administration's ability to stay on message.

The message? No gloating over the GOP's electoral sweep. The president commanded humility from loyalists. **Ari Fleischer** suggested a "touch of graciousness." Republican National Committee Chairman **Marc Racicot** said that "dancing in the end zone" would be a "really bad thing to do."

Overheard was determined to catch a law-breaker. But everywhere we checked, we were assured that Bush officials were restrained and serious (and frankly, too stunned to boast).

We even offered a personal gloating opportunity to the man who once tried to run Clinton out of town as member of the House impeachment team — **James Rogan**, now director of the Patents and Trademark Office.

"Gloating is foolish," this rigorously partisan Bushie told us. "Aside from the fact that there is nothing worse than a poor winner, the practical reality is that nothing gets done in Congress without some degree of bipartisan support ... So it's not only poor sportsmanship, it's bad politics."

When Rogan lost his House seat in a grueling 2000 campaign, he received a slew of "gloat mail."

"I saved [the letters]. I've got a stack of them in my attic, a couple boxes filled with hate mail basically saying we're glad you lost. Much of it I won't be able to show my children until they're 21," Rogan said.

But on the very same day Rogan was describing to us the dangers of gloating, **Karl Rove** — the man credited with crafting the GOP victory by putting the president on the campaign trail — was telling a group of political scientists at the University of Utah that the election proved America was tilting Republican.

Hmmmm ... Do we hear the patter of dancing feet?

Mineta Gets Religion

NBC's *The West Wing* may be drawing complaints from Republicans that it has a liberal bias. But Bush's lone Democratic Cabinet member — Transportation Secretary **Norman Mineta** — is a die-hard fan.

When Mineta spotted actor **John Spencer** (who plays Chief of Staff Leo McGarry) at an awards dinner honoring outstanding federal employees last week, he approached the Hollywood star and gushed that the show is "more than entertaining," it's educational as well.

"In our household we religiously watch it," the California native and former mem-

ber of Congress told Spencer.

Do any other Cabinet members watch the show, given the buzz that its Democratic administration irks Bush himself?

Mineta wasn't very specific, but said he "couldn't imagine anyone who wouldn't."



REBECCA ROTH-THE FEDERAL PAPER
John Spencer: chief of staff.

This Little Piggy Goes to Market

Presidential brother and Florida Gov. **Jeb Bush** campaigned against a possibly expensive



CARL JUSTE-MIAMI HERALD/ZUMA PRESS

Apparently, different victory rules hold outside the beltway for another Bush.

class-size limit initiative that was upheld by Florida voters this month. But paying for preventing kids from being packed into the classrooms wasn't the state electorate's only concern.

Proper treatment of animals was also on the ballot. Voters passed an initiative forbidding the packing of pregnant pigs in crates or cages, except during medical exams. Apparently, Florida voters consider packaging future bacon while it is producing more bacon "inhumane."

Real Life X-Files

The investigations chief for the Federal Aviation Administration under President Reagan claims he was involved in a 1986 UFO incident suppressed by the CIA. John Callahan, who served in that post for six years, says he's under orders to keep quiet, but insists on telling his story anyway.

Callahan was called in to Atlantic City to investigate a blip that followed a Japanese commercial jet for a half-hour. The blip was unexplainable by the pilots, civilian and military air traffic controllers — while the pilots said they only saw very bright white and yellow strobe lights.

A later meeting with Reagan administration officials resulted in the CIA's confiscation of all the data on the incident, Callahan told a science symposium hosted by the SCI FI Channel and PodestaMattoon.

"The CIA told me, 'This event never happened,'" Callahan said.

ROBERT DREYFUSS, KERRY KANTIN & TONI JOHNSON



"Speaking for the department heads present, we give thanks that what goes around doesn't always come around."

A Cold Draft In The West Wing

Republicans have been shut out of the White House — the Hollywood one that is.

Aaron Sorkin, creator and executive producer of NBC's *The West Wing*, axed his Republican consultants this season, a move that one dismissed adviser described as an effort to make the show more liberal.

In previous seasons, Sorkin drew on the advice of a bipartisan pool of consultants familiar with the real *West Wing* to help mold the show's story line, which revolves around fictional Democratic President Josiah Bartlet.

In addition to listening to former Clintonites Dee Dee Myers and Gene Spurling and Democratic pollster Pat Caddell, Sorkin also paid for the opinions of Marlin Fitzwater, who served as White House press secretary to Presidents Reagan and George H.W. Bush, GOP pollster Frank Luntz and Reagan speechwriter Peggy Noonan.

But the era of bipartisan consultation came to an end this season when the contracts for Fitzwater, Noonan and Luntz were not renewed, according to Fitzwater and Myers.

"At the beginning of the season, they called me and said they didn't need my services anymore," said Fitzwater, who had been earning \$1,000 per episode for weekly telephone calls he fielded from the show's writers and the memos he wrote for them. Myers and Spurling are currently the only consultants to the show.

Caddell is still negotiating a contract, Myers said.

As Fitzwater sees it, Sorkin dropped the Republicans because he wanted to push *The West Wing* more to the left.

"They dropped us because they decided they didn't want a conservative viewpoint anymore," Fitzwater said. "When it first started, the show was careful about presenting both sides even though the president always made the liberal decision. In the middle of last season, the show became more preachy. This year, Bartlet is making long liberal diatribes."

The more ideological slant explains why the show ratings have dropped this season, Fitzwater insisted.

"I sent memos saying you're just getting too ideological and you're going to turn off your audience," Fitzwater said.

Spurling says the criticism of the show is unwarranted.

"The show has won the Emmy three straight seasons," he said. "When you get that high in Hollywood, you have to expect people are going to take you down a notch."

Sorkin refused to talk to *The Federal Paper*. But Myers, who has worked with him since the show's inception, said there was nothing political about the decision to drop the Republicans.

Sorkin hired two more full-time writers and needed fewer consultants as a result, she said.

"It was part of an evolution," Myers said.

MEGAN TWOHEY



REBECCA ROTH-THE FEDERAL PAPER
Sec. Norman Mineta: a Wednesday regular.



MARK WILSON-GETTY

The Good Ol' Bipartisan Days: Dee Dee Myers and Marlin Fitzwater when they were teamed up as advisers on NBC's *The West Wing*.



SBC has many creative explanations for laying off 11,000 workers while boasting to Wall Street of the billions they'll make this year.

First, SBC's CFO said it was just efficient operations.

"We've been operating very effectively on the cost side. This has been principally driven by forced reductions, workforce reductions. I tell you, over the last three quarters we have taken 13,000 people out of the business."

*SBC Chief Financial Officer during Banc of America Securities
32nd Annual Investment Conference Webcast, Sept. 23-26, 2002*

Then, reports said SBC blamed the big bad regulators.

"[SBC] faces financial ruin if regulators don't ease up on the telephone giant."

"SBC's rhetoric, job cuts prompt industry retorts", Chicago Tribune, Sept. 28, 2002

Then SBC was reported to claim the jobs were obsolete anyway.

"SBC also says it simply didn't make good business sense to use the extra cash to save obsolete jobs. Instead, it had to trim the fat and reduce debt."

WOAI, San Antonio, TX, Oct. 15, 2002

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Bush Creates Template for GOP Victory

The course of Congress over the next two years was set for all to see in the first hours of last week's lame-duck session. The implications are many for life within the new Homeland Security Department, in the wider federal world and in these United States.

While Democrats remained in control of the Senate for the nonce, it was clear who had just won the war. Democratic Leader Tom Daschle watched one colleague after another grab for the fig leaf of compromise on homeland security — even as it became clear the final bill would be designed to suit the administration.

The Democratic go-betweens said the president was getting some of what he wanted (such as a free hand with the new department's 170,000 personnel) but that Democrats were also getting some of the collective bargaining and civil service protection they wanted for those workers. Yet in lining up to capitulate, these Democrats did not sound conciliatory so much as cowed.

They said little about other elements of the bill recently altered to administration specifications. One was the revised language governing the application of the Freedom of Information Act to information gathered by the new department. Over the summer, senators agreed on a special set of FOIA rules for homeland security. But the bill before the Senate after the election had instead a broader exemption from FOIA, an approach preferred by the White House and approved by the House back in July.

It was hardly surprising to see the bill reworked in such ways under the circumstances. Senate Democrats had just been dealt a dispiriting defeat that was about to cost them all their chairmanships and much of their staff and prime office space. And that's not to mention their soon-to-be-lost role as their party's last power players in Washington.

President Bush had accomplished something remarkable this fall by barnstorming states with close Senate races. He had found a political focus for Sept. 11 feelings expressed up to now in songs, flag-draped porches and bumper stickers. He brought some of the anger and fear provoked by terrorists to bear on his domestic critics, and he made it all about his control over homeland security. The Democrats' loss of three Senate seats and their majority may be traced to multiple causes. But none was so avoidable as this unanswered challenge on homeland security.

Many of us in Washington misjudged the potency of the Homeland Security Department as a Republican election issue. We thought it was a bureaucratic dispute that would generate little voter intensity. Wasn't this a Democratic idea in the first place, one the president resisted? How then did it become so deadly a weapon in his hands?

In retrospect, it was key to have Bush bring the issue up every time Air Force One touched down. What began as a workish issue from Washington became a means for casting the election as a referendum on Bush and his right to run the government.

The Democrats have been castigated for failing to resist the president or offer clear alternatives to his program on tax cuts and other issues. Yet in this case they did resist, fashioning an alternative that would have passed were it

not for a Republican filibuster. But having hung together in Washington, the Democrats then failed to make their case to the voters.

In Georgia, for example, Democrats assumed their incumbent Sen. Max Cleland was inoculated on national security as a triple amputee veteran of the Vietnam War. Yet Republican Rep. Saxby Chambliss aired edgy ads accusing Cleland of "voting against President Bush 11 times" on homeland security. Cleland protested the ad's images of Osama bin Laden but never effectively rebutted the notion that he was bucking the "wartime president."



KEVIN LAMARQUE-REUTERS

President Bush campaigned Nov. 2 with Saxby Chambliss, who used the homeland security issue to oust Georgia Democratic Sen. Max Cleland.

Homeland security even popped up in Minnesota, where non-incumbent Democrat Walter Mondale had no record on the issue. In their one debate, Republican Norm Coleman asked Mondale where he stood. Mondale said homeland security personnel deserved bargaining rights and workplace protections. So Coleman accused him of knuckling under to unions and fostering a negative tone in Washington.

Surely Democrats have arguments to make about the importance of collective bargaining rights and civil service protections, not just to government workers but to the larger public they serve. But those arguments were little heard. Too often, Democratic candidates preferred to talk about other issues.

The point here is not that public unions lost a big one, it's that this episode could well be a template for years of future conflicts over the aims and uses of government — as well as the powers of those elected to govern.

If this president continues taking his case to the public with this much impact, he could restore the power of the presidency to levels not seen since the first-term heights of Richard Nixon and Ronald Reagan. As humble as he has acted since Election Day, there can be little doubt that this is his goal.

Ron Elving is the Washington editor for National Public Radio. His column on politics appears here regularly. E-mail: relving@fedpaper.com

Bush brought some of the anger and fear provoked by terrorists to bear on his domestic critics.

CAMPAIGN UPDATE

Edwards Seeks Federal Job Cuts

While many Democrats were kicking themselves for not making the economy and rising unemployment issues in midterm elections, one of the party's presidential hopefuls was calling for a 10 percent reduction in the number of federal jobs.

A week after Republicans made historic gains in Congress, Democratic Sen. John Edwards of North Carolina told business leaders in Washington that he'd eliminate one of every 10 federal jobs over a decade. He said the cuts would be part of an effort to control spending and would only be made in agencies and programs that are not involved in the war against terrorism.

Saying Bush's policies aren't reviving the economy, Edwards proposed a package of short-term measures, including a \$500 energy tax credit and an extension of unemployment benefits, as well as better enforcement of tax laws and a delay in tax cuts for people making more than \$200,000 a year.

Whether to Run, Twice

If Tom Daschle runs for president in 2004, he'll have to make a tough decision about his Senate seat.

Daschle's six-year term is up at the same time he'd be campaigning for the Democratic nomination to challenge President Bush. Under a South Dakota law that took effect in February, a candidate is prevented "from being on the general election ballot for president or vice president and another office."

Daschle can run for his seat and the presidency in the primaries, but if he wins both nominations he'd have to choose one office or the other in November.

Assuming he'd choose the presidential race, his withdrawal as a Senate candidate would require Democrats to scramble for a replacement. And if he quit the Senate to focus on the White House bid, his replacement would be named by Republican Mike Rounds, who was just elected governor.

In North Carolina, Democratic Sen. John Edwards won't have to choose between running for reelection or the White House unless he wants to. According to Don Wright, general counsel for the North Carolina elections board, a senator can also run for president or vice president at the same time.

Help in the Trenches

When 1,500 Washington Republicans fanned out across the country in the days before the midterm elections, nearly 400 political appointees in the Bush administration joined the campaign effort.

The federal employees, who took vacation time or unpaid leave, were recruited by the Republican National Committee from lists of workers in earlier campaigns.

"These are people with campaign experience and, obviously, that's an asset," said RNC spokesman Jim Dyke. They joined lobbyists, congressional staffers and spouses in what was dubbed the "72-hour task force."

Among the volunteers was Jason Roe, chief of staff at the Patent and Trademark Office. Roe, who was Patent Office Director James Rogan's campaign manager when Rogan was in Congress, helped organize volunteers in Michigan and New Mexico.

"I wanted to do my part to ensure the House majority," Roe said.

And what did his boss think?

"I think he was jealous," Roe said about Rogan. "At heart, he's a political animal."

DAVID MORRIS

AND KERRY KANTIN

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Hill Oversight Committees to Get New Chairs

Collins to Head Senate Panel; Three-Way House Race Pits Davis, Cox, Shays

By KERRY KANTIN

The House and Senate committees with jurisdiction over the government workplace will get new leaders next year, with potentially broad implications for federal employees.

