

B. The Evidence of a Relationship Between Mrs. Clinton and Mrs. Livingstone Is Limited to the Insert and Testimony That Mr. Kennedy and Mr. Livingstone Told Others of Such a Relationship.

In February 1993, when Mr. Livingstone became Director of OPS, the FBI conducted a background investigation -- a routine procedure for new federal employees.⁶⁶ One of the agents assisting in the background investigation of Mr. Livingstone was Agent Sculimbrene.⁶⁷ The background investigation of Mr. Livingstone included routine interviews of persons who were in a position to provide information about him, including current and former co-workers, employers, and personal friends.

According to an insert in Mr. Livingstone's background report, Agent Sculimbrene interviewed five persons in connection with Mr. Livingstone's background investigation between March 1 and March 3, 1993, including Mr. Nussbaum. The insert relating to Agent Sculimbrene's interview of Mr. Nussbaum was initialed, but not signed or dated, and there were no underlying notes reflecting the substance of the interview. The relevant paragraph in the insert states, in its entirety:

⁶⁶ When federal employees are hired, a background investigation is conducted to determine their suitability for employment. Executive Order 10450, first adopted by President Eisenhower in 1953, requires background investigations for all federal civilian officers and employees. Executive Order No. 10450, 18 F.R. 2489, 1953 WL 5976 (April 27, 1953).

⁶⁷ In March 1993, FBI Special Agent Dennis Sculimbrene was assigned to the Washington Metropolitan Field Office squad responsible for conducting White House background investigations. Sculimbrene 7/16/96 Int. at 1.

BERNARD NUSSBAUM, Counsel to the President, advised that he has known the appointee for the period of time that he has been employed in the new administration. He had come highly recommended to him by HILLARY CLINTON, who has known his mother for a longer period of time. He was confident that the appointee lives a circumspect life and was not aware of any illegal drug or alcohol problems. He said that the appointee will work at the White House on security matters. He said that in the short period of time that the appointee has worked for him he has been completely satisfied with his performance, conduct and productivity. He recommended the appointee for continued access in his current capacity. (emphasis supplied)

The underlined sentence reflected a statement allegedly made by Mr. Nussbaum to Agent Sculimbrene that Mrs. Clinton recommended Mr. Livingstone highly, and that she has known Mr. Livingstone's mother for a long time. This statement was arguably inconsistent with Mr. Nussbaum's denial before the House Committee on June 26, 1996, that he had ever spoken with Mrs. Clinton regarding hiring Mr. Livingstone and that he did not "know who brought Mr. Livingstone into the White House."⁶⁸

1. Former FBI Special Agent Gary Aldrich Asserted That Mrs. Clinton and Mr. Livingstone Had a Personal Relationship.

In Unlimited Access, a book written by former FBI Special Agent Gary Aldrich, and published in June 1996,⁶⁹ Agent Aldrich referred to a conversation he had with Mr. Kennedy in which Mr. Kennedy solicited his opinion about Mr. Livingstone's suitability

⁶⁸ HCGRO 6/26/96 Hearing at 57 (Nussbaum).

⁶⁹ Agent Aldrich was assigned to the White House between July 4, 1990 and June 1995 where his duties included conducting background investigations of Clinton Administration employees. Aldrich 7/18/96 HCGRO Depo. at 13.

for the OPS position. Agent Aldrich wrote that Mr. Kennedy cut off his responses, saying: "I guess I see your point, but it doesn't matter. It's a done deal. Hillary wants him."⁷⁰ Agent Aldrich made other references in the book to Mr. Livingstone's relationship with the Clintons, including: "Livingstone was extremely close to the Clintons. He would have known Foster and his family well."⁷¹

In an interview with the OIC, Agent Aldrich stated that the conversation with Mr. Kennedy regarding Mr. Livingstone's suitability for employment occurred during a car ride to Washington National Airport in late February or early March 1993.⁷² Agent Aldrich stated that Mr. Kennedy told him that Mr. Livingstone's hiring was a "done deal" because Mrs. Clinton wanted him for the job.⁷³ Although Mr. Kennedy acknowledged riding to the airport with Agent Aldrich, he characterized Agent Aldrich's description as "an absolute fabrication."⁷⁴

⁷⁰ Gary Aldrich, Unlimited Access 36 (1996).

⁷¹ Id. at 78; see id. at 36 (stating that "he was a thirty-something friend of the Clintons").

⁷² Aldrich 10/1/96 Int. at 1-2.

⁷³ Id. at 2; see also Aldrich 7/18/96 HCGRO Depo. at 31-32; but compare Unlimited Access at 60 (where Agent Aldrich does not place discussion with Mr. Kennedy regarding Mr. Livingstone's suitability during car ride to airport).

⁷⁴ Kennedy 9/12/96 GJ at 16; see also Kennedy SJC Int. 9/17/96 at 9 (denying that "anyone ever said to [him] that Mrs. Clinton had any involvement in the hiring of Craig Livingstone

Agent Aldrich also testified that he believed Mr. Livingstone had told him his mother had worked for Mrs. Clinton in Little Rock.⁷⁵ He further recalled Agent Sculimbrene telling him he had heard that Mr. Livingstone's mother knew Mrs. Clinton.⁷⁶ However, Agent Aldrich said that he is certain that he heard there was a connection between Mr. Livingstone's mother and Mrs. Clinton before Agent Sculimbrene told him and that he had probably heard of such a connection from Mr. Livingstone himself.⁷⁷

2. Agent Sculimbrene Told Senate Investigators and the OIG His Understanding Was Derived from Mr. Kennedy and Possibly From Mr. Livingstone Himself.

