

May 3, 1994

Honorable William F. Clinger, Jr.
Ranking Minority Member
Committee on Government Operations
House of Representatives
Washington, D.C. 20515

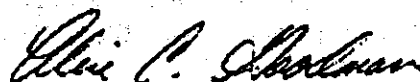
Dear Congressman Clinger:

Thank you for your most recent letter in reference to your request under the Freedom of Information Act for records regarding certain loans made by the failed Sunbelt Savings Association of Texas which subsequently were sold by the Federal Deposit Insurance Corporation.

As eleven members of the Committee on Government Operations have requested the documents pursuant to 5 U.S.C. § 2954, and since none of the documents is subject to the attorney-client privilege, we are making the documents available for review. The documents originally withheld and/or redacted will be released in full to the Committee. Please have your staff contact Mr. Eric Spitler of this Office at 898-3837 to make arrangements for reviewing the documents.

We have notified counsel for Corridor Broadcasting of this request, and he has expressed concern regarding the release of the documents on the grounds that certain of them contain confidential business and financial information. He asserts that public release of such information could cause the firm financial harm and/or place it at a competitive disadvantage. We therefore request that the Committee maintain the released documents in strictest confidence.

Sincerely,



Alice C. Goodman
Director
Office of Legislative Affairs

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Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT OPERATIONS

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April 22, 1994

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MAJORITY—(202) 225-6051
MINORITY—(202) 225-6074

Honorable Andrew Hove
Acting Chairman
Federal Deposit Insurance Corporation
550 Seventeenth Street, N.W.
Washington D.C. 20429

Dear Mr. Hove:

On January 6, 1994, Congressman William F. Clinger, Jr., Ranking Republican on the Committee on Government Operations sent you a Freedom of Information Act (FOIA), 5 U.S.C. § 552, request pertaining to the Sunbelt Savings Association of Texas (Reference: FDIC Log #94-12).

While your staff has been both courteous and timely in responding to that request, some documents that were identified as being responsive to the request have been withheld and many others were heavily redacted citing sections 552(b)(4) through (b)(6) of Title 5 (see attached letters of February 1, March 8 and April 12, 1994). In its present state, the material submitted in response to Mr. Clinger's request is of limited value to our ongoing inquiry. Furthermore, Sec. 552(c) specifies that the exemption section of the Act "is not authority to withhold information from Congress." (See also: Murphy v. Dept. of Army, 613 F.2nd 1151 (1979)).

The Government Operations Committee is the chief investigative committee of the U.S. House of Representatives. It has oversight jurisdiction over all executive agencies and departments, and all independent regulatory agencies. Under House Rule X, clause 1(j), the Government Operations Committee oversees, among other things, the overall economy and efficiency of Government operations and activities.

Pursuant to 5 U.S.C. Sec. 2954, "an Executive agency, on request of the Committee on Government Operations of the House of Representatives, or of any seven members thereof, ...shall submit any information requested of it relating to any matter within the jurisdiction of the committee." Accordingly, we are now requesting that you provide unredacted copies of all documents withheld or previously redacted pursuant to your letters of February 1, March 8, and April 12, 1994.

Honorable Andrew Hove
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We request that you provide this information to the attention of Phil Larsen ((202) 225-9026) in the committee office in Room 511, Ford House Office Building by Monday, April 25, 1994.

Sincerely,

Bill Clinger

Steve Schiff

Chris Cox

Dick Zinn

[Signature]

Bill Zeff

Stephen Horn

Chris Hastert

John McHugh

Rob Fortman

Attachments

CTM



RESOLUTION TRUST CORPORATION

Resolving The Crisis
Restoring The Confidence

October 12, 1994

Honorable William F. Clinger, Jr.
Ranking Minority Member
Committee on Government Operations
House of Representatives
Washington, D.C. 20515

Dear Mr. Clinger:

I am writing in further response to your letter dated September 20, 1994, requesting that the Resolution Trust Corporation (RTC) provide all documents and records related to the failure of Madison Guaranty Savings and Loan ("Madison"). Staff of the RTC and the Office of Thrift Supervision met with you and Congressman Leach on August 7, 1994, to discuss issues raised by your request.

We have reviewed your request and are concerned about the relationship of House Resolution 394, passed on March 22, 1994, which authorized the bipartisan leaders of the House to determine "the appropriate timetable, procedures and forum" for Congressional oversight and hearings with respect to Madison, to your request for documents. Pursuant to House Resolution 394, the bipartisan leadership agreed to have the House Committee on Banking, Finance and Urban Affairs conduct hearings on certain aspects of the Madison investigation, and representatives of the RTC testified at the hearings on August 5, 1994. It is our understanding that further oversight and investigations have been deferred.

The RTC has complied fully with all requests made pursuant to resolutions passed by the House and the Senate. The RTC has provided over 10,000 documents and made available all requested staff for depositions before Majority and Minority counsel of the Senate Banking Committee, interviews with investigators from both the Majority and Minority House Banking Committee staff, and hearings before the House and Senate Banking Committees. The actions taken by both houses of Congress have clearly been structured in an effort not to interfere with ongoing investigative work either in the civil or criminal arena.

We note that many of the records that appear to be included within the scope of your request are integral to the ongoing investigations being conducted by both the RTC and the Office of the Independent Counsel. It is clear that the disclosure of this information at this time poses a risk of seriously undermining

Honorable William F. Clinger, Jr.

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the ongoing investigations. And in fact, the Independent Counsel has advised us by letter dated October 6, 1994, (copy enclosed) that his "ongoing investigation involves the very information, documents and records sought in the letter request, and it is our firm belief that the disclosure by your agency would hinder the investigation" (emphasis added). We respectfully request that you and your colleagues making the request consider modifying the request so that the RTC would disclose only those documents which would not jeopardize ongoing investigations.

We are committed to balancing the need for Congressional oversight with the need to see that the remaining work on investigations is conducted thoroughly and effectively. House Resolution 394 apparently supports this concern since it contains language indicating that Congressional oversight, including hearings, would be "structured and sequenced in such a manner that in the judgment of the Leaders [such hearings] would not interfere with the ongoing investigation of [the Independent Counsel]."

Consequently, we are seeking clarification from the bipartisan leadership as to the relationship between the request you have made on behalf of the Government Operations Committee and the specific procedures that have been established pursuant to House Resolution 394. We are enclosing a copy of our letter to the bipartisan leadership.

In the interim, we are prepared to make available to you any information which can be released at this time while we await the guidance of the bipartisan leadership of the House. Mr. Peter Knight, Director of the RTC's Office of Governmental Relations, would be glad to confer with the staff of the Committee to work out procedures for making this information available.

Sincerely,



John E. Ryan
Deputy and Acting
Chief Executive Officer

Enclosures