Sen. Susan Collins, R-Maine, will take charge of the Senate Governmental Affairs Committee, but in the House there is a three-way contest for chairman of the Government Reform Committee. Reps. Tom Davis, R-Va., Christopher Cox, R-Calif., and Christopher Shays, R-Conn., are competing for the post left vacant because Indiana Republican Dan Burton is required to give it up because of term limits.

Collins will take over from Connecticut Democrat Sen. Joseph Lieberman because Republicans won control of the Senate.

Collins said in an interview that her agenda includes investigations into areas identified by the General Accounting Office as being vulnerable to waste, abuse and mismanagement; working on issues related to the creation of the Homeland Security Department; and conducting oversight hearings on consumer fraud.

Collins said she will also look for better ways to recruit and retain federal workers.



ISAAC MENASHE-ZUMA PRESS

Sen. Susan Collins is set to take the gavel at the Governmental Affairs Committee.

"Having been a former federal employee myself, I have a great deal of respect for the federal workforce," she said.

Collins, 49, was staff director of the Senate Oversight of Government Management Subcommittee from 1981 to 1987 and joined the executive branch as New England administrator for the Small Business Administration from 1992 to 1993. She became a member of the Senate Government Affairs Committee when she was elected in 1996.

As a moderate, Collins occasionally bucks her party. She voiced concerns over the administration's plans to limit worker rights in the new Homeland Security Department, though she eventually sup-

ported the legislation. She backs a measure to allow federal retirees to pay for health care premiums with pretax dollars.

The fight over the House panel will not be resolved until January, and the campaigning is well underway.

Davis, 53, has less seniority than his opponents, but some Republicans want to reward him for helping the party pick up seats on Election Day. As chairman of the National Republican Congressional Committee, Davis supervised a \$160 million fund-raising effort and campaigned for 40 Republican candidates in 27 states.

"Davis definitely has the leg up," said one GOP aide.

Another Republican aide, though, said some leaders are wary of making Davis chairman because of his strong support for federal workers, which sometimes clashes with the administration's stances.

The four-term Davis represents a Northern Virginia constituency that is home to many federal employees and government contractors. He has been their advocate, championing issues like allowing retired government employees to pay health care premiums with pretax dollars.

Shays, who was just elected to a ninth term, is a leading moderate in the Republican conference but stands with his party on most government reform issues. Shays said he is next in line for the chairmanship because of his seniority and his active involvement in the panel's work. He noted that he held 22 hearings before Sept. 11 on terrorist threats as the chairman of the National Security, Veterans' Affairs and

International Relations subcommittee.

"I think [Davis] has an edge based on the extraordinary work he's done to make us a strong majority," said Shays, 57. "The advantage I have is 16 years of devoted work on this committee."

One factor that may work against Shays is his key role in passing the campaign finance law that GOP leaders opposed.

While Cox, 50, has taken a leave of absence from the committee, he pointed to his tenure as the full committee's vice chairman from 1997-98 and his oversight experience as chairman of the Select Committee on National Security that investigated technology transfers from the United States to China.

The conservative seven-term Cox has also served eight years as the chairman of the House Republican Policy Committee.

Each candidate must make his case before the Steering Committee, a panel of 26 Republicans that includes the top leaders.

The two committees oversee the federal government and have jurisdiction over the federal civil service and the U.S. Postal Service, as well as the structure of the executive and legislative branches.

Whoever wins the House job, President Bush stands to benefit by having two Republicans heading the panels, experts said.

"It dramatically enhances the prospects of the president's management and civil services agendas," said Constance Horner, a scholar with the Brookings Institution who was Office of Personnel Management director for former President Ronald Reagan.

E-mail: kkantin@fedpaper.com

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Now Comes the Real Headache: Making New Department Work

By STEPHEN J. NORTON

Now that Congress is poised to agree to his proposal to create a Department of Homeland Security, President Bush and his top advisers must fight a war on terror while simultaneously building a chief weapon for doing so.

Shortly after unveiling plans to set up the department last summer, President Bush established a transition team with liaisons from the various agencies to tackle the complex issues of marrying everything from personnel policies to information systems. Phil Anderson, a senior fellow at the Center for Strategic and International Studies, who has briefed transition leaders, said the effort has been very comprehensive.

But even after months of planning, it is clear that fundamental management decisions, technical challenges and inter-agency politics could mean a long transition. Still, within 60 days of enactment, affected agencies are supposed to lay out how, within a year, they would merge.

"Then, the fun begins," said Office of Homeland Security Director Tom Ridge, in a broadcast interview last week.

It may be fun, but it will not be easy, said former Rep. Lee Hamilton, D-Ind., who serves on the President's Advisory Council on Homeland Security. "Implementing the plan is the tough part," he observed. "That is what the government is not very good at."

For one thing, it is unclear where the new department would be housed and which employees would work there. The District of Columbia would be a lead con-

tender because of the prestige and proximity to the White House and Capitol Hill. But that decision is up in the air. For example, Federal Emergency Management Administration Director Joe Allbaugh, whose agency is to be subsumed by the department, said he thinks only the secretary and top leaders should be based in Washington. Office of Homeland Security spokesman Gordon Johndroe acknowledged that questions of where to put personnel would be around for a while.

"The physical needs at the outset won't be the same as they will be a few years from now," he said.

Then there are unanswered questions about funding and personnel. Some of the agencies have, or may have, trouble absorbing a spate of new hires. For example, the Transportation Security Administration, created in the aftermath of the Sept. 11 terror attacks and destined to be part of the new department, has gone from 13 to 44,000 people this year — not without a few growing pains.

As a result, congressional appropriators indicated they would block the request of Undersecretary of Transportation James Loy, who heads TSA, to hire another 20,000 or more. When it comes to baggage and passenger screening, Congress said it wants quality not just quantity. Congress will wrap up its work for the year without approving a budget for the fiscal year 2003 so TSA's fate depends on the new Congress' faith in Loy and the direction taken by whoever will head the new department.

Also held hostage in the long budget impasse is Bush's recommendation for the Immigration and Naturalization Service to

hire 2,000 new agents. The service has already doubled in size since 1995, and if new agents are hired, top INS administrators said they would need to be integrated into a comprehensive employee evaluation plan.

Another matter is the changing missions and cultures of individual agencies. For example, protecting American herds from foot-and-mouth or mad cow disease is the job of the Department of Agriculture — an agency not generally associated with national security. But its front-line mission in homeland security became clear last week when the FBI issued a warning that the terror network al Qaida could be preparing to launch a "spectacular attack" — possibly aimed at the nation's economy.

When it comes to evolving structures within agencies, the INS may be better prepared than most since Presidents Bush and Clinton, along with some members of Congress, have contemplated splitting the service and enforcement missions of INS even before the Department of Homeland Security emerged.

"It would be no great stretch for us to be transitioning," according to spokeswoman Karen Kraushaar. "We have known change has been afoot for some time."

But once in a new department, the cleaving of agencies' functions and the rewrite of chains of command will need to happen quickly. A Coast Guard spokeswoman acknowledged that almost immediately, "It will change who you brief."

"It will take years to assimilate and create a new culture," Anderson predicted.

Until a bill is signed, most agencies are steering clear from commenting on how



J. SCOTT APPLEWHITE-ASSOCIATED PRESS

Bush walks back to the White House after a tour of a police center with Office of Homeland Security Director Tom Ridge, who says "Now the fun starts."

they will make the transition. TSA spokesman David Steigman would only say, "We are looking to the challenge of merging with the Department of Homeland Security." Similar statements of anticipation came from Viki Reath, a spokeswoman at the General Services Administration, which is home to the 1,408-person Federal Protective Service and the Federal Computer Incident Response Center and spokespeople at other agencies.

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Top Players for Homeland Security Step Forth

Within the next several weeks, President Bush will decide the leadership of the new Department of Homeland Security. Here are six who will play key roles.

By STEPHEN J. NORTON

RICHARD BENNIS

Associate Undersecretary for Maritime and Land Security, Transportation Security Administration

On Sept. 11, retired Coast Guard Rear Adm. Richard Bennis was captain of the Port of New York and commander of that state's Coast Guard activities. After the terrorist attacks, bridges and tunnels were closed to traffic and Manhattan became an isolated military theater. Under Bennis' leadership, more than a million people were evacuated by a hodgepodge of boats in a Dunkirk-like operation.

At the Transportation Security Agency, he is charged with protecting the nation's seaports, rail and transit systems. In Bennis' view, security is security — whether on land or sea.

"The tidiest way to put it is that we want to make sure we don't drive terrorists to the mode of least resistance," he said.

The TSA has grown from 13 employees last January to about 44,000 this month. But the road there has been a rocky one. The first TSA chief, John Magaw, lost his job over the summer.

Still, Bennis has forged a tight relationship with Magaw's successor, retired Coast Guard Adm. James Loy, who, like Bennis, understands the integration of maritime and air security.

In past years, Bennis has served as captain of the nation's three largest East Coast seaports, including New York.

"A slow day in New York is a huge day any place," said the Syracuse native. His Coast Guard career included port security during the 1996 summer Olympics and temporary duty in response to the Exxon-Valdez disaster in Alaska.

With so much experience under his belt, he said it would be a "shame-on-you situation" if a disastrous situation surprised him.

MARCY FORMAN

Director, Operation Green Quest

Follow the money. Marcy Forman has been doing it in one way or another for 20 years as a Customs agent. But as director of Operation Green Quest — the multi-agency effort to cut off terrorists' funds — the stakes have never been higher.

Operation Green Quest, perhaps more than any other Homeland Security Department effort, is a test case for getting agencies to cooperate. It was created at Treasury and is run by Customs but in partnership with the FBI, CIA, Bureau of Alcohol, Tobacco and Firearms, the IRS and other agencies.

"Jurisdictional questions are always difficult," acknowledged Forman. "But for some reason, it is getting done." Thanks to weekly meetings, "coordination is progressing," she said.



ALLBAUGH



FORMAN



HULL



HAUER



PARRISH



BENNIS

FORMAN, PARRISH, BENNIS BY REBECCA ROTH-THE FEDERAL PAPER; HULL BY KRISTYNA JOHNSON-USCG

A draft of a U.N report on the subject that was leaked last month disclosed that terrorists have as much money as ever. But Forman insisted that she and her colleagues have made "major inroads" in learning about the illicit channels and characters that would fund terrorism. She heaped praise on domestic financial institutions for their cooperation and reported "degrees of cooperation" in getting foreign governments to help.

Forman said the new department should enhance her efforts. As for resources, she said, "What we have now is a good start. We will be able to justify more resources and space. We are being walled in as we speak."

A colleague described Forman, 43, as a "tough cop" but fun to work with. Her 20 years as a Customs agent in Dallas, Houston and Washington — where her work included busting up an illicit peso transfer operation — haven't diminished her native New York accent.

JEROME HAUER

Acting Assistant Secretary, Office of Public Health Emergency Preparedness, Department of Health and Human Services

Hauer spent the wee hours of Sept. 11, 2001 barhopping with John O'Neill, the high-profile FBI man and World Trade Center security chief, to celebrate O'Neill's new job. The two had become friends in the five years that Hauer served as New York City's director of emergency management.

O'Neill was just one of many close friends and colleagues Hauer lost later that morning, when two hijacked airliners slammed into

Manhattan's twin towers. Another was Rev. Mychal Judge, the fire department chaplain who used to console him on scenes of tragedy with the words: "Jerry, I'm prayin' for you."

So there's a personal intensity behind Hauer's determination to ready the nation for future terrorist attacks. "They will strike again," he said in an interview. "There is no excuse not to be prepared. None whatsoever."

Hauer, 51, is responsible for strengthening the country's public health infrastructure to guard against the threat of chemical, biological or nuclear attacks. He is now at the center of internal administration debates over whether the government should initiate a mass vaccination of American citizens against small pox — an inoculation that could cause the deaths of at least 300 people.

Hauer is no stranger to the task of keeping high-level decision makers informed of threats. He briefed former President Clinton on chemical and biological weapons and Bush officials during the anthrax attacks of the fall of 2001.

"Our goal is trying to stay one step ahead of them," he said of terrorists. That means making sure officials can "detect to treat" and "detect to warn" in the event of a bioterror attack. On the former, Hauer expressed confidence that the country's stockpiles of vaccines and pharmaceutical agents will be sufficient. But, he noted, detecting to warn is the tougher job because it requires costly and sophisticated equipment.

Prior to his service in New York City, Hauer was executive director of Indiana's emergency management agency. He also played a lead

role in IBM's emergency response strategies, served as a volunteer firefighter and as a captain in the Army Reserve.

WILLIAM H. PARRISH

Director, Office for Anti-Terrorism, U.S. Customs Service

"I tell people around here, I am not doing this to further my career. I have already had a career," Parrish said. "I am doing this for my kids and my brand-new grandson."

Parrish's job is to manage a comprehensive program to prevent weapons of mass destruction from penetrating U.S. borders. That means a sweeping culture change for Customs, where agents were more accustomed to thwarting drug dealers and smugglers large and small than serving as the first line of defense in an attack that could kill thousands of Americans. The agency, with about 22,000 employees, will become one of the larger single components of the Homeland Security Department.

After a 30-year Marine Corps career that pitted him against brutal and evasive opponents, Parrish is undaunted by egos and turf battles.

"I don't care if I step on someone's shoes, I can give a shoe shine," he declared in an interview.

Parrish knew early in life he wanted to join the Marines and then serve as an FBI agent. He did both, but missed the Marines and returned to the service in 1975, where he played a central role in the war on drugs. He also served as commanding officer of the U.S. Marine Corps Security Services, which is responsible for providing anti-terrorist protection at government installations worldwide.

After he led a specialized anti-terror unit in response to the 1996 Khobar Towers bombing in Saudi Arabia, an outside investigator said the unit should be a model for how to provide forward moving security.