Like Agent Aldrich, Agent Sculimbrene testified that he discussed Mr. Livingstone's suitability for employment with Mr. Kennedy, after Mr. Kennedy received an interim report identifying suitability issues with Mr. Livingstone's background.⁷⁸ Agent Sculimbrene stated that Mr. Kennedy implied that he was "stuck" with Mr. Livingstone.⁷⁹ In testimony before the Senate, Agent Sculimbrene was uncertain about whether Mr. Kennedy expressly

whatsoever").

⁷⁵ Aldrich 11/25/96 Int. at 4.

⁷⁶ Id. at 5.

⁷⁷ Id.

⁷⁸ Sculimbrene 9/4/96 Int. at 3.

⁷⁹ Id. at 4.

told him that Mrs. Clinton had played a role in the hiring of Mr. Livingstone or whether Mr. Kennedy had merely implied it.⁸⁰ He told Senate investigators that Mr. Kennedy said: "[H]e was stuck with her [sic] because you know who wanted him there, meaning the First Lady."⁸¹ He also repeated the information, attributed to Mr. Nussbaum in the insert, that "Mrs. Clinton is apparently a friend of Craig [Livingstone's] mother."⁸² Despite specifically stating that Mr. Kennedy told him that "Mr. Livingstone got the job because he was connected with Mrs. Clinton,"⁸³ he ultimately concluded that "[p]erhaps I inferred that he was talking about the First Lady, but I think I was correct in my inference" from Mr. Kennedy's statement "you know who wants him there."⁸⁴ Finally, Agent Sculimbrene told Senate investigators that Mr. Livingstone had told him that his mother knew Mrs. Clinton, but that Mr. Livingstone "told me several things that were not true."⁸⁵

In a subsequent interview with the OIC, Agent Sculimbrene stated that he inferred that Mrs. Clinton was responsible for

⁸⁰ Sculimbrene 6/19/96 SJC Depo. at 58-65.

⁸¹ Id. at 59.

⁸² Id. at 60.

⁸³ Id. at 61.

⁸⁴ Id. 63-64.

⁸⁵ Id. at 64.

hiring Mr. Livingstone, and that Mr. Kennedy did not tell him that explicitly.⁸⁶ Mr. Kennedy testified that he never told Agent Sculimbrene that Mrs. Clinton was involved or had an interest in hiring Mr. Livingstone.⁸⁷ In his OIC interview, Agent Sculimbrene felt "pretty sure" Mr. Livingstone told him Hillary Clinton knew his mother, but he did not specifically recall this.⁸⁸

3. Mr. Livingstone Admitted That it Was Possible That He Told Agents Aldrich or Sculimbrene or Others That President and Mrs. Clinton Were Involved in Hiring Him.

In an interview with the OIC, Mr. Livingstone stated that he did not recall ever telling Agent Aldrich or Agent Sculimbrene that the President or Mrs. Clinton played a role in the decision to hire him, but he acknowledged that it is possible that he did so.⁸⁹ Mr. Livingstone told the OIC that he may have told various White House employees that the President and Mrs. Clinton had played a role in the decision to hire him, although he had no recollection of doing so.⁹⁰ When asked to speculate about any basis upon which Agent Sculimbrene could have formed the impression that his mother had a relationship with Mrs. Clinton,

⁸⁶ Sculimbrene 9/4/96 Int. at 2-4.

⁸⁷ Kennedy 9/12/96 GJ at 4.

⁸⁸ Sculimbrene 9/4/96 Int. at 2.

⁸⁹ Livingstone 9/13/96 Int. at 6.

⁹⁰ Id.

Mr. Livingstone relayed that he assisted the President's mother, Virginia Kelly, and her bridge club by arranging transportation in Washington, D.C. during the Inauguration in January 1993.⁹¹

Mr. Livingstone stated that he may have made such statements for two reasons: first, he assumed the President and Mrs. Clinton were involved in hiring decisions;⁹² and, second, he may have told other OPS employees that the President and Mrs. Clinton had placed their confidence in him in an effort to impress upon them the importance of the OPS job and the sensitivity of the information they were charged with protecting.⁹³

C. Mr. Nussbaum Testified That He Was Unaware of a Relationship Between Mrs. Clinton and Mrs. Livingstone Who Also Denied a Personal Relationship.

There is no documentary or other evidence to corroborate the existence of a personal relationship between Mrs. Clinton and Mrs. Livingstone, as suggested by the insert. Mr. Nussbaum testified that he was unaware of such a relationship, and both Mrs. Clinton and Mrs. Livingstone denied that they had such a relationship.

⁹¹ Id. at 5.

⁹² Mr. Livingstone believed that Mrs. Clinton had a direct role in personnel decisions in that she had to "sign off" on all hiring decisions. Id.

⁹³ Id.