

In accordance with 28 U.S.C. § 594(h) (1) (B) (1994),¹ the Independent Counsel² (In re: Madison Guaranty Savings & Loan Association) ("Independent Counsel") files this Final Report, together with four appendices, concerning In re: William David Watkins, Div. No. 94-1 (D.C. Cir. [Spec. Div.] March 22, 1996), and In re: Hillary Rodham Clinton, Div. No. 94-1 (D.C. Cir. [Spec. Div.] April 4, 1996) (under seal at the time of filing this Final Report), an investigation more commonly referred to as the "Travel Office" matter.³

¹ On June 30, 1999, the Independent Counsel Reauthorization Act of 1994, 28 U.S.C. §§ 591-99 (1994), expired and Congress did not extend it. The Independent Counsel is authorized, pursuant to 28 U.S.C. § 599 (providing for continuation of pending matters), to issue this Final Report.

² On October 18, 1999, Robert W. Ray was appointed Independent Counsel, pursuant to 28 U.S.C. § 593(e), following the resignation of Independent Counsel Kenneth W. Starr.

³ The Special Division's Order of Referral concerning Mrs. Clinton was originally filed under seal. Because the matters investigated concern allegations that have been widely reported by the news media for some time (see, e.g., Pete Yost, Counsel to File Report on FBI Files, A.P. Online, Mar. 13, 2000 (reporting that subsequent reports "will deal with the role of First Lady Hillary Rodham Clinton in the purge of the White House Travel Office and the Clintons[]" Whitewater dealings"); Toni Locy, Clinton Friend Thomason Loses First Round in Court, Wash. Post, Apr. 27, 1996, at A2 (reporting that the Office of the Independent Counsel "is now investigating Hillary Rodham Clinton's version of the firings, which contradicts the one given by David Watkins, a former White House official")), this Office deems it in the public interest for the referral and report to be disclosed publicly at this time, and has concurrently petitioned the Special Division for such disclosure in accordance with 28 U.S.C. §§ 592(e) & 594(h)(2). Cf. In re: Madison Guaranty Savings & Loan Assoc. (In re: William David Watkins), Div. No. 94-1 (D.C. Cir. [Spec. Div.] Mar. 22, 1996) (granting the Attorney General's request to disclose publicly the application and referral relating to David Watkins as in the public interest because it "concern[ed] allegations that have been widely reported by the news media").

The Travel Office matter, however, is limited to (1) those matters conferred by this Court's March 22, 1996 and April 4, 1996 jurisdictional mandates (namely, whether William David Watkins or First Lady Hillary Rodham Clinton made false statements in violation of federal criminal law to the General Accounting Office or to Congress in connection with the dismissal of seven employees from the White House Telegraph & Travel Office), and 2) those matters arising from prior jurisdictional grants that formed the predicate for expanded jurisdiction (namely, whether Mr. Watkins or Mrs. Clinton made false statements to this Office in violation of federal criminal law or obstructed justice by withholding documents and information related to a November 15, 1993 memorandum prepared by David Watkins regarding