To Parrish, the lessons of boot camp apply to his agency's new role: "If you give a young American a mission, train him and let him know how important it is, he'll do it."

JOSEPH ALLBAUGH

Director, Federal Emergency Management Agency

Few people in Washington are closer to President Bush than Allbaugh. The native Oklahoman helped direct Bush's gubernatorial campaign in 1994, served as Bush's chief of staff in Texas and was part of the "iron triangle" of advisers to Bush's presidential campaign.

Since Gov. Bush regularly handed off state emergency issues to Allbaugh, much of his FEMA job was already familiar territory.

Allbaugh said the new Homeland Security Department is needed because of the "dysfunction" that pervades the federal government. But he estimated that it will take up to six years for it to become fully functional.

Meanwhile, the 2,600 full-time FEMA employees and the 4,000 on standby will continue to come to the rescue when crisis strikes. "I want us to be the cornerstone" of the new department, Allbaugh said. "I believe you have to lean as far outside of the foxhole as possible."

Even before Sept. 11, Allbaugh said he was frustrated with the pace of government. "Government moves slowly," he said. "It is part of the mentality that that is the way it is supposed to be."

With his flat-top hair and 6-foot-4-inch frame, the 50-year-old Allbaugh looks like a Marine drill instructor and employs a no-nonsense management style. It has served the affable Bush well.

In Texas, his office was "ten steps away" from Bush's. Now the two men are in less frequent contact. But, said Allbaugh, given the gravity of the terrorist threat, "There is such a thing as being too close. After a while you can start taking things for granted, and that is when mistakes happen."

VICE ADM. JAMES D. HULL

Commander of Atlantic Area, Fifth Coast Guard District and Maritime Defense Zone

If Sept. 11 had any silver lining for Vice Adm. James D. Hull, it was the enhanced profile of the Coast Guard. "I do not think the Coast Guard has ever been held in higher esteem," said the 33-year-veteran of the service.

After Sept. 11, 2002, President Bush heaped praise on the Coast Guard, and Transportation Secretary Norman Mineta announced that a top priority was to recapitalize the service. "That was not lost on a person struggling to get funded for 33 years," Hull said.

But new boats, sophisticated technology and personnel will accompany a possible change in culture. "Homeland Security changed the Coast Guard," he said.

Hull said there are plenty of people under his command who do not want environmental remediation, drug interdiction and lifesaving to take a back seat to terrorism.

While he insisted that would not happen, he conceded there has been a slight shift from these activities to maritime SWAT teams, the targeting of risky vessels and even processing intelligence.

"I am getting more intelligence now than I ever have in my career," he said. "That is very heartening to me." Before Sept. 11, communication with the FBI was minimal, he conceded.

Hull is commander of the Atlantic Area, which covers 14 million square miles and is served by over 26,000 military and civilian employees and an even larger number of those in the auxiliary.

The affable "55-years-young" Ohio native had his eye on West Point, but a passion for football led him to the Coast Guard Academy. He served in Vietnam and rose through the ranks with duties that included patrolling the coasts of Haiti and Cuba.

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FEDERAL CITY NEWS

FEC

No Staff in Place To Enforce New Law

The congressional budget impasse is keeping the Federal Election Commission from even advertising the 27 new staff positions required to help the agency implement the campaign finance law that took effect Nov. 6.

The FEC had hoped to begin filling the posts before the end of the year, said Bill Fleming, FEC personnel director. Now, that will likely take several more months.

Money for the FEC is in the Treasury-Postal appropriations bill, which hasn't passed and won't be considered until January at the earliest. The latest draft of the bill would give the FEC a budget increase of \$5 million in 2003, in part to implement the campaign finance law considered the biggest change to federal election law since the 1970s.

The lack of money apparently won't hurt the FEC in its preparation to defend the new law against a court challenge contending it is unconstitutional. More than 80 plaintiffs have joined the suit which goes to the U.S. District Court on Dec. 4.

The FEC is getting funding to handle the lawsuit and implement the law, said John O'Brien, an FEC budget officer, because the Office of Management and Budget is allowing the agency to spend more than is allocated. However, the FEC has had to put other complaints on hold and cut off spending for travel and training.

"If we get stuck at the '02 amount for the full year," O'Brien added, "we'll have a lot of problems."

KERRY KANTIN

Defense

Reassigned IG Aides Claim Witch Hunt

Three senior executives who were reassigned and barred from their offices by Defense Department Inspector General Joseph Schmitz say they are the victims of a witch hunt.

In a complaint filed with the President's Council on Integrity and Efficiency, the watchdog of federal inspectors general, Thomas J. Bonnar, Joel L. Leson and Carol L. Levy allege Schmitz detailed them to other projects with inadequate justification and in a humiliating manner. They were escorted off the premises and their pictures were posted to prevent future access.

"In short, Mr. Schmitz treated these three senior officials with unblemished records as criminals, not senior executives," said the complaint filed on their behalf by attorney William L. Bransford, of the firm of Shaw, Bransford, Veilleux & Roth.

The complaint contends that Schmitz moved aggressively to

"appease the interests" of Sen. Charles Grassley, R-Iowa, who had called for changes in the Defense Department's inspector general's office.



CHRIS KLEPONIS-BLOOMBERG NEWS

Sen. Charles Grassley, R-Iowa, denies involvement in firings.

"While this may be a step in the right direction to turning the inspector general's office around, nothing was ever discussed with me regarding this issue," Grassley said in a statement.

Schmitz and the three dismissed aides declined comment while the matter is pending.

STEPHEN J. NORTON

SEC

Ex-Employee Faces Espionage Probe

A little-known federal commission which monitors trade and security issues between the United States and the People's Republic of China will convene later this year to address alleged espionage by a Chinese national once employed at the Securities and Exchange Commission.

The U.S.-China Security Review Commission said it will hold hearings into the allegations reported by The Washington Times that Mylene Chan, who worked as a computer analyst at SEC from Oct. 2001 until July 2002, passed sensitive economic data on U.S. computer companies to the Chinese government.

"We need to look very, very hard at whether this represents an individual incident or a pattern of espionage" by the Chinese government, USCC commissioner Larry Wortzel said. "It's probably a little bit of an organized effort."

Efforts to reach Chan for comment were unsuccessful.

DERRICK WETHERELL

Transportation

Reservation System Overhaul in Works

The Department of Transportation proposed revisions to the regulations governing the computer reservation system to bring current practices in line with federal guidelines and to try to ensure that airlines and travel agents can handle reservations as cheaply and efficiently as possible.

The rules, announced Nov. 12, reflect the fact that computer reservation systems haven't kept up with the widespread use of the Internet.

There are four major computer reservation systems currently in use in the United States: Sabre, Galileo, Worldspan and Amadeus. The dependence of both airlines and travel agents on these systems prompted federal transportation officials to make sure rules are in place to ensure vigorous airline competition — such as unbiased and accurate information on flights.

If the rules become final, they would eliminate several provisions of existing rules relating to airline ownership of computer reservation systems and fee structures. DOT officials underscored that they are not proposing regulation of the sale of airline tickets over the Internet or sales at travel agencies.

STEPHEN J. NORTON

EPA

Enforcement Lags, Ex-Official Says

The Environmental Protection Agency is forcing fewer companies to pay fines for violating federal environmental rules, and the penalties are smaller under the Bush administration than under the Clinton administration, according to a Knight Ridder report based on federal data that was collected by Eric Schaeffer, director of regulatory enforcement at EPA from 1997 until earlier this year.

The report said that during the first 20 months of the Bush administration, civil penalties averaged \$3.8 million per month, compared with \$10.6 million a month during the last 28 months of the Clinton administration.

The average civil penalty under the Bush administration dropped 56 percent, from \$1.36 million to \$605,455, it said.

Schaeffer, now director of the Environmental Integrity Project, resigned from EPA to protest what he said was Administrator Christie Whitman's weak enforcement of environmental laws.

EPA continues to strongly



REBECCA ROTH-THE FEDERAL PAPER

Former enforcement chief Eric Schaeffer says EPA is too soft.



JAY MALLIN-BLOOMBERG NEWS

Deputy FDA commissioner Lester M. Crawford has announced new fees the agency will impose to speed review of new drug applications.

enforce environmental regulations, said EPA spokeswoman Stephanie Bell. In 2001, Bell said, "The agency forced violators to spend nearly twice as much on installing new pollution controls and conducting cleanups" than they had in 2000.

MEGAN TWOHEY

EEO

Complaint Process Blasted by Panel

Federal employees filing equal employment opportunity complaints are likely to encounter lengthy delays, and even if they win their cases, it's possible nothing will result, according to panelists at an Equal Employment Opportunity Commission hearing last week.

After years of administrative and judicial hearings, an employee who wins a case is not guaranteed that remedies will be implemented, said panelist Carol Bernstein, a lawyer who once represented the Department of Housing and Urban Development in EEO cases but was reluctant to file an EEO complaint herself because of all she had seen.

Once she did file, it took over four years for the complaint to be resolved. In that time, other employees filed at least 30 complaints against the person she accused, she said.

TONI JOHNSON

FDA

Low-Fee Revenue Slows Approvals

An unexpected decline in drug company fees paid to the Food and Drug Administration has forced the agency to reallocate resources, leading to a slowdown in drug approvals. The average time for an FDA decision on a drug has increased from 12 to 15 months.

Fees fell short of projected estimates for the last two years while the cost of approvals increased, an

FDA official said at a global pharmaceutical conference.

The agency now expects to collect \$137 million in company fees this year — \$40 million less than an earlier projection, said FDA Deputy Commissioner Lester M. Crawford.

To increase future revenue, the agency plans to extend fees to cover the first two or three years after an approval to help monitor adverse drug reactions, a plan that drug companies have agreed to, according to Crawford.

Crawford said the agency will use the money to add 450 more employees. The fee system, instituted in 1992 to supplement congressional appropriations, has shortened drug approval times from an average of 30 months to a little over a year, Crawford said.

TONI JOHNSON

Postal Service

Union Loses Weapon In Outsourcing Battle

The American Postal Workers Union lost a weapon in its battle to limit outsourcing when Postmaster General John Potter moved to delay a rate increase from 2004 until 2006.

The union has argued that the increases wouldn't be necessary if the Postal Service stopped paying outside firms as much as \$1,500 an hour to apply bar codes to bulk mail, said Sally Davidow, APWU communications director. The union says postal workers could do the same chores for as little as \$30 an hour.

The Postal Service postponed the rate change after learning it had vastly overpaid its contributions to the agency's retirement fund. The Office of Personnel Management found that it was en route to a \$71 billion overpayment.

The newly discovered funds may allow the Postal Service to postpone the rate increase and help pay down its debt, said Potter.

TONI JOHNSON

Agencies' New Cybersecurity Funds Come With Warning

By TAYLOR LINCOLN

The creation of the Homeland Security Department will likely open the spigots on cybersecurity spending as agencies get big boosts in security budgets. The catch is they will also face demands to do a much better job with security than they've done so far.

The bill creating a Homeland Security Department that will soon be on President Bush's desk will likely contain language authored by Virginia Republican Rep. Tom Davis that requires agencies to meet minimum standards set by the National Institute of Standards and Technology. It also gives the Office of Management and Budget increased oversight authority.

"We're signaling Congress' deep concern that information security is not being taken seriously by every agency and department," said David Marin, a spokesman for Davis.

"There will be more money and more requirements," added Bruce Brody, cybersecurity chief for Veterans Affairs.

The Bush administration has proposed spending \$4.5 billion on security in 2003 — a 64 percent increase. Congress also approved a bill last week calling for a \$903 million investment over five years for universities and private-sector companies to conduct cybersecurity research.

"We finally believe the issue is getting the attention it deserves," said Doug Sabo, director of government relations at Network Associates Inc., of Santa Clara, Calif.

The existing computer security law, approved in 2000, requires agencies to

Congress, OMB Express 'Deep Concern,' Insist On Better Performance by Government Agencies

report annually on their cybersecurity readiness. Most of them have had dismal grades.

The Subcommittee on Government Efficiency last year gave failing grades to 16 of 24 agencies, including the departments of Defense, Energy and Health and Human Services. The cumulative "F" grade for the federal government was a decline from a "D-minus" rating a year earlier. This year's grades will be released on Nov. 19 and those familiar with the process expect little improvement.

Still, the past year has seen some agencies move toward departmentwide, multifaceted security techniques that were called for in the cybersecurity law passed in 2000.

The VA in the past few months began operating a \$100 million "Computer Incident Response Center" that is capable of monitoring the department's 220,000 computers at 1,200 sites for unauthorized entries. The center can also distribute updated computer virus protections to every desktop in the department at the push of a button.

Before the VA set up its new system, cybersecurity was "uneven" throughout the department, Brody said. The VA contract is being managed by the Veterans Affairs Security Team in a joint venture of small businesses. Other updates are also in the works.

Network Associates Inc., plans this week

to announce a department-wide contract to provide its anti-virus and other security technologies for the General Services Administration's 14,000 machines. The company also has won a contract, not previously disclosed, to place its technology on each of the Agriculture's 114,000 desktop computers, a Network Associates spokesman said.

The urgency is high, security experts say. In a survey of 395 information technology professionals released in June, 49 percent said that the government was likely to sustain a major computer attack in the next year and 72 percent said the government was unprepared.

Computer viruses such as Code Red, the Love Bug and Nimda have infected hundreds of thousands of machines in recent years and inflicted billions of dollars in damage, according to industry reports. And the Bush administration said it was investigating whether an organized terrorism group was behind the unsuccessful attack on the Internet's 13 root servers in October.

Many attacks wreak havoc by filling up randomly selected computers with useless information — something that is expensive to repair but doesn't cause lasting damage. Experts have speculated that the potential exists for more dangerous attacks in such sensitive areas as air traffic control centers, 911-call centers and power plants.

"We want to stay away from hype, but

there is no doubt in my mind that there is the opportunity to have bad things happen," said Mark Small, Network Associates' vice president of government, health and education.

E-mail: tlincoln@fedpaper.com

Computer Security Report Card

Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations
Nov. 9, 2001

National Science Foundation	B+
Social Security Administration	C+
NASA	C-
Environmental Protection Agency	D+
State Department	D+
FEMA	D
General Services Administration	D
Housing and Urban Development	D
Agriculture	F
Agency for International Development	F
Commerce	F
Defense	F
Education	F
Energy	F
Health and Human Services	F
Interior	F
Justice	F
Labor	F
Nuclear Regulatory Commission	F
Office of Personnel Management	F
Small Business Administration	F
Transportation	F
Treasury	F
Veterans Affairs	F
Governmentwide Grade	F

Entry-Exit Contract Process Moves Forward After Criticism

ENTRY-EXIT, from p. 3

Rumors have swirled over the project's holdup. Prospective bidder AT&T Corp. sent an Oct. 9 memo to the House Judiciary Committee alleging that INS may have considered narrowing the contenders to a pre-selected group of about a dozen companies. That group included entrenched contractors such as Booz Allen Hamilton, Computer Sciences Corp. and Lockheed Martin, but not AT&T.

Sensenbrenner's subsequent letter to Daniels makes three references to the need for "full and open competition" for the contract.

Rumors of possible favorable treatment by INS have swirled over the project's holdup.

But Mark Forman, the Bush administration's top information technology official, said the plan was held up because of OMB concerns about its management.

"When they originally tried to go out for contracts, there were some problems and we looked into that," said Forman, OMB's associate director for information technology and e-government. INS, he noted, formed a management group to address OMB's concerns.

Forman said this was the first time that INS has heeded a call from the Bush White House to repair its management of a major project.

"I believe as they move forward with procurement, it's going to reflect this re-engineered process," Forman added. "It should be a better procurement."

But Sensenbrenner urged the administration to charge ahead to meet the deadlines.

"Because of delays in establishing the entry-exit control system, first required [in a 1996 law], meeting the timetables established under law at our nation's borders requires an ambitious timetable for completion," Sensenbrenner wrote.

President Bush requested \$362 million for the project in 2003, but the spending bill has not been approved. Sensenbrenner argued that the contract process should go ahead, nonetheless.

INS referred calls seeking comment to the Justice Department, which did not return a call from The Federal Paper.

Speaking at the Niagara Falls, N.Y., port a-week-and-a-half ago, Attorney General John Ashcroft praised the INS for establishing the first facet of the border control law — which required that the fingerprints of those from Iran, Iraq, Libya, Sudan and Syria be taken and entered into a database — by Sept. 11 of this year.

"The fingerprint matching technology has provided a basis for the arrest of 179 aliens at the border," Ashcroft said.

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Tozzi Data Law Keeps Agencies On Their Toes

TOZZI, from p. 1

The second-generation Italian behind the telescope is the architect of the Data Quality Act — legislation that has forced virtually every federal agency to change the way it issues information. Last month, agencies rolled out new data quality guidelines that are designed to ensure that their data, reports and regulations are accurate.

That may sound arcane, but in Washington information is power — an axiom that Tozzi understands better than just about anyone in town. The law — which he drafted for a member of Congress — strengthens the hands of industry (and Tozzi's clients) by allowing companies to challenge agency information that they contend is inaccurate.

Tozzi wanted to make it more difficult for agencies to post information on their Web sites that could be damaging to corporations — and fodder for regulators. Alarmed environmentalists and public interest lawyers say the law gives industry a new tool to block regulation.

The 64-year-old Tozzi, whose weathered face reveals an addiction to Marlboro Reds, is widely considered the granddaddy of regulatory reform — corporate style. Richard Belzer, president of the watchdog group Regulatory Checkbook and a former OMB economist, calls Tozzi a “third rail” of Washington rulemaking.

Behind that reputation is Tozzi's insistence on taking his lobbying prowess beyond Capitol Hill and into the less-traveled halls of Cabinet departments, agencies and that powerhouse of all rulemaking — the White House's Office of Management and Budget.

“Most lobbyists spend too much time focusing on Congress,” says Tozzi, an OMB official under both Nixon, Carter and Reagan. “But when you try to change regulations through legislation, the change often gets turned into a big package that sinks to the bottom of the regulatory ocean like a giant Titanic.”

Tozzi's understanding of the nuances of federal rulemaking has attracted a lucrative client base that includes Philip Morris, Goodyear Tire & Rubber Co., the Alliance of Automobile Manufacturers, the pharmaceutical group Aventis, the American Forest and Paper Association and Synagro Technologies Inc., a national wastewater residuals management company.

Tozzi's corporate work may make him a Darth Vader figure in the public interest community, but his amiable, straight-shooter style has drawn respect and friend-



REBECCA ROTH-THE FEDERAL PAPER

Just as Tozzi spies on neighbors, his approach to lobbying is to learn the inside scoop.

ship even from opponents in his regulatory battles.

“I'd probably be beaten out of the public interest community for saying this, but there is part of Jim that is impossible to not respect and like,” says David Vladeck, director of Public Citizen Litigation Group.

Playing the Right Notes

A rabid jazz lover, Tozzi has played the coronet since age seven. He founded a local band for low-income children called the Federal Focus Jazz Band and makes frequent trips to New Orleans to hang out with musician friends.

Tozzi's love of music is matched by his love of wine and good food. He's part owner of BeDuCi, an Italian restaurant in Dupont Circle that sells wine from an Italian vineyard once owned by Tozzi's family.

Tozzi stays in the good graces of the bureaucrats he harasses through his ardent support of the Senior Executives Association. In addition to being a lifetime member, Tozzi is a regular corporate sponsor of SEA's professional development league. During the winter holiday season, Tozzi treats the SEA staff to an annual meal at the Dupont restaurant.

“Jim has done everything from contribute to our professional development league to offer wine from his vineyard in Italy to be served at our events,” says Carol Bonosaro, president of the SEA. “Frankly, I wish I could clone him so I could have more members like him.”

Tozzi's strategy for lobbying an agency is

simple: “Know a hell of a lot of details.” Before he pounces, Tozzi investigates what stage the agency is in during the rulemaking process. He then figures out the key players involved. With an understanding of each agency's culture, he knows the right time to contact them.

“Most law firms in Washington that do administrative law make a public comment on a pending rule and then go to court if they don't like the outcome,” Tozzi said. “Ours is a very people approach. We go around and see how the dots are connected and talk to the important people.”

In 1989, Tozzi blocked an Environmental Protection Agency regulation that would have required vapor reduction containers to be installed in cars. He succeeded by showing federal officials studies and videos making the case that the equipment was unsafe and more costly than what EPA had estimated.

Last year, Tozzi managed to haul a proposal by the National Toxicology Program to include in its list of human carcinogens the mineral talc, which is used in auto-body materials, paints, pharmaceuticals and cosmetics.

Through extensive comments he filed on behalf of the talc industry, Tozzi refuted the program's claim that talc is as toxic as asbestos.

Establishing an Act

Tozzi's battle against the regulators began in 1972, when he joined OMB after President Nixon established the EPA in 1970. Tozzi's job was to review the costs and benefits of environmental regulations.

as a possible Bush appointee, along with Rep. J.C. Watts of Oklahoma and Sen. Phil Gramm of Texas, who are retiring. Watts has said he wants to return home, and Gramm might be kept on the sidelines because of his wife's ties to Enron Corp., the bankrupt energy trading company that has become a symbol of corporate misdeeds.

Thune served on the House Agriculture Committee. He previously worked for Sen. Jim Abdnor and followed him to a job at the Small Business Administration when Abdnor lost to Tom Daschle.

At least one Bush administration job is open in Thune's area of expertise — undersecretary for rural development at the

“The environmentalists said that I operated in the back room and listened to lobbyists who told me to water down environmental regulations,” Tozzi said. “I sure as hell did. This was not politically correct Washington. We made a lot of changes. When a regulation went out of OMB, it was lean and mean.”

His authority grew when President Carter created the Office of Information and Regulatory Affairs at OMB and later when President Reagan required all federal regulations to be routed through it. As deputy administrator of the new office, Tozzi was the career official responsible for reviewing every one of the 3,500 regulations issued by the government each year.

Tozzi's influence over regulations continued when he left OMB in 1983 to launch his private consulting firm. Instead of lobbying Congress, Tozzi has used his connections and knowledge of government to lobby OMB and federal agencies on behalf of high-profile corporate clients opposing new regulations or worried about current ones.

But frustrated by his lack of access to OMB during the Clinton administration, Tozzi turned to Congress in the late 1990s to seek more stringent curbs on the dissemination of agency information.

The Data Quality Act was his baby. In 1999, Tozzi drafted it for Rep. Jo Anne Emerson, R-Mo., who had questioned the accuracy of government studies on global warming. The bill quietly passed through Congress in 2000 as a rider to the fiscal year 2001 Treasury and Government Appropriations Act.

But getting legislation was half the battle. Afterwards, Tozzi bombarded OMB and the federal agencies to adopt strict data quality guidelines, using a subsidiary of Multinational Business Services he created called the Center for Regulatory Effectiveness, which serves as a for-profit regulatory watchdog.

The center commented on every single data quality guideline issued — something no other outside party has done — and posted the guidelines, his comments and a large body of other information about the Data Quality Act on the Center for Regulatory Effectiveness Web site, www.thecre.com.

Lobbyists on both sides of the issue say the center operates the most comprehensive Web site on the subject; even agency officials turn to it for information.

Tozzi is hoping the Data Quality Act will boost his business. He's now coaching Fortune 500 companies on the best way to use the Data Quality Act to challenge agency information.

Fortunately for him, that task recently took him to a conference in New Orleans, where he was able to hang out with friends at his favorite jazz hall.

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Republican Job Hunters Look to White House For High-Level Posts

THUNE, from p. 3

Enterprise Institute analyst Norman Ornstein.

So, given that Thune did Bush a favor and lost his job in the process, might a president known to reward loyalty have an offer in the works?

“We don't speculate on personnel,” said White House spokesman Scott McClellan. Thune and his spokeswoman did not respond to telephone messages.

Sen. Tim Hutchinson of Arkansas, Rep. Connie Morella of Maryland, Rep. Greg Ganske of Iowa and former Rep. Steve Largent of Oklahoma are among other high-profile Republicans who lost in this month's elections. Bush campaigned for all of them but was especially effusive in his praise for Largent, a former professional football player who lost a race for governor.

Spokesman D.J. O'Brien said Hutchinson hasn't settled on job plans but “might” work for the president “if given the opportunity.” Hutchinson's brother Asa, a former House member, is Bush's director of the Drug Enforcement Administration.

Some analysts have mentioned Largent

Agriculture Department. Others might open soon, since some administration officials tend to return to private-sector jobs at the two-year mark of the president's term.

Even if Bush makes an offer, Sabato and Ornstein said they won't be surprised if Thune turns him down.

“I think he's going to stay close to South Dakota, thinking Daschle may retire in 2004,” Sabato said.

There's precedent for that course, too. In 1998, Republican John Ensign of Nevada lost to incumbent Democrat Harry Reid by 428 votes. Two years later, Ensign ran for Nevada's other Senate seat and won handily.

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'Bedfellows' in the Real Sense of the Word

By DERRICK WETHERELL

As Election Day dawned, Rich Tarplin saw reason to smile. Later that day, the 28-year-old firm Timmons and Company would announce his promotion to chairman. And his fellow Democrats were looking forward to strengthening their lead in the Senate, perhaps even gaining a few seats in the House.

Then the polls closed. The Democrats lost big time. And Tarplin, a former Clinton official, was left at the helm of a traditionally Democratic lobby firm in a town controlled by Republicans.

Good thing he's married to Linda.

That would be Republican Linda Tarplin, former legislative affairs staffer in both the Reagan and George H.W. Bush administrations and now a lobbyist at OB-C Group, formerly O'Brien Calio Group, the former home of White House congressional liaison Nick Calio.

Linda had plenty to celebrate on Election Day. "It was very nice because I could be happy [for the GOP] and be happy for something that happened to Rich," she said, pausing to reflect for a moment. "Even though he lost, he won."

Move over, Matalin & Carville: With the Timmons announcement, Rich and Linda Tarplin join the list of influential Washington couples crossing the town's political divide.

"One of the great things about being in the same business, let alone different political parties, is that you don't bring business

home," Rich Tarplin said in an interview. "When we get home we focus on each other and the kids." The Tarplins have two boys, ages 5 and 8.

The couple met when Rich was staff director for the Senate Subcommittee on Children, Family, Drugs and Alcoholism. Linda, whose last name was Eischeid, was lobbying Capitol Hill on behalf of the elder Bush. The pair faced off over a family leave bill that Rich's committee boss, Connecticut Sen. Chris Dodd, had endorsed.

They married in 1990. Three years later, Rich joined the Clinton administration as deputy assistant secretary for legislation at the Department of Health and Human Services; four years later he was promoted to assistant secretary.

Rich Tarplin joined Timmons two years ago; as chairman he replaces former Clinton White House counsel Timothy Keating, who left to run government relations for Honeywell.

With both Tarplins now in the private sector, said Linda, "it's easier because we aren't working directly against each other."



REBECCA ROTH-THE FEDERAL PAPER

Linda and Richard Tarplin cross Washington's political divide.

the Tarplins work for lobby firms striving for bipartisan coverage.

Timmons, which earned \$3.34 million in fees during the first half of 2002, balances its Democratic roster with senior partner and Nixon legislative affairs director Tom Korologos, among others. The firm has recently worked issues for a host of industry leaders — including bankruptcy reform for credit issuer Visa USA and terrorism insurance and tax issues for shipping giant Union Pacific.

At Linda's firm OB-C Group, which earned \$1.96 million for the first half of 2002, Calio's founding partner is a Democrat — Lawrence F. O'Brien III. Tarplin's clients include Wellpoint Health Networks and Deutsche Telekom, Europe's largest telecommunications firm.

Rich Tarplin said the bipartisan nature of both firms will help them prosper in any political climate.

"These firms recognize the value of having people from both parties whom clients will need and use, regardless of which parties control Congress and the White House," he said.

Although they don't face off on legislation since both left government work for the private sector, Linda Tarplin said she would welcome squaring off with her husband if the situation arose.

"We would enjoy that, in an odd way," she said. "It's like rooting for opposing congressional candidates. We're used to that."

"They're both clearly at the top of their fields," said Kirsten Chadwick, special assistant to the president in the White House legislative affairs office. "They probably don't like the term 'power couple,' though they've done pretty well for themselves." Chadwick described the couple as "a good team, a lot of fun to be around."

Said Mary Beth Donahue, who worked with Rich Tarplin in the Clinton administration and knew Linda as an opposing lobbyist: "They're very modest people. I think their successes on both sides of the aisle have never gone to their heads."

Despite their individual political IDs,

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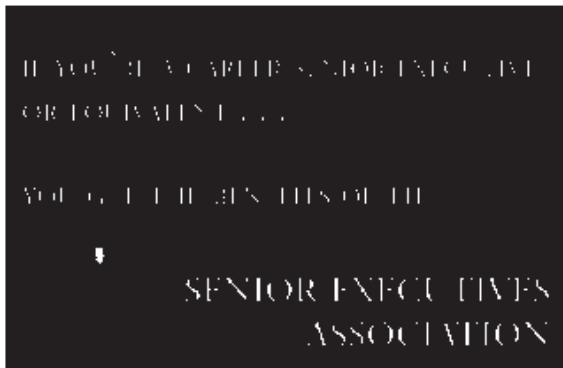


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FBI's McChesney to Police Bishops; D'Amuro Moves Up

After 25 years at the FBI, Executive Assistant FBI Director **Kathleen L. McChesney** is leaving Nov. 30 to join the U.S. Conference of Catholic Bishops. McChesney will monitor implementation of new policies designed to prevent sexual abuse of children. FBI Director Robert Mueller appointed Boston Special Agent in Charge **Charles S. Prouty** to replace McChesney.

Also promoted at the FBI was **Pasquale J. D'Amuro**, who on Nov. 1 became executive assistant director in charge of the Counterterrorism/Counterintelligence Division. D'Amuro joined the FBI in 1979 as a special agent and subsequently coordinated the New York office's Organized Crime Program. He moved to FBI headquarters in Washington to lead the Russian Organized Crime Unit and returned in 1997 to New York to take charge of the field office's National Security Division-Counterterrorism Program. D'Amuro, who assumed the new position, Nov. 1, replaced **Dale Watson**, now a principal in the consulting firm Booz Allen Hamilton's Global Strategic Security practice.



Pasquale D'Amuro

Larry A. Mefford replaces D'Amuro as assistant director in charge of the counterterrorism division. Mefford, who took over Nov. 1, supervised the investigation of cybercrimes as assistant director in charge of the cyber division. He previously served as associate special agent in the San Francisco field and as supervisor of the Bay Area Joint Terrorism Task Force.



Larry Mefford

Jana D. Monroe replaces Mefford as assistant director in charge of the cyber division, effective Jan. 6. She was special agent in charge of the Los Angeles field office after serving as assistant special agent in charge of the Denver field office.

Taking on Congress

The Education Department may soon have a new liaison with Congress. **Karen Johnson** has been nominated to be assistant secretary for Legislation and Congressional Affairs. She comes from Porter Novelli, where she was vice

president of social marketing and public affairs. Johnson would replace **Clayton Boothby**, who would resume his duties as deputy assistant secretary. Boothby is now serving as acting director.



Kathleen McChesney

Jack Horner has taken over as director of congressional relations at the Consumer Product Safety Commission, working with appropriations and authorizing committees, and responding to congressional inquiries. Horner learned his way around the Hill working for retiring Rep. J.C. Watts, R-Okla. Horner replaced **Michael Gougisha**, who goes back to being legislative assistant to Commissioner Thomas Moore after juggling both jobs on a temporary basis.

Samuel G. Bonasso is the new deputy administrator for Research and Special Programs Administration at the Department of Transportation. He is responsible for pipeline and hazardous material safety. Bonasso, who began work Nov. 8, was secretary of transportation for the state of West Virginia from 1998 to 2000.

James Carter joined Treasury's Office of Economic Policy as deputy assistant secretary for policy coordination. Carter comes from the White House's National Economic Council, where he served as associate director. Before that, he served as a senior economist on the Joint Economic Committee, and as senior economic and budget adviser to then-Sen. John Ashcroft. Carter replaces **Kent Smetters**, who returned to teaching at the Wharton School of the University of Pennsylvania.

Replacing **Andrea Norris** as the chief information officer of the National Science Foundation is **George O. Strawn**, an 11-year veteran of the agency, who served most recently as acting assistant director of the Directorate for Computer and Information Science and Engineering. Norris will continue to serve as the director of the Division of Information Systems.

Robert Wayland, director of



George Strawn

the Environmental Protection Agency's Office of Wetlands, Oceans and Watersheds is retiring. **Diane Regas**, who is currently deputy assistant administrator in the Office of Water, will replace him. Taking Regas' place is **Michael Shapiro**, who is currently the deputy assistant administrator in Office of Solid Waste and Emergency Response.

Paul A. Schneider became senior acquisition executive at the National Security Agency on Oct. 7, after 35 years of acquisition-related work for the Navy and elsewhere within the defense arena. Schneider had been principal deputy assistant secretary of the Navy for research, development and acquisition. He replaces **Roger Carter**, who held the post in an acting capacity after the departure of **Harry Gatanas** earlier this year. Carter is now deputy senior acquisition executive at NSA.

Retired Lt. Gen. **Carol Mutter** was appointed chairwoman of the redesigned Defense Advisory Committee on Women in the Services. When Mutter retired in 1999, she was the highest ranking woman in the Marine Corps and the first to achieve the rank of lieutenant general.



Carol Mutter

New Agriculture Appointments

Agriculture Secretary Ann Veneman has announced the appointments of **Mike Neruda**, **James G. Butler** and **Charles Lambert**.

Neruda will be senior adviser for homeland security and strategic initiatives. Since June 2001, he has served as a deputy undersecretary for Rural Development at Agriculture. Before joining the executive branch, Neruda was staff director of a House agriculture subcommittee.

Butler becomes deputy undersecretary for Farm and Foreign Agricultural Services, focusing on food safety in international trade. For the past year, Butler was deputy undersecretary for marketing and regulatory programs. In addition to academic agricultural stints at Colorado State and Texas A&M universities, Butler was a partner in a purebred Charolais cattle operation in Brazos County, Texas, where he worked for more than 30 years.

Lambert, former chief economist for the National Cattlemen's Beef Association, will replace Butler Dec. 2 as deputy undersecretary for marketing and regulatory programs. Lambert grew up on a dryland wheat, sorghum and

cow-calf farm in Kansas, and has a doctorate in economics from Kansas State University.

Gilbert M. Sandate, deputy director for employment in USDA's Office of Civil Rights, is leaving to join the Library of Congress as director of workforce diversity on Nov. 18.

Sandate is a member of USDA's Executive Resources Board and the secretary of Agriculture's Hispanic Advisory Council. He is also vice president of the National Association of Hispanic Federal Executives.



Gilbert Sandate

Retiring

Jim Flyzik, senior adviser to Homeland Security Director Tom Ridge, is retiring Dec. 17. Flyzik was the chief information officer of the Treasury Department

before signing on as mentor to Office of Homeland Security CIO Steve Cooper. At Ridge's office, Flyzik helped develop a system to integrate more than 50 terrorist watch lists. He has also held positions as vice chairman of the federal CIO Council and member of the President's Critical Infrastructure Protection Board.

The Department of Justice's **Lawrence Wallace** has announced he plans to retire on Jan. 3, after 35 years of service. Wallace, currently Justice's deputy solicitor general, has argued more cases before the Supreme Court than any living person.

The Environmental Protection Agency's Central-South regional administrator, **Gregg Cooke**, will leave the agency early next year. Cooke, whose region includes Arkansas, Louisiana, New Mexico, Oklahoma and Texas, formerly served as Texas' NAFTA environmental liaison.

Cynthia Di Pasquale, Stephen J. Norton and Megan Twohey contributed to this page. To submit items to the People Page, e-mail agray@fedpaper.com

Bush, Unions Set Jobs Fight

BUSH, from p. 1

by driving down morale and hampering accountability.

"It's going to be pink slip time," said Wiley Pearson of the American Federation of Government Employees, the largest union representing federal workers. "This is an all-out assault."

The program, which does not require congressional approval, orders government agencies to determine whether jobs are government functions or are largely commercial. Private firms would be allowed to bid on jobs that are largely commercial — about 850,000 of the 1.8 million government jobs held by civilians, according to a White House estimate.

Under the government's existing but limited privatization effort, mostly in the military, 52 percent of jobs that are opened to bidding have been retained by government workers. At that rate, more than 400,000 federal jobs could wind up in private hands when the program is fully in place.

Although labor unions were pessimistic, previous privatization efforts have fallen short of their goals, sometimes because of congressional opposition and sometimes because of a change in administrations.

In 1986, for instance, Ronald Reagan proposed a broad effort to shed federal jobs and hire more contractors to provide services. But when George H.W. Bush won

the White House two years later, his budget director let the program die.

In 1996, then-President Bill Clinton proposed putting the air-traffic control system in private hands and Vice President Al Gore made the idea part of his "reinventing government" initiative. That plan was shelved after pressure from Congress.

"It's a great idea, but people have been talking about this for a very long time and Congress tends to get in the way," said David Denholm, president of the Public Service Research Foundation.

He also said bureaucrats who don't agree with Bush's idea can sabotage the bidding process. "There are all sorts of ways to rig the cost comparison in favor of the government," he said.

Utt said he is optimistic that Bush can succeed where other presidents have failed, if he wins a second term. The Heritage scholar calculated that opening half of the 850,000 jobs to competition, a five-year goal of the White House, would lead to savings of \$10 billion-\$14 billion a year.

As an example, he said thousands of National Park Service jobs can be farmed out, including grounds keeping, maintenance, security, fee collecting and road repair. He said the Park Service "can be viewed as the world's largest lawn care and janitorial service."

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Kerry Kantin contributed to this report.

Way Out West, Bush Shuffles Land Agencies' Staffs

By MEGAN TWOHEY

The Bureau of Land Management and the U.S. Forest Service have forced out state and regional directors in the West because they were considered barriers to timber, grazing and oil and gas development, according to the recently departed officials.

The Bush administration moves reverse a similar housecleaning by the Clinton regime, which had appointed regional leaders committed to scaling back industry access to federal land. Regional foresters and BLM state directors manage the president's policies on the ground, overseeing the upkeep of land and managing contracts with the private sector.

"BLM believes it has a duty and a responsibility to put a management team in place that is best suited to carry out the vision, mission, goals and objectives of the agency and administration," said agency spokeswoman Celia Boddington. "We think this approach is in the best long-term interests of the lands we manage and the American people we serve."

The Bush administration has made increased timber output a top priority for the Forest Service and has instructed BLM to include grazing, oil and gas interests in its land plans.

Forest Service spokesman George Lennon denied that his agency's personnel shifts were politically motivated. "It's not unusual at all for senior leaders in the Forest Service to be transferred," he said.

The latest bureaucratic shuffles, which took place over the past year, are drawing praise from industry and criticism from environmental quarters.

"It makes sense," Michael Klein, spokesman for the timber group American Forest and Paper Association, said. "The Clinton administration stacked a lot of the land agencies with activists," he said. They "downplayed the natural resources and placed a higher value on ecological interests."

Environmentalists expressed concern. "Whether you're talking about Forest Service or BLM, the Bush administration wants people who are going to be much more friendly to industry and much less concerned about environmental consequences," said Jeff Ruch, executive director of Public Employees for Environmental Responsibility, a nonprofit organization in Washington.

In the BLM, which is part of the Interior Department, the directors of New Mexico, Colorado and Idaho were removed because they were distrusted by the grazing, oil and gas interests, charged Martha Hahn, Idaho's former BLM director.

"We were all in the wrong state at the wrong time," said Hahn, who resigned in March rather than accept a new job as executive director of the National Park Service's New York harbor.

She has been replaced by K. Lynn Bennett, who before managing a cattle company she owns, served in a variety of BLM positions.

Michele Chavez, BLM director of energy-rich New Mexico under Clinton, accepted a new position working from home as special assistant to an Interior Department deputy assistant secretary.

She has been replaced by Linda Rundell, a BLM career official who worked as a congressional fellow to Sen. Pete Domenici, R-

N.M., a supporter of oil and gas development who sits on the Energy and Natural Resources Committee.

"Domenici put in a good word for her," said Chris Gallegos, a spokesman for the senator.

In Colorado, Ann Morgan, a director well-regarded by environmental groups, agreed to leave, accepting a post at the University of Colorado's Natural Resources Law Center.

The new directors start in the new year and were unavailable for comment.

The Forest Service, which is part of the Agriculture Department, has played musical chairs with its regional foresters, shuffling almost all of them into new posts.

"Forest Chief Dale Bosworth wanted to fill vacancies which came up after people decided to retire," said agency spokesman Lennon. "He made his decisions by assessing the strengths of people on board and sitting down with individuals to discuss where they could continue serving."

But James Furnish, who retired as deputy chief of the Forest Service last year, said regional foresters in California and the region covering Oregon and Washington were transferred because they weren't pro-timber enough.

"I believe the transfers of these regional foresters were punitive," Furnish said. "The agency didn't think they best represented the interests of the timber industry," he said.

Furnish was stripped of his deputy duties when Bosworth, a Bush appointee,



J. WILSON-FOR THE FEDERAL PAPER

Former Deputy Chief of the U.S. Forest Service James Furnish says regional foresters were removed from their jobs because they weren't pro-timber.

took over the agency.

Harv Forsgren, who was transferred from his post overseeing national forests in Oregon and Washington to one overseeing those in New Mexico and Arizona, had implemented the Northwest Forest Plan for Northern California that was created early in the Clinton administration. It reduced timber and increased protections for the spotted owl and other wildlife and fish.

"There are probably some commodity interests who think I'm too 'green' for the largest timber producing region in the Forest Service," Forsgren said. "I think the chief's decision to move me to the Southwest wasn't a matter of him wanting me out of the Northwest, but of him wanting me to provide leadership here in Albuquerque."

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WORKPLACE MATTERS

TSP 'Catchup' Bill Clears

Federal employees over the age of 50 will be able to contribute an extra \$2,000 to the Thrift Savings Plan, the government's 401(k) retirement program, as a result of legislation passed by Congress last week.

The additional tax-deferred contribution will put the federal program in line with private-sector plans, which were allowed the so-called catchup contributions under last year's tax law.

The legislation, which was sponsored by Republican

Rep. Constance Morrella, gradually increases the catchup contribution to \$5,000 in 2006.

Good Month for Stock Investors

Federal workers who didn't give up on the stock funds in the Thrift Savings Plan, got something of a reward in October.

For the first time in almost a year, the C Fund, which tracks the Standard and Poor's 500, rose 8.77 percent. That followed a 10.87 percent drop in September, and the fund is still down 15.1 percent over the last 12 months.

The G Fund, which consists of special government bonds, grew 0.33 percent in October. The S Fund, which is made up of smaller companies rose 3.38 percent, and the I fund, an international fund, rose 5.42 percent. The only fund to decline in October was the F fund, which tracks fixed income bonds issued by governments and corporations. It slipped 0.44 percent.

Federal employees interested in changing their contributions or allocations to the plan can do so until Dec. 31, when TSP's open season ends.

Reconsidering Health Coverage

This is also open season on health insurance and to help federal workers decide on coverage, the Office of Personnel Management has updated its Web site to allow online comparisons of the different plans.

The open season runs through Dec. 9 with the new rates taking effect Jan. 1.

The site allows government employees to determine which plans are available to them, giving them side-by-side comparisons of different plans, instructions for enrolling and points out changes in health plans. To access the government site, go to <http://www.opm.gov/insure/health/>.

Federal employees and retirees can also look to Checkbook's 2003 edition of "Guide to Health Plans."

Walton Francis, the book's author, said that due to the

changes in premiums and coverage, federal employees will find that some of the most popular plans in the past will no longer be the most cost-effective. On average, federal employees will see an 11.1 percent increase in their health care premiums.

Free access to the Checkbook Web site is being provided by over a dozen federal agencies and departments, including the Departments of Health and Human Services, Veterans Affairs, State and Housing and Urban Development.

Guide to Whistleblower Protections

The Office of Special Counsel is encouraging agencies to enroll in a program designed to help managers comply with the Whistleblower Protection Act.

The special counsel's office said it has found that many agencies have not been complying with the 8-year-old law. The program satisfies the requirements of the recently enacted Notification and Federal Employee Antidiscrimination and Retaliation Act (commonly known as the "No FEAR" Act), which requires that federal employees are notified of their whistleblower protection rights and that Congress receive an annual report on agencies' progress.

The program includes training for supervisors, incorporating whistleblower protections into an agency's orientation program and putting up information posters in the workplace. Special Counsel Elaine Kaplan wrote all agency heads earlier this month encouraging them to participate in the program.

"In this time of increased focus on organizational behavior and ethics, as well as a time of heightened attention to our national security, management should send out the message not only that agency employees will be protected against retaliation when they come forward to raise concerns, but that they are affirmatively encouraged to do so," Kaplan said.

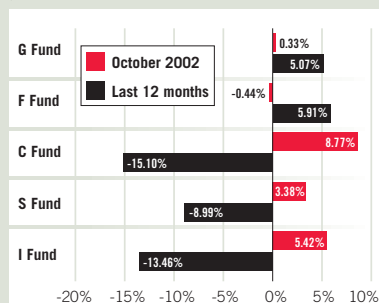
In the Nov. 1 letter, Kaplan encouraged agency heads to send representatives to the orientation sessions set for Dec. 3, 4 and 5.

KERRY KANTIN

E-mail: kkantin@fedpaper.com

Retirement Funds Returns

The C Fund, which trades in domestic stocks, was the best performer in the Thrift Savings Plan in October, but the worst over the past 12 months. The fixed-income F Fund, which invests in government and corporate bonds, had the best return over the past 12 months.



Source: Federal Retirement Thrift Investment Board of the Thrift Savings Plan

LANCE H. MARBURGER — THE FEDERAL PAPER

Agencies on Track To Meet CFC Goals

CFC, from p. 1
year. "It is a campaign!"

By the first week of November, federal workers had pledged about \$9.5 million. That is consistent with last year's pace and bodes well for meeting or even exceeding the goal, according to Melissa Allen, assistant secretary for administration at the Department of Transportation, and a 30-year veteran of the CFC. The campaign exceeded last year's \$50 million goal, but officials kept the same goal this year because of the sluggish economy, campaign spokesman Ryan Sterba said.

Political campaigns have chairmen, and the CFC has a team of 44 "loaned employees" who take roughly five months' leave from their jobs to direct the effort. Political campaigns depend on county chairs and precinct captains who reach out to voters. The CFC is made up chairs from each agency and "key workers" who pass out brochures and make pitches to their colleagues. In total, over 8,000 federal employees are helping this year, according to Sterba. Political campaigns end on a set day — Election Day. The CFC ends on Dec. 15.

Like campaign workers, CFC participants believe in the cause but they like to have fun as well. Even button-downed CIA employees take time out to buy raffle tickets for a dinner with Tenet, bid on a basket of pet supplies or even join in a pie-eating contest, said Judith Sholes, on loan from the agency. Health and Human Services Secretary Tommy Thompson and local TV



CHRIS SMITH-HHS

Secretary Thompson revs up support at HHS rally for the Combined Federal Campaign.

anchor Jim Vance jumped on motorcycles and joined 75 bikers in the department's kickoff parade.

A little competition helps things along. Lowe said FEMA Director Joseph Allbaugh made it clear he wants the agency to lead and Lowe said he often brings the spreadsheet to staff meetings to check on how the various FEMA offices are doing and to tweak his colleagues to exceed dollar and participation goals.

But there are no major rivalries that mark the annual fall fund-raiser, according to Allen. Well, maybe. At an early November meeting at CFC headquarters, the Army and Navy ribbed each other on their performances, said Allen. Naturally, large agencies raise more. "No one can beat the Pentagon," she laughed.

In fact, it seems like there are no losers in the campaign, run this year by the United Way. Michael Holub, an associate director of the campaign, the self-described "awards king," said, "It is rare that an entity will get nothing."

He said he gives out about 1,000 plaques for participation, attaining goals, getting increases from prior giving, etc. Some agencies — he declined to name them — don't get too excited by the whole thing and simply want to have a quick campaign with "good results."

Politics is kept separate from giving. Allen said the rules "strictly prohibit" political appointees or campaign chairmen from pressuring workers to give to one charity or another.

"It is a very personal thing," explained

Vince Brown, another leader in FEMA's effort. "A lot of people have family and friends that have gone through stuff. I have never seen politics play a role." With 3,000 charities to choose from, it is not hard to find one that suits individual preferences from Adventure Theater, Inc. to Zero Population Growth.

The amount of money collected, whether through payroll deductions or events such as raffles for a dinner with cabinet members or chili cook-offs, has risen steadily over the years in the capital area. But participation rates throughout the CFC worldwide have dipped steadily since 1993, when nearly 48 percent of eligible employees contributed to the campaign, to 37.5 percent in both 2000 and 2001.

The "total amount raised" increased annually from 1995, when the CFC garnered \$189.3 million, to 2001's total of \$241.6 million. During that span, the federal work force shrunk by some 140,000 workers, and the drop-off in contributors to the campaign was nearly twice as severe. The decline in participants over time shifted the fund-raising burden to those who chose to give. From 1995 through 2001, the average gift made by a federal employee in the campaign rose from \$110 to almost \$166, an increase of more than 50 percent, according to the CFC official Web site.

Tami Heilemann, a photographer at the Interior Department who began running the department's campaign five years ago, explained, "I was asked to do this at a good time in my life," she said. "I get to channel my energies into something good. I can get into it and be very passionate about it."

Derrick Wetherell and Megan Twohey contributed to this report.

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Bush Tax Decision Key to 2004 Chances

TAX FIGHT, from p. 1

Lindsey "seems to be embattled," Bartlett said. "He's the one everybody seems to be fingering. Since day one, there have been complaints from inside the White House. ... We need somebody to make the trains run on time. Larry doesn't seem to be doing a very good job in that respect."

Lindsey sides with many Republican members of Congress and some interest groups that helped Bush get to the White House. They see new tax cuts as a way to stimulate the economy and move out of a budget deficit.

On the other side are congressional Republicans who worry that the price of

new tax cuts, coupled with the cost of military action against Iraq, will cause the deficit to grow. O'Neill has increasingly sided with them.

Lindsey, a supply-side economist, helped draft Bush's first tax package and has played down the impact of tax cuts on the deficit. O'Neill, who has been the administration's most vocal advocate of a complete rewrite of the tax code, said last week that anything more than targeted cuts might have to wait until the deficit is reduced.

While differences between Bush advisers are common, this squabble is magnified because conservatives who support the president have joined Democrats in expressing displeasure with the economic team. Both Lindsey and O'Neill said they have no plans to leave, but reports that one of them will be forced out persist.

Grover Norquist, president of Americans for Tax Reform, and Bartlett

polled by Newsweek said they were concerned that a Republican push to cut taxes might drive up the deficit. Also, consumer confidence is at a nine-year low.

"In the next two years, his vulnerability, and that of the House and Senate, is the economy," said Bruce Josten, executive vice president of the U.S. Chamber of Commerce.

"The question is, can the president get together with the American people and most Republicans and beat the appropriators?" by cutting both taxes and spending Norquist said.

Most lobbyists and tax specialists who have had discussions with White House aides said they expect the president to take a piecemeal approach, putting off broader reform until the economy is more robust. But some worry that he might wait too long.

"I'd prefer that he did it while he has both houses," said Steve Entin, president and executive director of the Institute for Research on the Economics of Taxation. "If you have to wait until 2004 or 2006, it might be too late for him. I don't know that the economy will be strong enough for him to win."

A go-slow, anti-deficit approach might rile congressional supporters of bigger tax cuts, such as the Republican Study Committee in the House.

"This House and Senate could pass whole tax bills," warned Norquist. "Nobody in Congress is waiting around to see what the White House and the Treasury want to do with tax bills."

But Cato's Edwards said Bush first has to stand up to Congress and cut spending. "If they keep adding money, there's going to be no money left for some of the things they want to do on the tax side," he said.

Stephen J. Norton contributed to this article.
E-mail: dmorris@fedpaper.com or snorton@fedpaper.com

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HHS's Rehnquist Draws Criticism, Investigation

REHNQUIST, from p. 1

inspector general's office to draft policy statements in response to questions from senators prior to her nomination hearing last year, sources said.

Guidelines written by White House Chief of Staff Andrew Card — which sources close to the office said Rehnquist received — prohibit the president's nominees from acting as supervisors until they are confirmed.

But Rehnquist asked the two career lawyers to draft answers and, upon taking office, gave them cash bonuses, these sources said. Rehnquist ordered the promotion of one of the lawyers to a post that had been scheduled for open competition, sources said.

Rehnquist declined comment in response to inquiries from The Federal Paper for this article.

Rehnquist, the 45-year-old daughter of Supreme Court Chief Justice William Rehnquist, has come under scrutiny for a shake-up of the inspector general's office that resulted in 19 personnel changes over 15 months.

Her decision to remove two deputy inspectors general from their jobs without explanation has drawn criticism from the nonpartisan IG community and prompted a congressional investigation into whether she is politicizing an office that is supposed to operate independently.

Two other deputies retired as a result of Rehnquist's management. All four deputies — with a collective 130 years of experience among them — had been awarded Presidential Rank Awards. The Federal Paper first reported the details of the personnel shuffle on Nov. 4.

Florida Audit Delay Questioned

Investigators are currently most concerned about the delay of an audit of a Florida state pension fund that Rehnquist had granted last April. The fund, which receives state and federal money, had allegedly failed to credit the federal government for the proper percentage it contributed.

Incoming Senate Finance Committee Chairman Charles Grassley, R-Iowa, who last month asked the General Accounting Office to investigate Rehnquist's tenure, said in a statement: "Allegations recently came to my attention that Inspector General Rehnquist intervened inappropriately in a federal audit of a Florida pension fund. These allegations are very serious. They accuse the inspector general of a failure to perform her duties independently."

The request for delaying the audit did not come from the agency overseeing the pension fund. Instead, it came directly from the governor's office.

Sources close to the matter describe the following chain of events: A call came for Rehnquist on April 15th, the day before the audit was scheduled to begin. She couldn't take the call but asked an associate to speak to the caller, Kathleen Shanahan, chief of staff to Gov. Jeb Bush and former aide to Vice President Dick Cheney.

Shanahan told the HHS employee that it was urgent she speak to Rehnquist because they wanted to delay the audit until a new employee heading up the program could start his job. Rehnquist received the message and ordered the audit delayed.

Investigators said audit delays, while common, are usually decided at much

lower levels and for reasons such as illness. "This one smells to high heaven," said an employee of the HHS's inspector general's office. "No IG should ever intervene with something like this, particularly if it's the president's brother in a tight re-election race."

Another veteran inspector general said the Florida case "shows an insensitivity to an important principle. If you start jiggering the work product of the OIG for political purposes, that is a serious assault on the IG concept."

One Republican congressional investigator put it more bluntly, characterizing the delay as "clearly outside of a normal procedure."

Gov. Bush's office did not return several calls seeking comment. However, a spokeswoman for the governor told the St. Petersburg Times last week that the delay was requested because of the pending retirement of the agency director overseeing the pension fund. "It was appropriate that we had a delay," she said.

Knowledgeable sources also report that the Department of Justice has begun an investigation into allegations that Rehnquist improperly stored a government-issued gun in her office without a trigger lock or gun safe, an episode first reported in the Wall Street Journal.

According to press accounts and sources inside the office, Rehnquist obtained the gun from a deputy last spring because she wanted to practice target shooting for a visit she would make with Secretary Tommy Thompson to a firing range in June. Only trained special agents within the inspector general's office can use firearms in the course of performing their duties.

Inspectors general are charged with policing government programs. While appointed by the president, they are supposed to be nonpartisan and independent. The HHS inspector general office is the largest in the federal government, with a staff of 1,600 employees. It is responsible for monitoring and investigating Medicare and Medicaid, in addition to more than 300 other programs, and recovers billions of dollars annually.

Prior to her appointment, Rehnquist served as a former assistant U.S. Attorney for the Eastern District of Virginia,

Last week, Reps. John Dingell, D-Mich., and Henry Waxman, D-Calif., ranking members of the House Energy and Commerce Committee and the House Committee on Government Reform, respectively, wrote the GAO to join the call for an investigation into Rehnquist's tenure.

Congressional investigators also are probing a number of issues related to travel, including "the number of people who travel with her, how she spends time and whether or not she is fulfilling a government mission," said one investigator. Sources familiar with her schedule said Rehnquist often leaves Friday morning for business that begins on Monday or Tuesday, although they believe she does not charge the government for hotel rooms over the weekend.

"No supervisor would ever allow an employee to do this," said one insider. "No side trips are allowed."

Since reading published reports describing Rehnquist's mishandling of a gun as well as the personnel shake-up she has carried out, some employees in her office said they are shocked, particularly given her relationship to a Supreme Court justice.

"Her credibility is shot. Nobody has any respect for her, and nobody is defending her — how could they?" asked one employee. "The feeling around here now is that she's not long for this place."

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GOVERNMENT

**Director, Competitive Sourcing
& Management Analysis Staff (GS-15)**

Department of Veterans Affairs

Salary Range \$92,060 - \$119,682
Vacancy Announcement Number: OPP 02-26

The Director leads VA's efforts to implement the requirements of Government-wide policies on the performance of commercial activities, the Fair Act (P.L. 105-270), and the Administration's competitive sourcing initiatives. The incumbent is responsible for policy development, oversight and analysis, and technical guidance on matters associated with management analysis and competitive sourcing. As principal advisor to the Assistant Secretary for Policy and Planning on matters relating to organizational efficiency, the proper and accurate classification of commercial and inherently governmental functions, strategic sourcing, business process improvement, and competitive sourcing processes (including streamlined competitive sourcing studies using market-based analysis, formal A-76 competitions, and direct conversion sourcing assessments.) The incumbent oversees all activities of the Department in these areas and provides advice and recommendations as appropriate.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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**Associate Director, Resource
& Visitor Protection**
*Department of the Interior,
National Park Service*

Salary Range: \$125,972 - \$138,200
Vacancy Announcement Number: NPS/SES/02-02

The Associate Director, Resource and Visitor Protection (NPS Chief Ranger) serves as the principal advisor to the Director of protection and emergency matters for National Park Service (NPS) facilities, sites, visitors and employees. The Associate Director establishes policies to provide protection, security, and law enforcement for the people, critical infrastructure, facilities and protection of natural and cultural resources from poaching, illegal collecting and malicious destruction.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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**Director, Plum Island
Animal Disease Center**
Department of Agriculture

Salary Range: \$130,210 - \$138,200
Vacancy Announcement Number: ARS-SES-02-05

Plum Island Animal Disease Center (PIADC) is located on an island 1.8 miles off the tip of Orient Point, New York. By statute, it is the only place in the U.S. where research may be carried out using live viruses which cause foot and mouth disease and rinderpest. The Director provides the leadership and operational accountability for the joint Agricultural Research Service (ARS) and the Animal and Plant Health Inspection Service (APHIS) programs on the island in consultation with top management officials at both agencies.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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GOVERNMENT

**Senior Executive Service
Candidate Development Program**

*Department of the Health
and Human Services*

Vacancy Announcement Number:
DHHS-02-SESCDP

The Department of Health and Human Services is looking for future leaders who have the vision, talent and skills necessary to bring 21st century management practices to America's health care and social services programs. This 6-8 month program will provide a series of intensive development experiences for high potential candidates as we prepare them for executive responsibilities.

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**Associate Solicitor,
Administration**

*Department of the Interior,
Office of the Solicitor*

Salary Range: \$125,972 - \$138,200
Vacancy Announcement Number: SOLX-02-04

The Associate Solicitor, Administration will serve as the chief adviser to the Solicitor, Deputy Solicitor, other Associate Solicitors, and Regional Solicitors on the legal, policy and administrative aspects of the Office's functioning in the areas of budget and accounting, personnel management, government ethics, performance management, information systems, docket control and records management, facilities and property management, contracting and procurement, program evaluation and management controls, travel and training.

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**Deputy Administrator, Families,
4-H and Nutrition**

Department of Agriculture

Salary Range: \$125,972 - \$138,200
Vacancy Announcement Number:
CSREES-SES-02-07

The Deputy Administrator for Families, 4-H, and Nutrition, provides leadership and support for cooperative research, education and extension programs and other collaborative initiatives that are carried out by land-grant and other colleges and universities as well as private sector entities.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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GOVERNMENT

**Assistant Director, Partnerships,
Interpretation & Education,
Volunteers and Outdoor Recreation**

*Department of the Interior, National Park
Service*

Salary Range: \$125,972 - \$138,200
Vacancy Announcement Number:
NPS-SES-02-03

The Associate Director is responsible for providing leadership, policy development, external and Congressional liaison, program accountability and budget formulation in the functional areas of partnerships, interpretation and education, volunteers, and outdoor recreation and administering nationwide partnerships programs in these areas. The incumbent will give technical directions and manages the delegated duties and responsibilities of organizational and national programs.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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Assistant Administrator

*Department of the Commerce, National
Oceanic and Atmospheric Administration*

Salary Range: \$125,972 - \$138,200
Vacancy Announcement Number:
NOAA#01-15.NJH

The National Oceanic and Atmospheric Administration is looking for a member of the Senior Executive Service with a Secret Security Clearance to fill the position of Assistant Administrator. The Assistant Administrator is an integral member of the NOAA management team, the AA for OAR also serves on the NOAA Executive Committee (NEC) and is responsible for the direction and administration of all activities of OAR, resolving operational and technical management problems, maintaining surveillance over operations, and ensuring the timely and adequate implementation of established goals and programs.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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**Director for Enterprise
Management**

*United States Army,
Office of the Secretary of the Army*

Salary Range: \$125,972 - \$138,200
Vacancy Announcement Number: DA-30-02

As the Director for Enterprise Management the incumbent is responsible for the policy, oversight, preprocurement, and technical management of critical Army information management, e-business, and knowledge management programs integrating the disciplines of telecommunications, automation, knowledge management, and electronic data interchange for the Army's warfighting, organizational and business missions.

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GOVERNMENT

General Counsel

Department of Defense, Defense Contract Audit Agency

Salary Range: \$125,972 - \$138,200
 Vacancy Announcement Number: SES 03-01

The General Counsel in this position is the legal advisor to the Defense Contract Audit Agency (DCAA) Director and the primary legal authority within DCAA. The incumbent provides expert advice on all questions of law related to the operation, mission, and functions of DCAA. The DCAA General Counsel is the final authority on decisions involving the legal aspects of DCAA's worldwide operations.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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Chief, Systems Application Division

Department of Defense, Defense Threat Reduction Agency

Salary Range: \$125,972 - \$138,200
 Vacancy Announcement Number: DTRA-SES-2102

The Chief, Systems Application Division, serves as the focal point for DoD weapon and sensor programs devoted to the characterization and defeat of foreign weapons of mass destruction (WMD) threat facilities. Responsibilities include leading and managing agency teams that deliver improved capabilities to the warfighters, and the coordination of DTRA technology programs to combat terrorism. The Chief also directs a staff of civilian and military personnel in the development and execution of research and development programs responsive to the Services and other DoD organizations.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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Chief Dissemination & Archive Division

Department of Defense, National Imagery & Mapping Agency

Salary Range: \$125,972 - \$138,200
 Vacancy Announcement Number: HQ NIMA DISES 200218

The Chief of the Dissemination and Archive Division supports the Acquisition Implementation Office (AI) in managing the modernization of the National System for Geospatial Intelligence (NSGI). The Chief also manages on-going acquisition contracts and directs future GeoScout transformation efforts related to storage, retrieval, and dissemination of imagery, imagery intelligence, and geospatial data.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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GOVERNMENT

Director, Mathematical, Computer & Information Sciences Division

Department of the Navy, Office of Naval Research

Salary Range: \$125,972 - \$138,200
 Vacancy Announcement Number: ONR-02-0026-NR

The Director, Mathematical, Computer & Information Sciences Division is responsible for an integrated program of basic research and advanced technology development. The incumbent is also responsible for the management of Office of Naval Research programs in command and control, combat systems, intelligent systems, robotics, operations research, computational decision-making, information assurance, applied mathematics and software research.

To view the complete announcement or to apply for this position, visit OPM website at www.usajobs.opm.gov and type the position title in "Search Jobs" for a copy of the announcement and specific application specifications.

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Now the Real Work Begins

With remarkable speed, President Bush turned his Election Day victory into a legislative gain, getting virtually everything he wanted in a homeland security bill he will soon sign into law.

Now comes the hard part: turning it into a management victory.

In the long struggle over worker protections, too many of us have taken our eye off the ball — the immense challenge the president, his aides and thousands of career civil servants face in creating an effective and efficient government agency that will protect Americans at home (and not endanger the public in the course of a massive government reshuffling).

The election demonstrated that the voting public trusts the president to wage the war against terror, but it's a trust he must re-earn every day. And there are many government experts who aren't convinced that creating a new department will yield enough benefits to justify the cost and effort.

Signing the legislation will set a number of events into motion. A secretary will be named, perhaps before Thanksgiving. Within 60 days, the president must submit to Congress a detailed plan for creating the department.

The lengthy congressional debate has given the administration a head-start on that plan. Working under top-secret conditions within the Office of Homeland Security, a small cadre of trusted aides have been preparing for what will be the biggest government shake-up in more than half a century.

Merging 22 departments with 170,000 employees and creating a new personnel system in the process will be a monumental task. The planning team has consulted with executives from private companies that managed large mergers, with widely varying degrees of success. The planners have also spent hours on more specific questions — ranging from organizational charts to the headquarters location to the design of an emblem.

But the administration doesn't seem to have devoted serious time to another major challenge — persuading the career civil servants who ultimately will determine the venture's success or failure — that it is a good idea to join.

In fact, it's almost as though the administration has gone out of its way to antagonize the federal workforce.

The debate over worker protections has left many government employees with the impression that the administration distrusts them and is planning a wholesale housecleaning. That could become a self-fulfilling prophecy. Workers afraid of losing their jobs are more likely to avoid risk and the bold action needed to quickly pull together a new department. Unions are playing defense and threatening delaying tactics.

The Senior Executive Service supports many of the management tools Bush secured in this legislation, but top managers feel alienated because they've been left out of the planning process. Consultation with CEOs who engineered big mergers is fine, but why not bring veteran civil servants into the process?

Administration spokesmen acknowledge that the new secretary and his top deputies will need a good relationship with employees to get the job done. But a lot of bitterness has built up over the past few months. Accusations on both sides will make it harder for the new secretary to create the esprit de corps needed to make the department effective.

It is up to President Bush to make this happen. He should take steps soon to speak directly to federal workers, assuring them they are held in respect and that he needs and wants their involvement.

But reaching out is only the first step. He must follow that up with concrete actions. It's not too late to make this work, but it soon may be.

So Long Connie

Federal workers lost a loyal friend when Rep. Connie Morella was defeated by Chris Van Hollen.

Morella, whose Maryland district includes tens of thousands of federal employees, worked tirelessly for her constituents. She fought hard, but unsuccessfully, for including workers' rights in the new Department of Homeland Security. She fought year after year for higher pay, more pension benefits and long-term health care. And she was the biggest congressional supporter of the Thrift Savings Plan, the government's 401(k) retirement program. Some of her biggest successes happened outside the spotlight — in blocking legislation she deemed harmful to government workers.

Morella's loss had a lot to do with the fact that the state legislature redrew her district to include more Democrats. At the same time, many Democrats who had voted for her in the past decided that picking up a seat in the House was more important than supporting Morella.

That was a gamble that may have a big cost. Van Hollen shares most of Morella's views on federal government policies. But as a junior member in the minority he'll have a lot less clout than his veteran predecessor, who already chaired a House Government Reform subcommittee.

2002 Distinguished Executive Award Winners

The Office of Personnel Management announced the winners of the 2002 Distinguished Executive Award last week. They are:

Agriculture

Keith J. Collins, Allen R. Dedrick, Susan Offutt, I. Kaye Wachsmuth

Commerce

Thomas R. Karl

Defense

Michael F. Bauman, Thomas R. Bloom, David O. Cooke, Michael K. Evenson, Walker Lee Evey, Gregg D. Hagedorn, Barry W. Hannah, Paul S. Koffsky, Edward J. Korte, Frank B. Lotts, William R. Molzahn, John A. Montgomery, Robert H. Prine, Matt Reres, Thomas F. Thoma

Education

Thomas M. Corwin, Philip S. Link

Health and Human Services

Joseph H. Autry III, William F. Raub

Housing and Urban Development

John P. Kennedy

Interior

Timothy S. Elliott, John D. Trezise

Justice

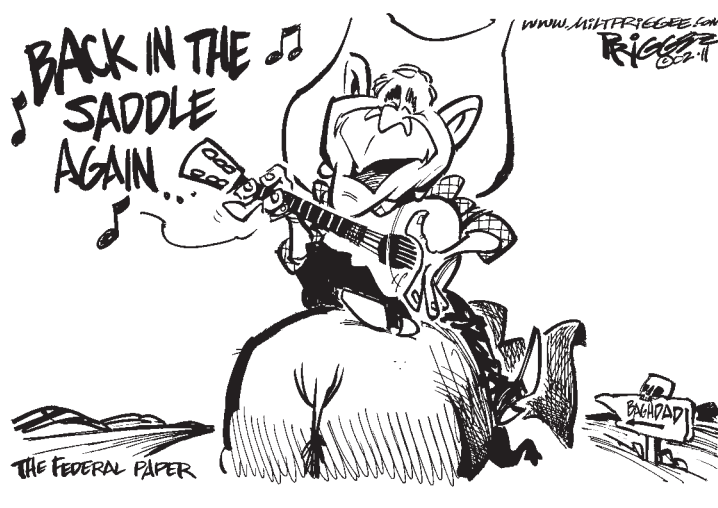
John C. Cruden, David Margolis

Transportation

Rosalind A. Knapp

Treasury

Carl M. Locken, Jr., C. Danny Spriggs, John R. Watson



Veterans Affairs

Alfonso R. Batres, D. Mark Catlett, Patricia A. McKlem

Broadcasting Board of Governors

Brian T. Conniff

Environmental Protection Agency

Robert D. Brenner

General Services Administration

Kenneth J. Kalscheur, Gail T. Lovelace

National Aeronautics and Space Administration

Ghassem Asrar, Nancy F. Bingham, Michael R. Luther, Samuel E. Massenberg, John D.

Schumacher, Tereasa H. Washington

National Science Foundation

Machi F. Dilworth, Lawrence Rudolph

Nuclear Regulatory Commission

John A. Zwolinski

Office of Management and Budget

David J. Haun, Steven J. Isakowitz

Small Business Administration

John D. Whitmore, Jr.

Social Security Administration

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The Making of a Democratic Fantasy for 2005?

By LAWRENCE J. HAAS

WASHINGTON, Jan. 20, 2005 — Two years after a devastating midterm election left his party adrift, a new Democratic president took office today pledging to more



Haas

aggressively pursue freedom and democracy abroad while calling on Americans to serve their nation at home.

The new president came to power after a hard-fought campaign in which he sought to elevate the country and its people, to create an America that is unflinchingly proud of its rich ideals and to shape a nation in which all Americans could be part of something larger than themselves.

In that campaign, he was helped by strong party unity. Soon after the 2002 elections, party activists chose to unite rather than engage in internecine warfare between liberals and moderates. They united around a candidate, providing the essential funding and grassroots help that he needed in the early caucuses and primaries to wrap up the party's nomination early.

The new president campaigned on a platform — "One America: At Home and Abroad" — that reached out to the plurali-

ty of voters who describe themselves as "independents," while reassuring core Democratic constituencies.

To build broad support, he promised a bolder foreign policy, a crusade for energy independence and a budget truly focused on the future. To reassure organized labor, African-Americans and other key constituencies, he backed affirmative action, a higher minimum wage and a strong federal safety net.

On issue after issue, he reached out to the broad middle of America's electorate, while retaining the Democratic base. On trade, he promoted a robust free-trade agenda as well as assistance for dislocated workers. On energy, he pushed for more drilling as well as more conservation.

The new president also capitalized on a series of breaks. The economy recovered only modestly from the 2001 recession, providing little of the explosive job growth of the 1990s. The huge and growing budget deficit sent interest rates up, restricting growth and raising borrowing costs for consumers and businesses.

In addition, Bush overreached, pushing for anti-abortion and environmental policies that kept the Republican base happy but scared away mainstream voters. At the same time, his labor and affirmative action policies energized core Democratic constituencies and voters.

All told, the new president provided a vision and agenda that made the incum-

ment's tenure seem timid and incoherent.

On foreign policy, with war against Iraq prosecuted quickly in early 2003, the Democratic candidate focused public attention on other challenges. With many Democrats continuing to oppose Bush's military posture, he split with his colleagues to argue for more boldness, not less.

He promised to end U.S. support for Saudi Arabia and Egypt, arguing that it sows the seeds of anti-Americanism among Saudis and Egyptians who hate their governments. Confronting Bush's call to "stand by" traditional friends in the Middle East, the new president cited anti-American propaganda that gushes from state-run Saudi and Egyptian media and asked, "What are we getting for our friendship?"

He promised a more consistent pro-democracy approach overseas, saying that America's hard line toward Iran's mullahs has helped to foster an underground pro-democracy movement that is distinctly pro-American. He also promised a more balanced approach to American interventionism, making clear that success must come not only in confronting our enemies militarily, but also in helping our former enemies make the transition to democracy once the fighting stops.

Of course, U.S. policy toward the Middle East has been inextricably linked to the nation's energy policy, and it was on energy that the new president linked his foreign and domestic agendas together

most effectively.

He tapped into post-Sept. 11 yearning by Americans to "do something," something beyond Bush's request that they keep the economy moving by going shopping. He called for a national campaign of energy independence in which the nation would drill more, seek alternative sources of energy and conserve. He urged the support of the nation's CEOs as well as the American people.

On tax policy, too, the new president sought to rally Americans to a larger cause. He called for postponing the phasing in of Bush's 2001 tax cut and opposed Bush's call for ever-larger tax breaks — not only because the resulting deficits would hurt the economy and leave no money for vital priorities, but because today's Americans should not pile debt upon their children.

Bush tried to label his opponent an old-fashioned "tax and spend" Democrat. But the new president understood that his message about debt left to children would not sink in overnight. He stuck with it, making the argument persistently and, finally, turning the tax debate — and the campaign — on its head.

Lawrence J. Haas, who was Vice President Gore's communications director, is senior vice president and director of public affairs at Manning Selvage & Lee, a global public relations firm. The opinions expressed are his own.

Democrat's Bane in 2002 — National Security

By ANDREW FERGUSON

By my count, roughly 8,793,246 words of analysis have been published about the disaster that befell the Democratic Party on Election Day 2002, and many of those have



Ferguson

even been interesting, if only for the range of views expressed.

According to soon-to-be Senate Minority Leader Tom Daschle, the Democratic defeat "wasn't for lack of a message. It's for a lack of articulating

the message effectively."

Dick Harpootlian, chairman of the South Carolina Democratic Party, disagreed.

"We had no message this year," Harpootlian said.

The more plausible view lies between these two extremes. It was expressed well by Democratic Rep. Martin Frost. Both Harpootlian and Daschle are wrong, Frost said. Democrats did indeed have a message. And they articulated it effectively. And a majority of voters didn't like it or them.

After the unpleasantness of 2000, the country appeared evenly split — a national tie between Democrats and Republicans. It is tied no longer. According to nationwide vote totals, the split tilted toward Republicans on Nov. 5, roughly 53 percent to 47 percent.

Frost's account of why this happened is at once profound and painfully obvious: The issue was national security.

"If you are seen by the country as not standing for a strong America, the country

will not listen to you on other issues," Frost said. "We cannot be in a position where the country sees us as somehow contrary to what America needs to be strong. ... They'll never hear anything else we say."

The voters had good reason to wonder. The message conveyed by Democrats came not in paid advertising, slogans and pamphlets but in their behavior — toward the war on Iraq and domestic security.

Consider this unfortunate series of events. The homeland security legislation founded in Congress over whether the department's new federal workers should be unionized — suggesting that Democrats would risk the country's safety to advance the political interest of a valued constituency.

Then House Democrats voted almost 2-to-1 against the resolution authorizing military action against Iraq. While more Senate Democrats supported the war, Daschle gave the resolution only grudging support.

Meanwhile, two prominent Democratic House members ventured to Baghdad to make appeasing gestures to Saddam Hussein. Then Jimmy Carter, Democratic elder statesman and another critic of Bush's policy, won the Nobel Peace Prize — right before one of his signal accomplishments fell apart: North Korea announced it might build nuclear weapons in violation of a Carter-brokered agreement from 1994.

On matters of national security, the face of the Democratic Party in 2002 was quiescent congressmen and Jimmy Carter.

And now the face belongs to new House Minority Leader Nancy Pelosi. She is a skilled and idealistic politician. But her ideals are ill-suited to a country anxious about its self-defense. She opposed the war resolution this fall, needless to say. She voted against the 1991 Gulf War, too — on

the curious grounds that war is bad for the environment.

"While we are gravely concerned about the loss of life from combat in the Persian Gulf War," she said then, announcing her opposition, "the environmental consequences of the war are as important to the people there as the air they breathe and the water they drink."

As the *National Journal* commented at the time: "Pelosi always runs the risk of being positioned on the political fringe."

The risk for Democrats is that their party will remain there with her. The frustration for moderates, as Frost said, is that beyond issues of national security, Democrats are in good standing with the electorate. They have built a coalition of working women, minorities and well-educated professionals. Healthy majorities agree with mainstream Democratic positions on the environment, health care, guns and abortion.

Unfortunately for Democrats, the first priority of the American voter — indeed, the priority that puts all others in the shade — is not getting blown up. Sept. 11 showed even the most pacific Americans that their country has many enemies who will kill them given the chance.

And when it comes to stopping those enemies, they trust President Bush and



CHUCK KENNEDY-KNIGHT RIDDER TRIBUNE

Rep. Nancy Pelosi was elected House Minority Leader Thursday.

Republicans more than Daschle, Carter, Pelosi and the wobbly warriors of the Democratic caucus. A higher minimum wage would be nice, but it doesn't help much if you're dead.

Oddly enough, liberal Democrats have bought into the right-wing caricature of their constituents — that single women, poor minorities, recent immigrants and the fabled "swing voters" are so dazzled by government blandishments that they will happily subordinate their worries over national security.

They won't, which is why the country is no longer tied. Democrats may someday pull even with Republicans again, probably even pull ahead — but not until they understand why American voters broke the tie on Election Day.

Andrew Ferguson is a columnist for Bloomberg News. The opinions expressed are his own.

There's No Business Like Big Business ...

By JOHN SCHACHTER

How come this election year we didn't hear the rallying cry: "It's time to run government like a business"? We've got unbalanced budgets, corruption, scandals and old white guys who won't give up power. Oh, right, our government *is* run like a business.

Fortunately we have the Securities and Exchange Commission to keep everyone honest. Don't disclose what you know, and you're gone. Of course, that was meant for corporate leaders, not the SEC chairman.

Departing Chairman Harvey Pitt was a lightning rod for criticism. Things turned notably sour for Pitt when Sen. Paul Sarbanes, D-Md., called for his resignation. That was a big step for the usually cautious Sarbanes, who also called for an investigation into the alleged Teapot Dome scandal.

Pitt's appointment of William Webster to head the new accounting oversight board raised the greatest stink.

Democratic critics said Webster unfortunately lacked the credentials to lead an accounting board and that his appointment was a total capitulation to big business.

Republicans countered that, fortunately, Webster lacked the credentials to lead an accounting board and that his appointment was a total capitulation to big business.

Pitt finally resigned following a tough investigation of himself by himself. The turning point came when a tenacious Pitt unrelentingly pressed himself with blistering cross-examination. "What did I know, and when did I know it?" he intoned mercilessly until, alas, he could take no more. As he left the building, he remarked to reporters, "Have I no shame?"

"Corporate crime will no longer pay," President Bush said when he signed the corporate reform bill this summer. Fortunately, corporate life continues to pay even more. Many CEOs even get their country club memberships covered. The CEOs insist it's a legitimate expense: Where else can they meet without being bothered by those pesky women and minorities (other than the boardroom)?

The world of corporate America remains a diverse one, open to anyone — whether you're white or Caucasian, rich or filthy rich, male or not female.

But Democrats are wrong if they think all business leaders are on the take. It's just that 99 percent of crooked CEOs give the rest a bad name. Some members of Congress are so incensed about corporate wrongdoing they're pushing for Draconian measures. Crooked CEOs could be forced to marry Mrs. Jack Welch.

The companies in trouble span the spectrum of industries:

- First, there was Enron. Already victims and perpetrators alike are taking advantage. Playboy magazine had its "Women of Enron" issue, with former employees baring all. Stripped of their assets and 401(k)s, discarding their dignity was no big leap. Some men of Enron are likely to pose naked as well (but that's only a small part of prison life).

Corporate crime may no longer pay, but corporate life pays more than ever.

- The CEO of one prominent HMO faces charges of fraud. If convicted, he'll need a referral from another court to appeal the verdict.
- The SEC charged Trump Hotels & Casino Resorts with issuing misleading press releases. If that's a crime, every member of Congress should fear indictment (more than they already do). Trump's company agreed to stop committing such violations — at least, that's what its press release said.

Other issues remain as well. There's the debate over mandating that employers give workers notice before imposing 401(k) "blackouts," periods restricting employees' ability to sell holdings. Liberals howl in protest. They insist they be called 401(k) "outs of color."

And the SEC budget remains a source of contention. Democrats want \$776 million; the White House wants \$568 million. The folks at Arthur Andersen said just split the difference and give them \$37.2 trillion.

Of course, no discussion of corporate scandal is complete without the granddaddy of them all, WorldCom. Several executives at the long-distance carrier face charges of accounting fraud. At the very least, the wrongdoers should get unlimited nights and weekends in prison.

And who could blame the company whistleblowers for asking their superiors, "Can you hear me now?"

John Schachter's humor column appears regularly in The Federal Paper. E-mail: jschachter@fedpaper.com

Get Inside the Business of Lobbying



This week

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- How others have prepared clients for legislative change
- How party changes at the gubernatorial level are expected to impact state-level lobbyists
- Who will (and won't) benefit from leadership switches
- and much more.

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